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Havneholmen 29  
DK-1561 Copenhagen V  
CVR no. 20 22 26 70

## **DANISH PEOPLE'S AID**

### **ANNUAL REPORT**

**1 JANUARY TO 31 DECEMBER 2020**

This document is an unofficial translation of the original Danish text, and in case of any discrepancy between the Danish text and the English translation, the Danish text shall prevail.

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**INFORMATION ABOUT THE ORGANISATION**

<b>Organisation</b>	Danish People's Aid Brovejen 4 DK-4800 Nykøbing F
	Telephone +45 70 22 02 30
	Telefax +45 70 22 03 34
	Website <a href="http://www.folkehjaelp.dk">www.folkehjaelp.dk</a>
	CVR no. 20 55 34 13
	Formation 31 July 1907
<b>Board</b>	Reg. office Municipality of Guldborgsund
	Financial Year 1 January to 31 December
	Thomas Egesborg Pedersen, Chairman
	Morten Lynggaard Jensen, Vice-chairman
	Heidi Steensgaard Jensen
	Maiken Juul Nysom Pedersen
<b>Day-to-Day Management</b>	Jette Videnkjær
	Erik Sørensen
	Preben Pedersen
	Svend Aage Hansen
	Carl-August Paulsen
	Thomas Egesborg Pedersen, Chairman
<b>Auditor</b>	Morten Lynggaard Jensen, Vice-chairman
	Klaus Nørlem, Secretary General
	BDO Statsautoriseret revisionsaktieselskab
	Havneholmen 29
	DK-1561 Copenhagen V
	Arbejdernes Landsbank
<b>Bank</b>	Langgade 32
	DK-4800 Nykøbing F

## STATEMENT BY BOARD OF DIRECTORS AND DAY-TO-DAY MANAGEMENT

The Board and the Day-to-Day Management have today discussed and approved the Annual Report for the year 1 January to 31 December 2020 of Danish People's Aid.

The Annual Report is presented in accordance with generally accepted accounting principles, and ministerial order no. 1701 of 21 December 2010 on financial and administrative conditions for recipients of operating grants from the Ministry of Culture Denmark, chapters 4 and 6.

In our opinion, the Financial Statements give a true and fair view of the financial position at 31 December 2020 of the Organisation and of the results of the Organisation's operations for the financial year 1 January to 31 December 2020.


The Management's Review includes in our opinion a fair presentation of the matters dealt with in the Review.

The Annual Report is submitted for adoption by the Annual Meeting.


As regards the above Statement by the Board and Day-to-Day Management on the aggregate Financial Statements, we declare that the collections made by Danish People's Aid in 2020 were made in accordance with the rules of the Fundraising Act and the relevant ministerial order no. 160 of 26 February 2020 on fundraising and in accordance with the notification submitted to the Danish Fundraising Board.

Nykøbing F, 29 June 2021


### Day-to-Day Management:

  
 Thomas Egesborg Pedersen  
 Chairman

  
 Morgen Lynggaard Jensen  
 Vice-Chairman

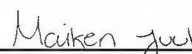
  
 Klaus Nørlem  
 Secretary General

### Board:


  
 Thomas Egesborg Pedersen  
 Chairman

  
 Morgen Lynggaard Jensen  
 Vice-Chairman

  
 Heidi Steensgaard Jensen

  
 Maiken Juul Nysom Pedersen

  
 Jette Videnkjaer

  
 Erik Sørensen

  
 Preben Pedersen

  
 Svend Aage Hansen

  
 Carl-August Paulsen

## INDEPENDENT AUDITOR'S REPORT

*To the Management of Danish People's Aid (Danish People's Aid)*

### AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS

#### Qualified Opinion

We have audited the Financial Statements of Danish People's Aid for the financial year 1 January to 31 December 2020, which comprise the income statement, balance sheet, notes, and a summary of significant accounting policies. The Financial Statements are prepared in accordance with generally accepted accounting principles, which are described at pages 21 to 22 under Accounting Policies, and ministerial order no. 1701 of 21 December 2010 on financial and administrative conditions for recipients of operating grants from the Ministry of Culture Denmark, chapters 4 and 6.

In our opinion, except for the possible effects of the matter described below, the Financial Statements give a true and fair view of the Organisation's assets, liabilities and financial position at 31 December 2020 and of the results of the Organisation's activities for the financial year 1 January to 31 December 2020 in accordance with generally accepted accounting principles, and ministerial order no. 1701 of 21 December 2010 on financial and administrative conditions for recipients of operating grants from the Ministry of Culture Denmark, chapters 4 and 6.

