

AUDITOR'S REPORT

for the Fiscal Year 2020
(Reporting Period 01.01. – 31.12.2020)

European AIDS Treatment Group e.V.

Copy-Nr.

KLAUS MALENKE UND PARTNER
WIRTSCHAFTSPRÜFER / STEUERBERATER

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**KLAUS MALENKE UND PARTNER
WIRTSCHAFTSPRÜFER**

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GENERAL PART

1. Assignment

The assignment for preparation of the statement 2020 and for auditing the bookkeeping was given by the chairman of the association „European AIDS Treatment Group e.V. (EATG), Mr. Ricardo Fernandes. The assignment is based on the "General Terms of Engagement" of the „Wirtschaftsprüferinstitut“ in the version from January, 1st 2017. The amount of our liability is provided by § 323 Abs. 2 HGB. In relation to third parties Nr. 1 Abs. 2 and Nr. 9 of the "General Terms of Engagement" are authoritative.

My order for the preparation of the statement 2020 covers after this all activities which are required to prepare the engaged statement 2020 due to the books presented to me and stock proofs as well as the information sought to the accounting methods to be used under making of the closing entries. The bookkeeping is the responsibility of the company's management.

Furthermore I also had to judge the bookkeeping underlying the statement 2020 and the inventory by suitable measures on her order moderation.

Object of my order was neither the uncovering and clearing up of criminal facts of the matter, order adversities done such as acts of perfidy or embezzlements and offences made outside the accounting, nor the judgement of the effectiveness and efficiency of the organisation's leadership. I have laid out planning and execution, however, so that those irregularities which are essential for the accounting are uncovered with an adequate safety. The responsibility for the avoidance and the uncovering of irregularities lies with the legal representatives of the organization.

The professional general representation letter was handed over to me without any limitation or supplement and was taken to the records.

The leadership of the organisation confirms that the bookkeeping and the statement 2020 contains each assets, liabilities and delimitation such as all expenditure and profits and necessary informations have been given.

2. Execution of Assignment

The finance accounting, led by the organization by means of personal computer with the help of the program "Kanzlei-Rechnungswesen" of the DATEV e.G., was starting point of the work. For the construction the organization presented the bookkeeping 2020 with pieces of evidence and supplementary documents from which I have derived the annual invoice (according to annex 1).

The preparation of the annual invoice was carried out considering the accounting regulations applying to it including the supplementary principles of order-like bookkeeping.

All information, asked for clearings up and proofs have been furnished by the organisation leadership and the employees named for the information willingly. As informers the organisation leadership named Mrs Marie McLeod.

Type, size and result of the construction actions carried out and are held tight in our working papers as far as not documented in this construction report.

The local auditing works have been done with interruptions in march and april 2021 by Mr Hans-Joachim Wuttke, Dipl.-Bw., and Mr Carsten Köhring, lawyer, Specialist of Tax Law, at the office of the association at Mettmanner Str. 26, 40233 Düsseldorf.

All effort and revenue accounts got a critical examination, subjected to piece of evidence-like samples connectedly.

The transfers posting required by the preparations works were included in a list and submitted to the organization for the own booking.

3. Lawful Standards

– Generals

Association:	European AIDS Treatment Group e.V.
Legal Form:	Registered association
Association Register:	The association is registered in the association register at the official court Düsseldorf under the no. 8542. The first entry was August, 9 th 1993.
Association Constitution:	The constitution was adopted February, 23 rd 1992, changed on June 13 th , 14 th 1998 and last changed on September, 18 th 2020.
Office:	Düsseldorf
Chair:	Ricardo Regalado Fernandes, Lisbon/Portugal
Tax Office:	Düsseldorf-Mitte Tax. no. 133/5906/3920 In April 2020 the fiscal authorities started a taxexamination for the years 2016 until 2018. It was concluded in February 2021 with no statement nor modifications. The last tax-free assessment of 15.10.2019 is thereby final.

