

Independent Auditor's Report

To the Shareholders of NPO Lesvos Solidarity

Report on the Audit of the Financial Statements

Qualified Opinion

We have audited the accompanying financial statements of NPO Lesvos Solidarity, which comprise the balance sheet as at 31 December 2023, and the statements of income for the year then ended, and notes to the financial statements.

In our opinion, except for the effects of the matters described in the "Basis for Qualified Opinion" section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of NPO Lesvos Solidarity as at 31 December 2023 and its financial performance and its cash flows for the year then ended in accordance with the requirements of the L. 4308/2014 as in force.

Basis for Qualified Opinion

As a result of our audit arose the following matters:

1) Without further qualifying our opinion, we draw your attention to the fact that the Company has remained un-audited by the tax authorities since year 2019. Consequently, the tax liabilities for the year 2023 have not been made final. The outcome of the tax inspections cannot be predicted at present and, therefore, no provision has been made in the financial statements in this respect.

We conducted our audit in accordance with International Standards on Auditing (ISAs) as incorporated into the Greek Legislation. Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of the Company throughout our appointment in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), as incorporated into the Greek Legislation and the ethical requirements that are relevant to the audit of the financial statements in Greece, and we have fulfilled our other ethical responsibilities in accordance with the requirements of the current legislation and the above-mentioned IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the requirements of the L. 4308/2014 as in force, and 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 Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going

concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of 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, as incorporated into the Greek Legislation, 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 in accordance with ISAs as incorporated into the Greek Legislation, we exercise professional judgement and maintain professional scepticism 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 Company'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 and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company'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 Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

Report on Other Legal and Regulatory Requirements

Taking into consideration that management is responsible for the preparation of the Board of Directors' Report, according to the provisions of paragraph 5 of article 2 (part B') of L. 4336/2015, we note that:

- a) In our opinion the Board of Directors' Report has been prepared in accordance with the applicable legal requirements of the article 43a of cod. L. 4308/2014 and its content corresponds with the accompanying financial statements for the year ended 31/12/2023.
- b) Based on the knowledge we obtained during our audit of NPO Lesvos Solidarity and its environment, we have not identified any material misstatements in the Board of Directors' Report.

Athens, 28 June 2024

IAN AUDITOR I.K.E.
ΟΡΚΩΤΟΙ ΕΛΕΓΚΤΕΣ
ΣΥΜΒΟΥΛΟΙ ΕΠΙΧΕΙΡΗΣΕΩΝ
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GEORGIA ROUCHA

Certified Public Accountant Auditor

Institute of CPA (SOEL) Reg. No. 27471

IAN Auditor P.C.

Leoforos Irinis 28, 15121, Pefki Attica

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LESVOS SOLIDARITY A.M.K.E.

2023 Balance Sheet

8th OPERATIONAL YEAR (1/1/2023 - 31/12/2023)

Chamber of Commerce Registration Number: 138309542000

	2023	2022
ASSETS		
<i>Fixed Assets</i>		
Vehicles	9.729,87	11.056,67
Furniture & Equipment	15.551,93	15.992,07
Total Fixed Assets	25.281,80	27.048,74
<i>Currents assets</i>		
Inventory	295,60	1.243,50
Accounts Receivable	23.545,74	23.549,40
Other Receivables	183,00	703,00
Cash & Bank Accounts	274.140,19	372.014,06
Total Current Assets	298.164,53	397.509,96
Total Assets	323.446,33	424.558,70
SHAREHOLDERS' EQUITY & LIABILITIES		
<i>Shareholder's Equity</i>		
Investment Capital	1.000,00	1.000,00
Total	1.000,00	1.000,00
<i>Retained earnings</i>		
Previous Years	304.163,40	407.691,28
Total	304.163,40	407.691,28
Total Shareholder's Equity	305.163,40	408.691,28
<i>Current Liabilities</i>		
Suppliers	3.323,75	3.975,63
Taxes	3.334,01	3.435,89
Social security	11.625,17	8.455,90