#### Basis for Qualified Opinion

Income and expenses from the Organisation's local chapters are recognised, according to the Accounting Policies, on the basis of internal financial statements received from each chapter. We have not audited the income and expenses from the Organisation's chapters.

Income and expenses from consortiums relate to DACAAR and are due to Covid-19 based on non-audited internal financial reporting which therefore are not included in our audit.

We conducted our audit in accordance with International Standards on Auditing (ISAs), generally accepted public administration auditing standards (SOR), and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of the Organisation in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these rules and requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Management's Responsibilities for the Financial Statements

Management is responsible for the preparation of Financial Statements that give a true and fair view in accordance with generally accepted accounting policies, and ministerial order no. 1701 of 21 December 2010 on financial and administrative conditions for recipients of operating grants from the Ministry of Culture Denmark, chapters 4 and 6. Management is also responsible for such internal control as Management determines is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, Management is responsible for assessing the Organisation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the Financial Statements unless Management either intends to liquidate the Organisation or to cease operations, or has no realistic alternative but to do so.

## INDEPENDENT AUDITOR'S REPORT

### Auditor's Responsibilities for the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs, generally accepted public administration auditing standards (SOR), and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

As part of an audit conducted in accordance with ISAs, generally accepted public administration auditing standards (SOR), and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organisation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the Financial Statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Organisation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Organisation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that gives a true and fair view.

The audit includes also assessing whether business processes and internal controls are implemented to support that the transactions described in the Financial Statements are in agreement with appropriations granted, legislation and other regulations.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

## INDEPENDENT AUDITOR'S REPORT

### Statement on Management's Review

Management is responsible for the Management's Review.

Our opinion on the Financial Statements does not cover the Management's Review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read the Management's Review and, in doing so, consider whether the Management's Review is materially inconsistent with the Financial Statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

It is also our responsibility to assess whether the Management's Review contains the information required according to generally accepted accounting principles, and ministerial order no. 1701 of 21 December 2010 on financial and administrative conditions for recipients of operating grants from the Ministry of Culture Denmark, chapters 4 and 6.

Based on the work we have performed, we conclude that the Management's Review is in accordance with the Financial Statements and prepared in accordance with generally accepted accounting principles, and ministerial order no. 1701 of 21 December 2010 on financial and administrative conditions for recipients of operating grants from the Ministry of Culture Denmark, chapters 4 and 6. We did not identify any material misstatement of the Management's Review.

## STATEMENT ACCORDING TO OTHER LEGISLATION AND REGULATION

### Statement on Legal-critical Audit and Management Audit

It is the responsibility of Management that the transactions described in the financial reporting are in agreement with appropriations granted, legislation and other regulations, as well as contracts entered into and common practice, and that due economic considerations have been taken in the management of the funding and the operation of the activities stated in the Financial Statements.

In connection with our audit of the Financial Statements it is our responsibility, according to generally accepted public administration auditing standards, to select relevant items for a legal-critical audit and management audit. In a legal-critical audit, we verify with a reasonable degree of assurance with respect to the selected items that the transactions covered by the financial reporting are in agreement with appropriations granted, legislation and other regulations, as well as contracts entered into and common practice. In a management audit, we verify with a reasonable degree of assurance whether the examined systems, processes or transactions support due economic considerations in the management of the funds and the operation of the activities stated in the Financial Statements.

If, on the basis of our audit, we conclude that there is reason to make material critical comments, we will report hereon.

We have no material critical comments to report.