Association Bodies:

Association bodies are according to § 3 of the association constitution the assembly of members and the directors.

a) Assembly of Members:

The last ordinary General Assembly was held virtually (no presence) in September, 17th – 20th 2020.

The assembly's protocol was inspected. The size of the association membership increased to 179 members.

b) Board of Directors:

Referring to § 7 association constitution, the directors have to be association members.

Chair:

Ricardo Regalado Fernandes
Lisbon / Portugal

Directors:

Marine Gogia, Vice Chair
Tiflis / Georgia
Benjamin Collins, Treasurer
London / UK
Nyambe Mukelabai, Director
Leeds / UK
Ian James Hodgson, Secretary
Bingley / UK

Internal-Auditor:

For the position of internal auditors in 2020 were elected at the general assembly September 2019 (for two years)

Harriet Langanke, Cologne, as of 26.10.2019

Fatih Egelioglu, Istanbul, as of 26.10.2019

4. Economical Basics

The European AIDS Treatment Group is a network of nationally-based volunteer activists from different countries in Europe. This non-profit association is only carrying out charity work, re regarding the prevention and combatting of the communicable disease aids.

There is confirmation given to the association by the tax office Düsseldorf-Mitte, dated October 15th 2019, to be free of corporate tax and trade tax and to take donations for charity work and to certify it to the donors. The "reservation of later review" for the years 2016 – 2018 concerning § 164 (1) Tax Code was cancelled with notification of Dec 3rd 2020. The next Tax declaration for the years 2019 – 2021 will start in 2022.

5. Bookkeeping and Records System

The bookkeeping system is the „Kanzlei-Rechnungswesen“ by the DATEV e.G. The records system was controlled by samples for their formal and material regularity. Bookkeeping and records system are in the right business form.

6. Explanations to positions of the inventory of property and the account for 2020

The schemes are sufficiently jointed so that further-reaching explanations can be renounced. Only the positions with whom it is in combination with different positions or an explanation is required are explained in the following.

The **member stock** of the organization increased from 177 to 179. The contribution was € 4.950,00.

The **demands** are expelled to nominal values concerning membership subscriptions as well as advances on travelling expenses, salary payments and designed costs on projects.

The **bank-deposits at credit institutions** proved by bank statements are judged to the nominal value.

Costs for event rooms as well as travelling expenses invoices from the year 2020 are essentially the **liabilities** of the organization in the amount of € 711.281,45 (PY: € 1.144.001,71). Furthermore there are tied donations as received deposit in the amount of € 674.772,03 (PY: € 1.078.229,82) expelled here.

Running time of the projects is up to 5 years.

The capital contribution amounts to € 213.369,54 (PY: € 213.727,41).

The cash of the expenses over the surplus is € – 357,87 (Previous Year: The balance of the cash over the expenses € + 30.167,87).

The sum of all donations received in 2020 amounted to € 875.385,29 (PY 1.125.139,73).

The **accounting** is made by the organization itself since the year 2006. The costs being allocated to it of one's own are contained in the areas of personnel expenses and office costs.

The loss 2020 reduces the reserve. At the Annual General Meeting, the accounts for the past fiscal year are approved and, on a proposal from the Board of Directors, the earmarked use of the funds in accordance with the Tax Code for the current and subsequent year is submitted and approved.

7. Result of Audit

Referring to the preparation works I am of the conviction that the statement 2020 includes all cash receipts and expenditures.

Therefore I have certified the account 2020 of the association with the following statement:

**"The account (cash based accounting) for 2020 was set up
by obeying to the law and the statute referring to the
principles of accounting."**

