

MAKE – A – WISH (OF) GREECE
(A not for profit making organization)

**REPORT OF THE MANAGEMENT COMMITTEE
FOR THE YEAR ENDED 31st DECEMBER, 2018**

Status and Administration

Make – A – Wish (Of) Greece (the “Organization”) is a not for profit making organization established on September 22, 2004 in succession of Make A Wish Foundation of Greece. It is administered by a Management Committee.

Management Committee

The Organization’s Management Committee that served during the year to the date of the financial statements consisted of:

Mrs. Anastasia Mania	President (Chair)
Mrs. Yvette Kosmetatou	Vice President
Mr. Vassilios Papadakis	Secretary
Mrs. Ana Cristina Piedrahita Moustaka	Treasurer
Mrs. Konstantina Xourafi	Member
Mr. James Steve Nass	Member
Mr Sotirios Foteas	Member (lawyer)
Mrs. Dimitra Agapi Bithara	Member
Mrs. Eleni Konstantinidi	Member
Mrs. Gabriella Calini	Member
Mrs. Marina Kapetanaki - Kapopoulou	Member
Mrs. Alexandra Zafirakopoulou	Chief Executive

Members of the management Committee are elected for a three-year term and may serve for two consecutive terms. Re-election for another term may be made after one year from the end of the second term. Governance of the Organization is described in its Articles dated May 21, 2004 which became effective on September 22, 2004 and its Amended Articles dated March 2, 2007. The latest change in the Articles took place on July 1, 2014 and this decision was registered at the First-Degree Court.

Organization’s location: 47 Ethnikis Antistaseos Str
Dafni, Athens GR172 37
GREECE

Registered Office: 47 Ethnikis Antistaseos Str
Dafni, Athens GR172 37
GREECE

Professional Advisers:

Bankers: Alpha Bank (includes Citibank account) – Glyfada branch
Piraeus Bank - Glyfada branch
National Bank – Glyfada branch
Eurobank - Glyfada branch
Eurobank – Luxemburg

Solicitors: Sotirios Foteas, ALEXIOU-KOSMOPOULOS LAW FIRM

Auditors:

Ernst & Young (Hellas)
Certified Auditors – Accountants S.A.
8B Chimarras
GR151 25 Maroussi
Athens, Greece

MAKE - A – WISH (OF) GREECE
 STATEMENT OF FINANCIAL ACTIVITIES
 FOR THE YEAR ENDED 31st December 2018

		1.1.– 31.12.2018	1.1.– 31.12.2017
	<u>Notes</u>	€	€
INCOMING RESOURCES			
Income	9	1.972.479,21	1.500.385,89
Interest income		44,37	220,06
Other Income		0,00	0,00
Total Incoming Resources		1.972.523,58	1.500.605,95
RESOURCES USED			
<i>Direct Expenditure:</i>			
Wish and event expenses	10	(1.484.758,87)	(990.663,43)
Staff costs	2	(312.300,66)	(260.318,24)
Maintenance and Utilities		(37.306,30)	(21.326,83)
Other administration expenses		(98.695,58)	(93.918,39)
		(1.933.061,41)	(1.366.266,89)
<i>Other charges:</i>			
Bank charges and similar costs		(4.420,48)	(2.056,65)
Depreciation	6	(2.908,00)	(2.064,48)
Taxes and duties		(16.963,24)	(4.638,74)
Total Resources Used		(1.957.353,13)	(1.374.986,76)
Net Resources		15.170,45	125.619,19
Balance brought forward at January 1,		1.324.608,52	1.198.989,33
Balance carried forward at December 31		1.339.778,97	1.324.608,52

Anastasia Mania - President	Athens

MAKE - A - WISH (OF) GREECE
 STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED 31st December 2018

		31.12.2018	31.12.2017
		€	€
FIXED ASSETS	Notes		
Tangible Fixed assets			
Furniture and equipment	6	<u>22.183,00</u>	<u>13.226,19</u>
CURRENT ASSETS			
Receivables	3	69.267,37	215.590,22
Inventories	8	14.431,25	15.774,72
Cash and Cash Equivalents	7	1.399.814,15	1.194.073,56
		<u>1.483.512,77</u>	<u>1.425.438,50</u>
CURRENT LIABILITIES			
Accounts payable and accrued expenses	4	<u>135.010,82</u>	<u>89.234,58</u>
NET CURRENT ASSETS		1.348.501,95	1.336.203,92
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1.370.684,95</u>	<u>1.349.430,11</u>
LONG TERM LIABILITIES			
Retirement Benefits	5	<u>23.905,98</u>	<u>17.821,58</u>
TOTAL NET ASSETS		<u>1.346.778,97</u>	<u>1.331.608,52</u>
FUNDS			
Capital		7.000,00	7.000,00
Reserves		1.339.778,97	1.324.608,52
		<u>1.346.778,97</u>	<u>1.331.608,52</u>