Copenhagen, 29 June 2021

BDO Statsautoriseret revisionsaktieselskab  
CVR no. 20 22 26 70



Henrik Brünings  
State Authorised Public Accountant  
Mne no. 3106

## MANAGEMENT'S REVIEW

FINANCIAL HIGHLIGHTS *)	2020 DKK ('000)	2019 DKK ('000)	2018 DKK ('000)	2017 DKK ('000)	2016 DKK ('000)
<b>Revenue-generating activities</b>					
Collected private funds .....	66,259	56,810	51,893	53,577	54,572
Collected public funds .....	38,321	37,788	34,737	37,207	29,939
Income from own activities .....	5,474	6,924	6,237	6,763	7,287
<b>Income from revenue-generating activities, total .....</b>	<b>110,054</b>	<b>101,522</b>	<b>92,867</b>	<b>97,547</b>	<b>91,798</b>
Costs of revenue-generating activities ..	-2,528	-3,124	-2,657	-2,797	-3,862
<b>Results of revenue-generating activities .....</b>	<b>107,526</b>	<b>98,398</b>	<b>90,210</b>	<b>94,750</b>	<b>87,936</b>
Administration costs .....	-4,146	-5,101	-4,355	-5,109	-5,842
Financial income .....	423	2,069	16	1,331	530
Financial expenses .....	-35	-381	-488	0	-154
<b>Results before specific-purpose activities .....</b>	<b>103,768</b>	<b>94,985</b>	<b>85,383</b>	<b>90,972</b>	<b>82,470</b>
Specific-purpose activities .....	-102,865	-92,215	-84,301	-88,433	-80,771
<b>Results for the year .....</b>	<b>903</b>	<b>2,770</b>	<b>1,082</b>	<b>2,539</b>	<b>1,699</b>
<b>Balance sheet total .....</b>	<b>78,670</b>	<b>72,692</b>	<b>62,706</b>	<b>58,251</b>	<b>47,728</b>
<b>Equity .....</b>	<b>27,386</b>	<b>27,382</b>	<b>27,312</b>	<b>27,231</b>	<b>24,691</b>
<b>Key figures</b>					
Profit ratio from collections, etc. ....	97.7	96.9	97.1	97.1	95.8
Administration percentage .....	3.8	5.0	4.7	5.2	6.4
Purpose percentage .....	93.5	90.8	90.8	90.7	88.0
Security margin .....	25.0	27.3	29.9	28.3	27.3
Solvency ratio .....	34.8	37.6	43.5	46.7	51.7

Key figures	Calculation formula	Key figures reflect
Profit from collections, etc.	<b>Results of revenue-generating activities * 100</b> Income from revenue-generating activities	Profit margin from collections, etc. shows the share of the funds recognised as income, which remains after deduction of the costs that can be directly related to the generation of the income.
Administration percentage	<b>Administration costs * 100</b> Income from revenue-generating activities	The administration percentage shows the share of the Organisation's total income used for administration, etc.
Purpose percentage	<b>Costs of specific-purpose activities * 100</b> Income from revenue-generating activities	The purpose percentage shows the share of the Organisation's total income used for specific-purpose activities
Security margin	<b>Equity * 100</b> Total costs of revenue-generating, specific-purpose general activities	The security margin reflects the degree to which equity at end of the financial year can cover the Organisation's costs
Solvency ratio	<b>Equity * 100</b> Balance total	The solvency ratio reflects the Organisation's financial strength

\*) The financial highlights do not include consortium activities.



## MANAGEMENT'S REVIEW

Danish People's Aid left 2020 with a total revenue of a round sum of DKK 229 million, corresponding to the revenue level of the preceding year. The financial year showed an aggregate increase in all the Organisation's activities, including the national social area and the international area. However, we note a decrease in training activities within the prevention and first aid areas, and in the Organisation's asset management, which is in no way a surprise after a year with lockdown of several activities and not least instability in the financial market.

The Financial Statements for 2020 show positive results of almost DKK 1 million. The result for the year is satisfactory to Danish People's Aid considering it was a year which was and still is affected by COVID-19.

Besides the general depreciations which remain at a conservative level, the profit is transferred to the Organisation's disaster fund at a total amount of DKK 0.9 million. During the financial year, there has been an extraordinarily high withdrawal of funds from the Organisation's own disaster fund in connection with several COVID-19 activities in, for example, Afghanistan and East Africa. The remaining funds are transferred to the Organisation's equity.

As regards Danish People's Aid's asset investments we note, after good results in 2019, a decrease in our asset management. Despite a small return on the asset management, this is considered satisfactory. For several months of 2020, we had the prospects of a huge loss on our investments in bonds and shares. Fortunately, this was warded off in the last months of the year.

A review of the Financial Statements for 2020 shows the following key figures: In the regular income areas we note a major decrease in sale of courses to businesses and training course material within the first-aid area. COVID-19 has played a key role as a great many courses were cancelled during the financial year. Income from membership fees fell by a relatively small amount and we assume also here that COVID-19 has played a key role. Several Danish organisations report major losses on their income from membership fees. The income from Danske Spil decreased by DKK 0.5 million. Unfortunately, Danish People's Aid expects that this specific income area will decrease over the coming years because more associations and organisations apply for the pool of funds, which will not receive additional funding.