Düsseldorf, 06.04.2021



Günter Nendza
vereid. Buchprüfer / Steuerberater



Account
for the Fiscal Year 2020

	2020	2019
Income		
1. Donations, different	€ 875.385,29	€ 1.125.139,73
2. Membership fees	€ 4.950,00	€ 4.500,00
3. Interest	€ 142,58	€ 307,50
4. Recoverable costs	€ 391,49	€ 4.072,27
5. Other income	€ 16.411,82	€ 39.128,01
	<u>€ 897.281,18</u>	<u>€ 1.173.147,51</u>
Expenses		
1. Depreciation and amortisation of tangible and intangible assets	– € 5.103,11	€ 4.615,27
2. Outside services	– € 209.304,66	€ 256.487,24
3. Rent and associated costs	– € 27.145,56	€ 54.307,46
4. Personnel expenses	– € 440.998,46	€ 299.155,15
5. Event expenses	– € 53.421,13	€ 186.558,63
6. Insurances	– € 6.201,63	€ 8.098,31
7. Postage / courier service	– € 936,78	€ 716,98
8. Telephone / Internet / IT	– € 34.818,53	€ 34.695,66
9. Legal and professional fees	– € 82.556,62	€ 88.216,42
10. Product leasing	€ 0,00	€ 1.077,60
11. Audit fee	– € 13.147,31	€ 9.817,52
12. Additional costs for money transactions	– € 3.482,70	€ 1.656,67
13. Office expenses	– € 2.005,15	€ 4.234,39
14. Travelling expenses	– € 7.864,15	€ 173.557,14
15. Contributions	– € 4.405,00	€ 8.505,00
16. Other expenses	– € 5.306,17	€ 4.548,29
17. Difference in the exchange rates	– € 128,09	€ 187,50
18. Retirement of fixed assets	– € 814,00	€ 6.544,50
	<u>€ 897.639,05</u>	<u>€ 1.129.79,73</u>
Surplus of the expenses over the cash receipts	– € 357,87	€ + 30.167,87

(previous year: Surplus of the cash)

Transition Statement 2020
from the profit and loss statement to the receipts and expenditures statement
referring § 4 (3) EStG

	€	€
profit by fiscal for the account year 2020		- 357,87
+ receivable debts correction 2019		+ 25.011,07
		+ 24.653,20

- receivable debts correction 2020		
- by trade accounts	50,00	
- by advance payments and other receivables	3.600,00	
- by other income	14.201,91	- 17.851,91
		+ 6.801,29

- liabilities correction 2019		- 1.144.001,71
+ liabilities correction 2020		
- by payable trade accounts	25.350,47	
- by member expenses	1.658,62	
- by other liabilities	9.500,33	
- by received advance payment	674.772,03	+ 711.281,45

Surplus in the legal sense of § 4 Abs. 3 EStG		- 425.918,97

State and Utilisation of Funds 2020

	<u>€</u>	<u>€</u>
State January, 1st 2020		+ 1.321.061,05
+ Cash Receipts	+ 897.281,18	
- Expenses	- <u>897.639,05</u>	- 357,87
+ depreciation 2020		+ 5.103,11
- retirement of asset additions		- 2.807,11
+ retirement of asset disposals		+ 814,00
+ debts as per January 1 st 2020	+ 25.011,07	
- debts as per December 31 st 2020	- <u>17.851,91</u>	+ 7.159,16
- liabilities as per January 1 st 2020	- 1.144.001,71	
+ liabilities as per December 31 st 2020	+ <u>711.281,45</u>	- <u>432.720,26</u>
Utilisation of Funds December, 31st 2020		<u>898.252,08</u>
 Balance other deposit, December, 31st 2020		
ING Bank deposit		+ 895.680,02
APO Bank e.G. deposit		+ 1.849,62
petty cash		+ <u>722,44</u>
		<u>898.252,08</u>