ΑΡ. ΓΕΜΗ: 150871201000 Α.Μ.ΕΛΤΕ 066, ΑΦΜ 801176251

G.E.MI. Number: 150871201000, ELTE Reg. Number: 066, VAT: 801176251

Total Liabilities	18.282,93	15.867,42
Total Shareholder's Equity, Provisions and Liabilities	323.446,33	424.558,70

The manager ang Legal Representative



Efthimia Latsoudi

Id. No.: 438749

The Head of the Accounting Department



Ioannis Iatrellis
E.C.G. Licence No. 4485
A' Class
Α' τάξης

LESVOS SOLIDARITY AMKE

INCOME STATEMENT

8th OPERATIONAL YEAR (1/1/2023 - 31/12/2023)

Chamber of Commerce Registration Number: 138309542000

	TOTAL
<i>Sales Revenue</i>	91.153,84
<i>Inventory Change</i>	-947,90
<i>Other Revenue from Services (Donations)</i>	540.697,74
<i>Material & Goods purchases</i>	-8.288,07
<i>Personnel & Social Security</i>	-327.842,23
<i>Depreciation</i>	-4.824,03
<i>Rent/Lease</i>	-58.851,60
<i>Other Expenses</i>	-327.030,41
<i>Other Revenue</i>	
Results Before Interest and Tax	-95.932,66
<i>Interest and Related Income</i>	0,00
<i>Debit Interest and Related Expenses</i>	-7.595,22
Results Before Tax	-103.527,88
<i>Taxes</i>	0,00
Net Profit/Loss	-103.527,88

The Manager and Legal Representative



Efthimia Latsoudi
Id. AA 438749

The head of the Accounting Department



Ioannis Iatrellis
E.C.G. Licence No. 4485 A' Class

NOTES TO THE FINANCIAL STATEMENTS AT 31 DECEMBER 2023

(According to the provisions of article 29, L. 4308/2014)

1. Information about the Company

- a) Company name: NPO Lesvos Solidarity
- b) Legal form: Non-Profit Organisation
- c) Reporting period: 1.1.2023 - 31.12.2023
- d) Registered office address: Sapfous & Arionos 9, 81100 Mytilene, Greece
- e) General Commercial Registry (G.E.MI.): 138309542000
- f) Management considers that the going concern assumption is appropriate for the preparation of the financial statements.
- g) The company is classified as a small-sized entity.
- h) Management declares that the financial statements have been prepared in full compliance with the Law of Greek Accountancy Standards L. 4308/2014.
- i) The amounts of the financial statements are presented in Euro which is the functional measurement currency of the Company.
- j) The amounts are not rounded, unless otherwise stated.

2. Factors putting at risk the company's prospect as a going concern

The Company carried out a related assessment and did not identify factors putting at risk the company's prospect as a going concern.

3. Accounting policies and methods

The preparation of financial statements requires the exercise of judgement and the use of accounting estimates by management, which affect the process of applying the accounting policies, the carrying amounts of income, expenses, assets and liabilities and the disclosures. These estimates and assumptions are based on historical experience and other factors that are believed to be reasonable under the circumstances. Actual events however, could differ from these estimates. Estimates and related assumptions are continually evaluated.

Accounting estimates are made mainly for the calculation of depreciation of assets, the participating interests, the impairment of receivables, the provisions and the fair value estimation when its application is chosen.

3.1. Accounting policies and methods applied

The company for the separate items of the financial statements applies the following accounting policies and methods, under the accrual basis principle.

3.1.1. Tangible assets

a) Initial recognition

Tangible assets are initially recognized at acquisition cost, which includes any costs attributable that is to bringing the asset to the present condition or location or intended use.

b) Subsequent measurement

Subsequent to initial recognition assets are measured at depreciable cost (initial cost, plus any subsequent cost that qualifies for recognition as an asset, less accumulated depreciation and impairment losses).