The income of the National Department, compared to Danish People's Aid's own projects and activities, shows a total growth of DKK 10 million. The income in the Organisation's local chapters decreases by DKK 1 million, a decrease which is also put down to COVID-19.

The income of the International Department increases similarly in relation to the Organisation's own activities by a total amount of DKK 1 million. Our consortium cooperation in Afghanistan shows a decrease in revenue of a total amount of DKK 10 million.

On the expense side, Danish People's Aid's general costs relating to revenue-generating activities and administration costs decrease from DKK 8.2 million in 2019 to DKK 6.6 million in 2020. In a year affected by COVID-19, we have been reluctant to fill in vacancies because there were many unknown economic factors for a long period of 2020, which played a role and still does.

Our practice for compiling our Financial Statements has been slightly adjusted, so that going forward it will be possible to compare the Organisation's financial highlights over a five-year period. This should contribute to a better understanding of our Financial Statements and give a better survey of how the Organisation's income and expense level develops. Thus, the survey also gives a more accurate view of the Organisation's current administrative percentage in 2020 of a total of 3.8 percent.

The Organisation's equity is a round sum of DKK 27 million, which generally is reasonable in view of the Organisation's total revenue. The economy of Danish People's Aid continues to be sound and the level of the Organisation's equity matches the obligations and financial risks that the Organisation assumes through project and activity liabilities. Material risks are associated with working in fragile states throughout the world, and we foresee losses due to COVID-19 in several areas in the financial year 2021.

**MANAGEMENT'S REVIEW**

We thank BDO for a good collaboration in connection with the preparation of the Financial Statements for 2020. Like earlier, the Organisation's Financial Statements have again been approved. As has been the case earlier, the accounts of the local chapters are subject to qualification as practice has always been that they are audited by auditors appointed by the local chapters.

# INCOME STATEMENT 1 JANUARY - 31 DECEMBER

	Note	2020 DKK	2019 DKK ('000)
Membership fees.....		2,175,786	2,242
Training material, etc. ....		522,500	727
Training courses and projects .....		1,464,002	2,337
Football Pool and National Lottery .....		1,715,544	2,382
Donors .....		573,533	568
Income, operating equipment .....		738,398	1,051
		<b>7,189,763</b>	<b>9,307</b>
Retained from 2019 .....	7	10,304,127	7,701
Income 2020, chapters.....		3,819,410	4,995
Collected funds 2020.....	7	52,135,708	44,114
<b>National projects</b> .....		<b>66,259,245</b>	<b>56,810</b>
Retained from 2019 .....	8	12,899,350	11,339
Collected funds 2020.....	8	23,707,028	24,067
<b>International projects</b> .....		<b>36,606,378</b>	<b>35,406</b>
Consortiums .....	3	119,129,424	128,845
<b>Consortiums</b> .....		<b>119,129,424</b>	<b>128,845</b>
<b>INCOME TOTAL</b> .....		<b>229,184,810</b>	<b>230,368</b>
Costs of revenue-generating activities.....	1	-2,528,288	-3,124
Administration costs .....	2	-4,146,471	-5,101
		<b>-6,674,759</b>	<b>-8,225</b>
Spending 2020 .....	7	-46,557,952	-41,511
Chapters 2020 .....		-3,819,410	-4,995
Carried forward to 2021 .....	7	-15,881,883	-10,304
<b>National projects</b> .....		<b>-66,259,245</b>	<b>-56,810</b>
Spending 2020 .....	8	-25,979,583	-22,507
Carried forward to 2021 .....	8	-10,626,795	-12,899
<b>International projects</b> .....		<b>-36,606,378</b>	<b>-35,406</b>
Consortiums .....		-119,129,424	-128,845
<b>Consortiums</b> .....	3	<b>-119,129,424</b>	<b>-128,845</b>
<b>EXPENSES TOTAL</b> .....		<b>-228,669,806</b>	<b>-229,286</b>
<b>PROFIT BEFORE FINANCIAL INCOME/EXPENSES</b> .....		<b>515,004</b>	<b>1,082</b>

