



## INDEPENDENT AUDITOR'S REPORT

TO: BOARD OF DIRECTORS

THE CENTER "HAND TO HAND AGAINST NATION APATHY"-  
"H.A.N.A."

LEZHË

### Opinion

We have audited the financial statements of the Center "**Hand to Hand Against Nation Apathy**"-"H.A.N.A.", including the statement on its financial position as at 31 December 2023, the statement of income and use of funds, the statement of cash flows for the year ended with this date, as well as notes to the financial statements, including a summary of the most important accounting policies.

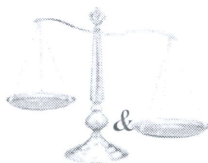
In our opinion, the attached financial statements present, in all material respects, the financial position of the Center "**Hand to Hand Against Nation Apathy**"-"H.A.N.A." as at 31 December 2023, as well as the financial performance and cash flows for the year closes on this date, in accordance with National Accounting Standards (NAS).

### Basis for the Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under these standards are described in more detail in the report section where the auditor's responsibilities for the financial statements are given. We are independent of the organization, in accordance with the ethical requirements that are applicable to the audit of financial statements in the Republic of Albania, and we have fulfilled other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

SHOQËRIA AUDITUESE  
*Audit, Consulting*



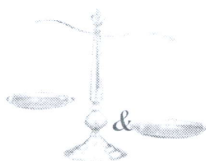
ACA MARGJEKA SH.P.K.  
*Auditing Company*

OTHER RELEVANT INFORMATION FROM THE FINANCIAL STATEMENTS AND  
THE AUDITOR'S REPORT ON THE CENTER'S EXPLANATORY NOTES

**"HAND TO HAND AGAINST NATION APATHY- H.A.N.A"**

**EXECUTIVE DIRECTOR, Mrs.BESMIRA LEKAJ**

- The Center **"Hand to Hand Against Nation Apathy"- "H.A.N.A."**, is a non-profit organization operating in accordance with law no.8788, dated 07.05.2001 "On non-profit organizations".
- This organization is registered with the Judicial District Court, Tirana, as well as at the Regional Tax Directorate, Tirana with NIPT L87818571F.
- The Center's general purpose financial statements have been prepared and presented in accordance with the National Accounting Standards (NAS), as amended, and the requirements of the Law on Accounting and Financial Statements.
- The financial statements have been prepared on the basis of the historical cost principle, combining it with elements of other methods.
- Cash includes cash and bank cash as well as current accounts.
- Cash flows consist of cash inflows and outflows and cash equivalents.
- Long-Term Financial Assets (LTFAs) are recognized as an asset only if: the asset is controlled by the organization, it is possible that future economic benefits from the use of the asset are received and the cost of the asset can be measured reliably.
- In the statement of financial position, an item of LTFAs is presented at cost less accumulated depreciation and any accumulated impairment losses. The institute has no LTFAs.
- Revenues and expenses are recognized in the accounting for the rights ascertained.
- Expenses are recognized in the income statement when the expense has been incurred and the company expects to be active in repaying it in the future. The Institute applies the principle of comparing income with expenses within the same accounting period.
- The balance reflects the unpaid invoices for the services that the company has delivered during the accounting period, as well as the debt balances in relation with its suppliers.
- The financial statements of the Center **"Hand to Hand Against Nation Apathy"- "H.A.N.A."**, are presented in Albanian currency (Albanian LEK - ALL), which is the functional currency of the Institute.
- Financial information is provided in Albanian Lek.



- Recognition of resources and use of funds; financial resources for the year ended 31.12.2023
- Foreign currency transactions are recorded at the exchange rate of the day of the transaction.
- Monetary assets and liabilities denominated in foreign currencies were translated at the exchange rate of the Bank of Albania at the end of the year.
- Cash includes cash on hand, current accounts and cash deposits with banks, which have a maturity of less than one year.
- The main expenses consist of supplies, sub-treatments and services from third parties, as well as staff expenses such as: salary, social and health insurance contributions, etc.
- Profit tax. The Center **"Hand to Hand Against Nation Apathy"- "H.A.N.A."** is a non-profit institute, as such the Center does not pay profit tax.
- The Center **"Hand to Hand Against Nation Apathy"- "H.A.N.A."** respects the provisions of law 8438, dated 28.12.1998 "On Income Tax in the Republic of Albania" regarding personal income tax and withholding tax.
- Insurance contributions. The Center **"Hand to Hand Against Nation Apathy"- "H.A.N.A."** pays contributions for pensions and social and health insurance for its employees, as provided in Albanian legislation.
- No significant events occurred after the date of approval of the financial statements.
- The financial statements for 2023 have been prepared and presented in accordance with the National Accounting Standards.
- Verification of information. The documents and other materials of accounting and financial nature that we found and were made available to us by the staff responsible for maintaining the accounting of the The Center **"Hand to Hand Against Nation Apathy"- "H.A.N.A."**.

At the conclusion of the verifications and controls carried out by us, we consider that the financial statements of The Center **"Hand to Hand Against Nation Apathy"- "H.A.N.A."** present a true and honest picture of the financial situation at the end of 2023, the activities and activities of as well as cash flows for the financial year 2023 are presented in accordance with law 25/2018 "On Accounting and Financial Statements", law 8788 dated 07.05.2001 "On non-profit organizations", as amended, as well as National Accounting Standards (NAS) .





## **Responsibilities of management and persons in charge of relation to the financial statements**

The management of The Center "Hand to Hand Against Nation Apathy"- "H.A.N.A." is responsible for the preparation and fair presentation of these financial statements in accordance with National Accounting Standards. This responsibility includes: designing, implementing and maintaining appropriate internal control over the fair presentation of the financial statements free from material misstatements caused by fraud or error, selecting and applying appropriate accounting methods, and performing accounting estimates that are reasonable in the circumstances.

In preparing the financial statements, the management is responsible for assessing the ability of the NGO to continue on an ongoing basis, providing information, if applicable, on matters relating to continuity and using the accounting principle of continuity in addition to the case when the management intends to liquidate the NGO or stop the activities, or if there is no other real alternative than the above.

The persons in charge of the overall management are responsible for overseeing the NGO's financial reporting process.

## **Auditor's Responsibilities for Auditing Financial Statements**

Our objectives are to obtain reasonable assurance on whether the financial statements as a whole are free from material misstatements due to fraud or error, and to issue an audit report that includes our opinion. The assurance we provide as per the above is a high level of assurance, but it is not a guarantee that an audit performed in accordance with International Standards on Auditing (ISAs) will always identify a material misstatement when it exists.

Anomalies that may arise as a result of error or fraud are considered material if, individually or in combination, they are expected to reasonably influence the economic decisions of users based on these financial statements.

A more detailed description of the auditor's responsibilities for auditing financial statements can be found on the website of the Institute of Certified Public Accountants on the web: [www.iekka.al](http://www.iekka.al). This description forms part of our audit report.

Auditing Company "ACA MARGJEKA" SH.P.K  
(Audit, Consulting & Accounting Company)

Auditing Partner

Shkelzen MARGJEKA, Legal Audit



Tirana, 22.05.2024