Depreciation on tangible assets is calculated using the straight-line method.

An impairment loss is recognized when it is estimated that the asset's carrying amount exceeds its recoverable amount.

The carrying amount of the Company's assets is reviewed for impairment when there are indications that the carrying amount is greater than its recoverable amount. In such case it is calculated the recoverable amount of the asset and if the carrying amount exceeds the estimated recoverable amount, the related difference is recognized as impairment loss in the income statement. The recoverable amount is the higher of an asset's fair value (less costs to sell) and value in use.

For the purposes of assessing the value in use, the estimated future cash flows are discounted at their present value using a pre-tax discount rate which reflects the current market estimates for the time value of money and the risks associated with these assets.

b.1) Own-used property assets

There are no such assets.

b.2) Investment property

There are no such assets.

b.3) Biological assets

There are no such assets.

c) Derecognition

Tangible assets are derecognized at their disposal or when no future economic benefits are expected from their use or disposal.

3.1.2. Intangible assets

Intangible assets include computer software licences and other costs of installation.

The value of computer software licences includes the costs incurred to acquire and bring to use the specific software, decreased by the amount of accumulated amortisation and any impairment losses. Significant subsequent costs are recognised as intangible assets when they increase their efficiency beyond the initial specifications. The amortisation of computer software licences is calculated using the straight-line method. The amortisation charge on all the assets as above is included in the income statement.

3.1.3. Financial assets

3.1.3.1. Participations

There are no participations according the audited company.

3.1.3.2. Other financial assets

There are no such assets.

3.1.4. Income taxes

3.1.4.1. Current tax

The current income tax includes:

- The income tax arising pursuant to the provisions of current tax law.

3.1.4.2. Deferred taxes

Deferred taxes arise when there are temporary (reversible) differences between the tax bases of assets and liabilities and their carrying amounts in the balance sheet.

The company did not choose the recognition of deferred taxes.

3.1.5. Inventories

a) Initial recognition

Inventories are initially recognised at cost, which includes any costs attributable that is to bringing any item of the inventories to the present condition or location or intended use.

b) Subsequent measurement

Subsequent to initial recognition inventories are measured at the lower of cost and their net realisable value. The cost (average acquisition price) of all stocks was determined using the average weighted price method which is followed consistently.

In case of measurement at net realisable value, the impairment loss is recognised as cost of sales, unless significant, where it is incorporated in the item "Impairment of assets".

3.1.6. Payments on account and other non-financial assets

Payments on account of costs incurred are initially recognized at cost (amounts paid) and subsequently measured at initial cost less the amounts used based on the accrual basis principle and any impairment losses. The impairment of payments on account of costs incurred refers to the case where the recipient of the related amount is not able either to fulfil the undertaken commitment either to return the balance of the amount.

Other non-financial assets are initially recognized at cost and subsequently measured at the lower of cost and recoverable amount that is the amount expected to be received.

3.1.7. Financial liabilities

a) Initial recognition and subsequent measurement

Financial liabilities both at initial recognition and subsequently are measured at their nominal amounts, except those of long-term maturity, which are carried at amortized cost using the effective interest method (or the straight-line method). The financial liabilities denominated in foreign currencies are measured using the exchange rates prevailing at the date of the balance sheet. The related exchange rate differences are recognised in profit or loss.

b) Derecognition

A financial liability is removed from the balance sheet when, and only when, it is extinguished, that is, when the obligation specified in the contract is either discharged or cancelled or expires.

3.1.8. Non-financial liabilities

There are no such liabilities.

3.1.11. Income and Expenses

The company recognizes income and expenses, when these are accrued.