# INCOME STATEMENT 1 JANUARY - 31 DECEMBER

	Note	2020 DKK	2019 DKK ('000)
<b>PROFIT BEFORE FINANCIAL INCOME/EXPENSES .....</b>		<b>515,004</b>	<b>1,082</b>
Financial income.....		423,034	2,069
Financial expenses .....		-34,881	-381
<b>PROFIT FOR THE YEAR.....</b>		<b>903,157</b>	<b>2,770</b>
<b>PROPOSED PROFIT ALLOCATION</b>			
Provision for disaster fund .....		900,000	1,000
Provision for national projects .....		0	1,000
Provision for required reconditioning, main office.....		0	700
Retained earnings .....		3,157	70
<b>TOTAL.....</b>		<b>903,157</b>	<b>2,770</b>

# BALANCE SHEET AT 31 DECEMBER

ASSETS	Note	2020 DKK	2019 DKK ('000)
Property, Nykøbing F.....	4	6,578,561	6,817
Operating equipment .....	5	1,396,747	672
<b>Tangible fixed assets.....</b>		<b>7,975,308</b>	<b>7,489</b>
Other securities.....		23,205,377	22,782
<b>Fixed asset investments.....</b>		<b>23,205,377</b>	<b>22,782</b>
<b>FIXED ASSETS .....</b>		<b>31,180,685</b>	<b>30,271</b>
Inventories .....		307,895	260
Other receivables.....		5,275,635	5,202
Other securities.....		1,000	1
<b>Other current assets .....</b>		<b>1,000</b>	<b>1</b>
Cash .....	6	41,904,860	36,958
<b>CURRENT ASSETS .....</b>		<b>47,489,390</b>	<b>42,421</b>
<b>ASSETS .....</b>		<b>78,670,075</b>	<b>72,692</b>

# BALANCE SHEET AT 31 DECEMBER

<b>EQUITY AND LIABILITIES</b>	<b>Note</b>	<b>2020 DKK</b>	<b>2019 DKK ('000)</b>
Balance at 1 January .....		27,382,456	27,117
Support certificates transferred to distributable equity .....		0	195
Retained earnings .....		3,157	70
<b>EQUITY .....</b>		<b>27,385,613</b>	<b>27,382</b>
National projects .....	7	15,881,883	10,304
International projects.....	8	10,626,794	12,899
Provision for self-financing of activities and projects .....		3,177,009	3,977
<b>PROVISION FOR LIABILITIES .....</b>		<b>29,685,686</b>	<b>27,180</b>
Mortgage debt, Brovejen 4, Nykøbing F. ....		6,704,695	6,695
Holiday pay for freezing .....		1,160,993	362
<b>Non-current liabilities .....</b>		<b>7,865,688</b>	<b>7,057</b>
Debt to banks .....		6,287	218
Calculated holiday pay, salaried staff.....		452,599	890
Other debt .....		13,274,202	9,965
<b>Current liabilities .....</b>		<b>13,733,088</b>	<b>11,073</b>
<b>LIABILITIES .....</b>		<b>21,598,776</b>	<b>18,130</b>
<b>EQUITY AND LIABILITIES .....</b>		<b>78,670,075</b>	<b>72,692</b>
 Collections according to ministerial order no. 160 of 26 February 2020 on fundraising, etc.	9		
Contingencies, etc.	10		
Charges and securities	11		
Specification of grants, CISU	12		

## NOTES

	2020 DKK	2019 DKK ('000)	Note
<b>Costs of income-generating activities</b>			<b>1</b>
Training course material, etc.....	531,956	652	
Training courses and projects .....	1,566,672	1,921	
Folkehjælpsbladet (People's Aid Magazine).....	31	30	
Expenses, operating equipment.....	152,916	258	
Depreciation and amortisation .....	276,713	263	
	<b>2,528,288</b>	<b>3,124</b>	
<b>Administration costs</b>			<b>2</b>
Staff costs.....	10,193,392	9,280	
Payroll costs transferred to projects .....	-5,438,102	-5,378	
Administration costs .....	1,800,516	2,367	
Entertainment, travels and meeting expenses .....	186,709	291	
Property expenses .....	736,851	898	
Depreciation and amortisation .....	238,777	239	
Loss on bad debts.....	-1,004	4	
Contributions to administration.....	-2,491,405	-2,060	
VAT compensation.....	-1,079,263	-540	
	<b>4,146,471</b>	<b>5,101</b>	
<b>Consortiums</b>			<b>3</b>
DACAAR, consortium share 100% .....	-119,129,424	-128,845	
	<b>-119,129,424</b>	<b>-128,845</b>	
<b>Tangible fixed assets</b>			<b>4</b>
		Brovejen 4, Nykøbing F	
Cost at 1 January 2020 .....		13,311,939	
Cost at 31 December 2020 .....		<b>13,311,939</b>	
Depreciation at 1 January 2020 .....		6,494,601	
Depreciation of the year .....		238,777	
Depreciation at 31 December 2020.....		<b>6,733,378</b>	
Carrying amount at 31 December 2020.....		<b>6,578,561</b>	