European AIDS Treatment Group e.v. (EATG), Düsseldorf

2020

ANALYSIS OF ASSETS FOR THE FISCAL YEAR 2020

			historical year	historical costs	asset disposals	asset additions	end of 2020	end of 2019	depreciation fiscal year
I		Immaterial assets							
1	03.12.2012	Windows 2007 Incl. Server	Dez. 12	1.167,52 €			1,00 €	1,00 €	0,00 €
2	21.11.2019	Windows 10 für BU	Nov. 19	259,00 €			166,00 €	252,00 €	-86,00 €
		sobtotal		1.426,52 €	0,00 €	0,00 €	167,00 €	253,00 €	-86,00 €
		Fixtures furniture and office equipment							
II	3	04.07.2013	PC ACER DT.SLJEH	Jul. 13	499,00 €	-1,00 €	0,00 €	1,00 €	0,00 €
	4	30.01.2014	ACE DT SR 3 EH (GB)	Jan. 14	499,00 €	-1,00 €	0,00 €	1,00 €	0,00 €
	5	07.07.2015	DELL InspironLaptop 7000 S 2 in 1	Jul 15	1.049,01 €		1,00 €	1,00 €	0,00 €
	6	26.08.2015	Samsung S 22C 22Zoll Monitors	Aug 15	813,16 €		1,00 €	1,00 €	0,00 €
	7	26.08.2015	lenovo think centre E 73 PC	Aug 15	1.109,44 €		1,00 €	1,00 €	0,00 €
	8	26.08.2015	lenovo think pad E550 Laptop	Aug 15	1.127,07 €		1,00 €	1,00 €	0,00 €
	9	07.12.2015	Macbook air 11,6 Zoll	Dez 15	999,00 €		1,00 €	1,00 €	0,00 €
	10	15.03.2016	Lenovo thinkpad e550	Mrz 16	1.477,43 €	-1,00 €	0,00 €	1,00 €	0,00 €
	11	24.08.2016	DELL Inspiron 13"	Aug 16	923,23 €		1,00 €	1,00 €	0,00 €
	12	07.03.2017	LENOVO Convertible Yoga 700-14 ISK	Mrz 17	904,62 €	-51,00 €	0,00 €	51,00 €	0,00 €
	13	07.07.2018	MGG Microsoft Surface pro	Jul 18	976,66 €		162,00 €	488,00 €	-326,00 €
	14	07.10.2018	MGG Laptop AIVL DELL	Okt 18	1.302,79 €	-760,00 €	0,00 €	760,00 €	0,00 €
	15	16.12.2018	ABO DELL XPS13	Dez 18	1.114,20 €		357,00 €	728,00 €	-371,00 €
	16	07.02.2019	surface PRO 5th gen tablet	Feb. 19	1.266,64 €		453,00 €	872,00 €	-419,00 €
	17	07.02.2019	DELL 7000 series laptop	Feb. 19	1.440,54 €		520,00 €	1.000,00 €	-480,00 €
	18	07.03.2019	DELL7380 laptop	Mrz. 19	1.523,83 €		592,00 €	1.100,00 €	-508,00 €
	19	07.04.2019	DELL7380 laptop	Apr. 19	1.593,59 €		664,00 €	1.195,00 €	-531,00 €
	20	07.11.2019	DELL7380 laptop	Nov. 19	1.066,81 €		621,00 €	977,00 €	-356,00 €
	21	22.12.2019	DELL7380 laptop	Dez. 19	1.254,83 €		818,00 €	1.237,00 €	-419,00 €
	22	22.12.2019	DELL7380 laptop	Dez. 19	1.254,83 €		818,00 €	1.237,00 €	-419,00 €
	23	31.12.2019	MACBOOK Air 13.3	Dez. 19	1.749,00 €		1.166,00 €	1.749,00 €	-583,00 €
	24	04.03.2020	DELL Inspiron 14" Series 5490 laptop	Mrz. 20	1.268,08 €		915,00 €	0,00 €	-353,08 €
	25	16.12.2020	DELL Inspiron 14" Series 7400 laptop	Dez. 20	1.305,28 €		1.287,00 €	0,00 €	-18,28 €
		sobtotal		26.507,84 €	-814,00 €	2.573,36 €	8.379,00 €	11.403,00 €	-4.783,36 €
III	26	GWG	Low value assets		1,00 €	0,00 €	233,75 €	1,00 €	-233,75 €
		Total: II + III		26.508,84 €	-814,00 €	2.807,11 €	8.380,00 €	11.404,00 €	-5.017,11 €
IV		Total amount		27.935,36 €	-814,00 €	2.807,11 €	8.547,00 €	11.657,00 €	-5.103,11 €