In particular:

- Income from sale of goods is recognized in the period in which it is accrued provided that all the following conditions are fulfilled:
 - Significant risks and rewards of ownership of the goods are transferred to the buyer.
 - Goods have been accepted by the buyer.
 - The economic benefits associated with the transaction can be measured reliably and it is more than probable that will flow to the entity.
- Income from provision of services in the event of the acquisition of a right to receive a service, is recognised when the right is acquired.
- Within the tax period there was no income resulting from the use of an entity's assets by third parties.

3.1.12. Equity

The items of equity are initially recognized and subsequently measured at the nominal amounts that have been received or paid.

3.1.13. Contingent assets and contingent liabilities

These records concern contingent rights and commitments respectively, resulting from past events and their existence will be certified only by the occurrence or non-occurrence of one or more uncertain future events, which are not wholly within the control of the Company. Such information is disclosed in the notes to the financial statements.

This did not occur.

3.1.14. Events after the Balance Sheet date

The values of the assets and the liabilities at the balance sheet date, are adjusted, if there is an objective indication that corrective events subsequent to this date impose adjustments to their value. These adjustments are made for such events, up to the date of approval of the financial statements by the Board of Directors. Un-adjusted after the balance sheet date events are disclosed when significant, in the notes to the financial statements.

This did not occur.

3.1.15. Critical accounting estimates and assumptions

Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

3.2. Change in accounting policies and methods, changes in accounting estimates and correction of prior periods' errors

3.2.1. Change in accounting policies and methods

Changes in accounting policies and methods, are recognized by retrospective restatement of the financial statements of all the periods that are published with the statements of the present period, so as the items that are presented to be comparable.

In the present period no such changes occurred.

3.2.2. Changes in accounting estimates

Changes in accounting estimates are recognized in the period in which it is ascertained that they arise and affect this period and future periods, as appropriate. Such changes are not recognized retrospectively.

In the present period no such changes occurred.

3.2.3. Correction of prior periods' errors

Corrections of errors are recognized by retrospective correction in the financial statements of all the periods that are published with the statements of the present period.

In the present period no error of prior period was identified.

4. Deviations from the law provisions in order to achieve fair presentation of the financial statements

When in exceptional circumstances, the company deviates from the application of a law provision in order to fulfil the obligation of fair presentation of the financial statements, discloses and justifies sufficiently the reasons for the deviation.

In the present period no need for such deviation occurred.

5. Relation of an asset or a liability with more than one item of the balance sheet

There are no assets or liabilities that are related with more than one item of the balance sheet.

6. Information relating to tangible and intangible assets

6.1. Own-used tangible assets

Tangible Assets	Acquisition value	Depreciation	Unamortized value
Means of Transport	13,268.00	3,538.13	9,729.87
Furniture & Other Equipment	70,337.46	54,785.53	15,551.93
Total Amount	83,605.46	58,323.66	25,281.80

6.2. Investment property

No investment property is held.

6.3. Biological assets

No biological assets are held.

6.4. Intangible assets

There are no such assets.

6.5. Payments on account and non-current assets in course of construction

Payments on account to the staff: There are no such assets.

7. Financial assets

There are no such assets.

8. Provisions

The cumulative balances of the provisions at the end of the tax period, are as follows:

- Provisions for employee retirement benefits	€	0.00
- Provisions for doubtful receivables	€	0.00

9. Liabilities

9.1. Non-current liabilities

There are no such liabilities.

9.1.1. Other non-current liabilities

There are no such liabilities.

9.2. Current liabilities

9.2.1. Trade payables

The trade payables relate to liabilities to suppliers, amount € 3,323.75.

9.2.2. Other payables

The other payables relate to:

- a. Other sundry creditors € 0.00.
- b. Tax-duties and social security organisations € 14,959.18.