## NOTES

	2020 DKK	2019 DKK ('000)	Note
<b>Operating equipment</b>			<b>5</b>
Cost at 1 January 2020.....	4,210,704	4,079	
Additions .....	1,699,426	131	
Disposals .....	-1,469,922	0	
<b>Cost at 31 December 2020 .....</b>	<b>4,440,208</b>	<b>4,210</b>	
Depreciation at 1 January 2020 .....	3,538,419	3,274	
Depreciation of the year.....	307,462	264	
Reversed depreciation of assets sold.....	-802,420	0	
<b>Depreciation at 31 December 2020 .....</b>	<b>3,043,461</b>	<b>3,538</b>	
<b>Carrying amount at 31 December 2020 .....</b>	<b>1,396,747</b>	<b>672</b>	
<b>Cash and cash equivalents</b>			<b>6</b>
Distributable funds .....	20,196,004	14,660	
Non-distributable funds.....	21,708,856	22,298	
	<b>41,904,860</b>	<b>36,958</b>	

The Organisation's cash and cash equivalents include an amount of DKK ('000) 21,709 which has been blocked in favour of external business partners.

<b>National projects in progress</b>							<b>7</b>
	Balance start of year	Income of the year	Costs of the year	Reversed donor	Exchange rate adjust. of the year	Balance end of year	
National projects .....	11,812,277	49,465,089	-44,378,527	0	0	16,898,839	
ForeningsNet - TAKT2018-145-1 .....	33,489	0	-33,489	0	0	0	
MitNetNu - J.NO. 6885-0036 .....	120,183	327,312	-238,695	0	0	208,800	
Holiday activities, exposed families - J.NO. 8005-2027 .....	-15,000	15,000	0	0	0	0	
Financial - advisory - J.NO. 8005- 2028 .....	21,057	74,914	-95,971	0	0	0	
Change and voluntariness - FamilieNet - J.NO. 6885-012.....	0	327,266	-229,368	0	0	97,898	
ForeningsNET 2020 - J.NO. 8005-2485.	0	200,000	-18,000	0	0	182,000	
Summer holiday camps - exposed chil- dren/young people - J.NO. 7537-0013	0	625,000	-612,500	0	0	12,500	
Saving Life - 082-4.1-17 .....	-1,667,879	1,101,127	-951,402	0	0	-1,518,154	
	<b>10,304,127</b>	<b>52,135,708</b>	<b>-46,557,952</b>	<b>0</b>	<b>0</b>	<b>15,881,883</b>	



# NOTES

## Note

### International projects in progress

8

	Balance start of year	Income of the year	Costs of the year	Reversed donor	Exchange rate adjust. of the year	Balance end of year
International projects.....	562,697	4,505,998	-1,615,938	0	0	3,452,756
Quality Education in Faryab - AFG - 14/0022 .....	4,697,532	6,006,462	-10,403,203	0	0	300,791
Denmark Collection 2018 .....	2,313,444	0	-1,622,404	0	0	691,040
Denmark Collection 2019 .....	2,552,263	0	-1,376,587	0	0	1,175,676
CISU - 17-2117-UI-sep .....	-81,733	0	81,733	0	0	0
CISU - 18-2285-PR-sep .....	-242,354	4,740,899	-4,045,851	0	0	452,694
EU Aid Volunteers - 2018-3853/001- 001 .....	1,558,339	0	-302,259	0	0	1,256,080
CISU - 5617 .....	163,103	22,345	-185,448	0	0	0
CISU - 19-510-PR .....	712,523	761,902	-1,237,860	-236,565	0	0
CISU - 19-506-PR .....	663,536	999,468	-1,606,552	0	0	56,452
Denmark Collection 2020 .....	0	2,971,609	-21,118	0	0	2,950,491
DERF - Somalia 20-567-RR .....	0	1,698,931	-1,525,731	0	0	173,200
DERF - Afghanistan - 20-602 .....	0	1,999,414	-1,818,236	0	0	181,178
AGF-20/3481/RA5 .....	0	0	-63,564	0	0	-63,564
	<b>12,899,350</b>	<b>23,707,028</b>	<b>-25,743,018</b>	<b>-236,565</b>	<b>0</b>	<b>10,626,794</b>