Inventory of Property 2020

	End of year 31.12.2020	End of year 31.12.2019
	€	€
A. Property		
1. Intangible assets	167,00	253,00
2. Fixed assets	8.380,00	11.404,00
3. Demand of contribution, offsettings, other deposit	50,00	2.597,19
4. Security deposit for office rooms	3.600,00	4.199,58
5. Liquidity	898.252,08	1.321.061,05
6. Other Claim	14.201,91	18.214,30
December 31st 2020	<u>924.650,99</u>	<u>1.357.729,12</u>
B. Liabilities		
1. Amounts due to suppliers	25.350,47	52.860,64
2. Liabilities of expense accounts	1.658,62	5.724,45
3. Other liabilities	9.500,33	7.186,80
4. Prepaid donations	674.772,03	1.078.229,82
December 31st 2020	<u>711.281,45</u>	<u>1.144.001,71</u>
C. One's own funds (A – B)		
1. Association's assets	18.766,10	18.766,10
2. Reserves before use	194.961,31	164.793,53
3. Deficit (previous year: Surplus)	– 357,87	30.167,78
	<u>213.369,54</u>	<u>213.727,41</u>
Total amount of capital assets	<u>924.650,99</u>	<u>1.357.729,12</u>
Development of Reserves		
Loss (previous year: Surplus)	– 357,87	+ 30.167,78
Initial reserves	+ 194.961,31	+ 164.793,53
Remaining reserves	<u>+ 194.603,44</u>	<u>+ 194.961,31</u>

BASIC - Budget 2021

The profit of the year 2019 increases the reserve. Ensuing the budget 2021 created and submitted by the Association GA is presented.

Income	€
	<hr/> 1.042.850,00
- core funding by expected donations (estimated)	<hr/>
Total:	<hr/> 1.042.850,00 <hr/>

SCIENTIFIC RESEARCH

ECAB (HIV & Hepatitis) & consultations	134.941,00	
Tuberculosis	6.300,00	
		141.241,00

POLICY AND ADVOCACY

Transversal Policy work		
		3.425,00

INITIATIVES

STEPS	3.839,00	
Civil Society Forum Initiative with AAE	8.400,00	
		12.239,00

PROJECTS

EmERGE	7.200,00	
EHVA	6.766,00	
Mental Health, Well-being and HIV	125.966,00	
Patient Academy on Therapeutic Innovation "EUPATI"	4.680,00	
HIVACAR	18.333,00	
STEP UP Training Academy 2019-2021	120.771,00	
EU-Pearl	13.750,00	
EATRIS Plus	13.750,00	
		311.216,00

BASIC - Budget 2021**sheet 2****Participation & Representation**

Members' External Representation	6.850,00	
Staff External Representation	6.850,00	
		13.700,00

INSTITUTIONAL MEMBERSHIPS

Partner Organisation Membership fees		
		10.385,00

COMMUNICATIONS

Website content management (external news)	6.741,00	
Content production	8.220,00	
Website – social media – hosting	2.329,00	
Translations	321,00	
IT support	2.740,00	
		20.351,00

ORGANISATIONAL DEVELOPMENT

Quality of Life Programme – General Budget	1.370,00	
Combination – Prevention Programme – General Budget	1.370,00	
Partners in Science Programme – General Budget	1.370,00	
Staff Training	6.165,00	
		10.275,00

AUDITS

Internal	5.480,00	
External	15.070,00	
		20.550,00

SUPPORT & ADVICE

Legal Advice	685,00	
Development and Membership Advisory Group	685,00	
Ombudspersons	685,00	
		2.055,00

DATA PROTECTION

General		685,00
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GOVERNANCE

General Assembly	20.550,00	
Board of Directors	6.850,00	
		27.400,00

FUNDRAISING

Fundraising and Finance Committee		6.850,00
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ADMINISTRATION

Office team and overheads	461.094,00	
Recruiting an HR	1.370,00	
		462.464,00

TOTAL		1.042.836,00
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Surplus 2021 (provisionally)	<u>14,00</u>
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