10. Income and expenses of significant amount or particular frequency or importance

Follows analysis of the income and the expenses in the table below:

Operating Results	Year 2023
Net Turn-over Sales	91,153.84
Less: Cost of goods sold	9,235.97
Gross Operating Trading Profit	81,917.87
Plus: Other Operating Income	540,697.74
Subtotal	622,615.61
Less: Administrative expenses	718,548.27
Plus: Interest and Related Income	0.00
Less: Interest charges and Related Expenses	7,595.22
Total Operating Results (Profit)	-103,527.88
Plus: Extraordinary and Non-Operating Income	0.00
Net Results (Profit for the year before taxes)	-103,527.88

10.1 Other Income; Donations

The donations received by the Non-Profit Organization were € 540.697,74 in total.

LeSol uses the funds and the purchased assets appropriately/economically, and only for the purposes specified in the proposal of the project. When procuring consulting and other services, (relief) supplies, construction materials, office and business equipment, vehicles and building projects (including renovation measures), the principles of efficiency and economy shall be applied and the following specifications adhered to:

- The procurement must be planned/contained in the KNH-approved budget. If this is not the case, the written approval of KNH shall be obtained prior to procurement if the expected costs are more than EUR 500 and KNH funds are to be used.
- The following regulations shall be adhered to when undertaking procurements
 - ✓ At least three quotations in writing have to be submitted and documented if the purchase price amounts between 1,000 Euro and 15.000,00 Euro.
 - ✓ If the expected cost is over 15.000,00 Euro goods and services can be allocated directly based on an invitation to tender whereby at least three written offers are submitted. The procurement process shall be documented in full.

LeSol uses interest earnings and possible gains from currency exchange exclusively for the approved purpose and repays any surplus amounts to KNH according to the “Mandatory requirements concerning the offsetting of accumulated funds of projects supported by KNH”. LeSol reports to KNH on the progress and/or completion of the project regularly as laid down in the respective valid mandatory requirements for budgets, financial statements, annual reports etc. In general, unspent KNH project funds shall be paid back to KNH. Any other usage of these funds including transferring them to other projects requires the prior approval of KNH.

The amount donated by KNH is monitored to a special and distinctive bank account. The invoices, related to the expenses that are being paid by this donation, are documented separately for easier analysis. The bank account and the invoices referred above have been audited by the auditors of the Non-Profit Organization.

The table below shows the influence of the amount donated to Lesvos Solidarity's Profit & Loss Statement.

	TOTAL	KNH PROJECT 47051	OTHER PROJECTS
<i>Sales Revenue</i>	91.153,84	0,00	91.153,84
<i>Inventory Change</i>	-947,90	0,00	-947,90
<i>Other Revenue from Services (Donations)</i>	540.697,74	135.000,00	405.697,74
<i>Material & Goods purchases</i>	-8.288,07	0,00	-8.288,07
<i>Personnel & Social Security</i>	-327.842,23	-57.166,82	-270.675,41
<i>Depreciation</i>	-4.824,03	0,00	-4.824,03
<i>Rent/Lease</i>	-58.851,60	0,00	-58.851,60

<i>Other Expenses</i>	-327.030,41	-69.870,12	-257.160,29
<i>Other Revenue</i>		0,00	0,00
Results Before Interest and Tax	-95.932,66	7.963,06	-103.895,72
<i>Interest and Related Income</i>	0,00	0,00	0,00
<i>Debit Interest and Related Expenses</i>	-7.595,22	-113,00	-7.482,22
Results Before Tax	-103.527,88	7.850,06	-111.377,94
<i>Taxes</i>	0,00	0,00	0,00
Net Profit/Loss	-103.527,88	7.850,06	-111.377,94

11. Interest embedded in the value of assets in the period

There are no such items.

12. Personnel costs and categories

The average number of employed personnel is 24 individuals.

13. Advances and credits to the members of the board and management

There are no such items.

14. Financial commitments, guarantees and contingencies not disclosed in the balance sheet

There are no such issues.

Athens, 28 June 2024

THE MANAGER

THE HEAD OF THE
ACCOUNTING DPMT.

EFTHIMIA LATSoudI
ID. No.: AA438749

IOANNIS IATRELLIS
E.C.G. Licence No. 4485 A' Class