## NOTES

### Note

#### Collections according to ministerial order no. 160 of 26 February 2020 on fundraising, etc.

9

	Received	Spent
Christmas aid .....	19,404,506	19,404,506
Other collections .....	4,954,151	4,954,151
	<b>24,358,657</b>	<b>24,358,657</b>

Danish People's Aid has reported collections to the Fundraising Board in accordance with the provisions of ministerial order no. 160 of 26 February 2020. The collections are used for the Organisation's humanitarian aid work, which in main items concerns holiday stays for exposed children and their families, Christmas aid to poor children and their families, network-creating activities for lonely older people, debt counselling to poor people, and contributions to Danish People's Aid's Disaster Fund. The contributions received are specified above by their purposes, and the contribution to Christmas aid is specified separately because of its size.

The contributions are used for the Organisation's aid work and are used currently over the year.

#### Special information on collections

The Organisation is subject to the rules on fundraising, etc. and the relevant ministerial order. The Organisation's collections are made in accordance with the notification by gathering collection boxes in stores and other public places, invitations via Danish People's Aid's printed and electronic media, advertisement in public media, Facebook, Instagram, MobilePay, Swipp, SMS, online donations, appeal letters, SplitAid, via the Organisation's website [www.folkehjaelp.dk](http://www.folkehjaelp.dk), and by sale and sponsorships from business partners.

#### Report on collections

The Organisation has not made any material changes to the collections made and the use of the funds received, except for adjustment of a few projects, etc. Thus, collections were also in 2020 made via electronic media, appeal letters in connection with collections for Christmas aid and holiday aid via the website, and by direct requests to partners associated via collaboration agreements, in particular regarding Christmas aid.

As regards the collections made, there is special focus on arranging holiday stays for children and their families and activities relating to Christmas aid where the Organisation, in cooperation with Ekstrabladet, generates considerable income which is used to distribute Christmas baskets, etc. These activities are carried out together with the Organisation's local chapters and contribute to the cohesion within the Organisation.

Moreover, the collected funds are used to support the Organisation's general project work in Denmark with activities relating to, for example, network cooperations for older people, exposed families with children, etc.

#### Expenses relating to administration, etc. of the collections

As regards the collections, there are no significant direct costs, as the costs are defrayed as an integral part of the Organisation's operations, which is covered by membership fees and administration fees from projects completed. The most significant direct costs that can be related to the collections are postage for distribution of appeal letters, which amounted to approx. DKK ('000) 217 in 2020, for 2 distributions, advertisement on and in different media of approx. DKK ('000) 485, and sending gifts in connection with Christmas aid of approx. DKK ('000) 628.

## NOTES

	Note
<b>Collections according to ministerial order no. 160 of 26 February 2020 on fundraising, etc.</b>	9
<b>Use of profit from the collections</b> The profit is used to cover direct cost of the completed activities which are part of the Organisation's objects clause. Thus, the profit covers activities and direct distributions to the participants and target groups, which have been designated for the individual activities.	
<b>Contingencies, etc.</b> The Organisation has entered into a number of leases for second-hand stores. The leases may be terminated giving 3-6 months' notice. The annual rent is approx. DKK ('000) 1,593. Lease liabilities relating to office premises, etc. may be terminated giving 3 months' notice. The annual rent is DKK ('000) 32.  The Organisation has a trade liability of DKK ('000) 341 at 31 December 2020. The liability concerns an inventory from which sales are made regularly. Any outstanding balance at 30 November 2022 will be due for payment on that date.	10
<b>Charges and securities</b> The property at Brovejen 4, 4800 Nykøbing F, for which the carrying amount is DKK ('000) 6,579, is provided as security for mortgage debt to mortgage banks of a carrying amount of DKK ('000) 6,704.	11

**DANISH PEOPLE'S AID - overview of account with CISU 2020 - Note 12**

Project title	Jno.	Paid		Spending							Project no		
		Unspent funds start of the year	Grants received	Available	Transferred to partners	Spending in Denmark	Total spending 7%	Adm 5% or Reversed donor	Spending including adm.	Unspent funds end of year		Interest	End of year
CISU 3-year project	18-2285-PR-sep	-242.354	4.740.899	4.498.545	3.291.508	488.258	3.779.766	264.584	4.044.349	454.196	-1.503	452.693	239

## ACCOUNTING POLICIES

The Annual Report has been prepared in accordance with generally accepted accounting policies, and ministerial order no. 1701 of 21 December 2010 on financial and administrative conditions for recipients of operating grants from the Ministry of Culture Denmark, chapters 4 and 6.

The Annual Report is prepared consistently with the accounting policies applied previous year.

The results of collections made in accordance with ministerial order no. 160 of 26 February 2020 on fundraising, etc. are recognised in the Financial Statements.

The most significant accounting and valuation principles applied are:

### INCOME STATEMENT

#### Income

Income in the form of donations and the like is recognised in the income statement at the time of receipt. Income not used for specific purposes is transferred to the balance sheet as a provision at the end of the financial year, so that appropriations are recognised as income as the projects are completed.

Income from collections, etc. is recognised in the income statement when the result of the collection is available.

Income from own activities is recognised in the income statement when delivery has taken place.

Other income, including membership fees, is recognised in the income statement at the time of receipt.

National projects include income and expenses from the Organisation's local chapters, stated on the basis of financial statements audited by the internal auditors of each chapter. Thus, the recognition method does not reflect the operations of each chapter, but only the level of activity.

DACAAR, which is included in the item "consortiums" under both income and expenses by the same amount, is recognised on the basis of DACAAR's internal financial reporting for 2020. The recognition of the income is made to show Danish People's Aid's involvement in DACAAR's activities and is recognised as an expense by the same amount in order not to impact Danish People's Aid's total financial results.

#### Costs

Costs are recognised as expenses at the time they are defrayed and the usual accrual is made so that costs cover the financial year to which they relate.

Project costs are recognised as expenses in the income statement when the projects are completed.

#### Financial items

Income from securities and interest and exchange rate adjustments include interest income and expenses, realised and unrealised exchange rate gains/losses relating to securities and items in foreign currencies.

## BALANCE SHEET

#### General information

The information in the balance sheet of the Annual Report concerns only balance sheet items of Danish People's Aid. The Organisation's chapters are not included.

#### Tangible fixed assets

Land and buildings and operating equipment are measured at cost less accumulated depreciation.

The depreciation base is cost less the estimated residual value after end of useful life.

## ACCOUNTING POLICIES

The cost includes the acquisition price and costs related directly to the acquisition until the time when the asset is ready to be used.

Straight-line depreciation is made on the basis of the following assessment of the expected useful lives and residual value of the assets:

	Useful life
Buildings .....	30 years
Operating equipment .....	3-5 years

The Organisation's buildings are depreciated to the extent that the acquisition price with deduction of normal depreciation is estimated to exceed the actual market value.

Profit or loss on disposal of tangible fixed assets is stated at the difference between sales price less selling costs and the carrying amount at the time of sale. Profit or loss is recognised in the income statement as depreciation.

### Fixed asset investments

Other securities recognised as fixed asset investments include bonds and other securities, which are measured at fair market value corresponding to the listed value at the year-end date.

### Inventories

Inventories are measured at cost according to the FIFO method. In the cases where the net realisable value is lower than the cost price, it is written down to the lower value.

### Receivables

Receivables are measured at amortised cost. The value is impaired to meet expected losses.

### Cash and cash equivalents

Cash and cash equivalents are recognised at the value at the balance sheet date. Cash and cash equivalents in foreign currencies are translated at the exchange rate at the balance sheet date. Cash and cash equivalents include distributable funds and non-distributable funds, which are presented in the notes.

### Provision for liabilities

Public and private funds received for projects, for which projects costs were not defrayed at the balance sheet date, corresponding to the funds received, are provided for as a liability in the balance sheet to be used in the remaining project period.

In addition, the item includes provisions for resolved future projects.

### Liabilities

Financial liabilities are recognised at the time of borrowing by the amount of proceeds received less borrowing costs. In subsequent periods, the financial liabilities are measured at amortised cost, equal to the capitalised value when using the effective interest, the difference between the proceeds and the nominal value being recognised in the income statement over the term of the loan.

Mortgage debt is measured at amortised cost, which for cash loans is equal to the remaining debt on the loan, and for bond loans is equal to the remaining debt calculated on the basis of the underlying cash value of the loan at the time of borrowing.

Other debt is measured at amortised cost equal to nominal value.

### Translation of foreign currency

Transactions in foreign currencies are translated at an average rate. Exchange rate differences arising herefrom are recognised in the income statement as financial income or expenses. Exchange rate differences relating to foreign projects are recognised on the projects as either income or expenses.