Anastasia Mania – President	Athens

MAKE - A - WISH (OF) GREECE
 STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED 31st December 2018

	€	€
	1.1.-31.12.2018	1.1.-31.12 2017
<i>CASH FLOW FROM OPERATING ACTIVITIES</i>		
Surplus of the year	15.170,45	125.619,19
Depreciation	2.908,00	2.064,48
Provision for retirement indemnities	6.084,40	(2.092,05)
Operating profit before working capital changes	24.162,85	125.591,62
Increase – Decrease in:		
(Increase) /decrease in Receivables	146.322,85	(5.112,28)
(Increase) /decrease in Inventories	1.343,47	208,18
Increase /(decrease) in Accounts payable and accrued expenses	45.776,24	(14.127,69)
Net cash generated (provided) by operating activities	193.442,56	(19.031,79)
<i>CASH FLOW FROM INVESTING ACTIVITIES</i>		
Acquisitions of fixed assets	(11.864,82)	(9.516,21)
Net cash used in investing activities	(11.864,82)	(9.516,21)
Net cash from financing activities	0	0
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	205.740,59	97.043,62
Cash and cash equivalents at the beginning of the year	1.194.073,56	1.097.029,94
Cash and cash equivalents at the end of the year	1.399.814,15	1.194.073,56

Anastasia Mania – President	Athens

1. ACCOUNTING POLICIES

a) Basis of Preparation

Accounts have been prepared based on generally accepted accounting principles.

b) Tangible Fixed Assets

These are stated at cost and depreciated over their expected useful lives. Donated assets are recorded at their estimated replacement cost at the date of the donation and recorded as income in the same year. There were no tangible assets donated in current and previous year. Depreciation is calculated using the following useful lives: (a) Furniture 6 years (b) Equipment 3 years and (c) Buildings 8 years.

c) Revenue

The Organization's revenue comprises mainly of donations and income from Wish Stars and from events. In 2018 the Company changed its policy and recognizes revenue from donations and wish stars at the period the respective revenue is collected.

d) Expenditure

Expenditure, inclusive of irrevocable Value Added Tax ("VAT") is reflected in the accompanying accounts by nature. Donated expenses are recorded at their estimated replacement cost when used and recorded as income in the same year at the date of the donation. In case the donated expenses are not used until the end of the reporting date, they are recorded as deferred donated expenses in the Balance Sheet. Donated expenses for the year (and related income recorded) amounted to € 948k (2017: 558k).

e) Staff retirement indemnities

Under Greek labour law, employees are entitled to termination payments in the event of dismissal or retirement, with the amount of payment varying in relation to the employee's compensation, length of service and manner (dismissed or retired) of termination, which if due to retirement is 40% of the amount payable upon dismissal. Employees who resign or are dismissed with cause are not entitled to termination payments. The amount of the liability recorded in the financial statements is calculated in accordance with the applicable Greek Labour Law and methodology prescribed under Greek GAAP.

f) Foreign currencies

The accounts are expressed in Euros. Assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Differences on translations are reflected in the income statement.

g) Taxation

The Organization is a not-for-profit organisation and is therefore exempt from income tax. Also, VAT on inputs is expensed except for the acquisition of tangible assets where it is capitalised as a component of cost.

Exception on the above is the income from sale of goods, which is subject both to income tax and VAT. Also, the Organization calculates a proportion of the operating expenses (similar to the income subject both to income tax and VAT in relation to the total income) and calculates expenses subject to income tax and VAT.

The fiscal years from 2004 to 2018 had not been audited by the tax authorities or social security authorities. It is noted that fiscal years 2004 to 2013 are considered “closed” / “lapsed”, as the Organization has not received any notification from the tax authorities for any tax audit. The Organization has not made an assessment of additional taxes and penalties that may arise in a future tax audit for years 2010 -2018 and a social security audit and no provision has been raised for this matter.

h) Cash and Cash equivalents

The Organization considers all highly liquid assets with an initial maturity of up to three months as cash equivalents.

2. STAFF COSTS:

	2018	2017
	€	€
Wages & salaries	241.774,06	209.972,20
Social security costs	60.942,20	52.438,09
Indemnities paid	3.500,00	0,00
Staff Indemnities provision	6.084,40	(2.092,05)
	312.300,66	260.318,24

3. RECEIVABLES:

	2018	2017
	€	€
Accrued income and other Debtors	65.806,78	212.429,63
Rent and Utilities Guarantees	3.460,59	3.160,59
	69.267,37	215.590,22

Up to 31.12.2017, accrued income and other debtors mainly related to Accrued Income from wish stars as well as accrued income from donations. During 2018, the organization changes its policy and recognizes its revenue on a cash basis and not in an accrual basis. The variation between the two years consists of the above change in policy. If the recognition of revenue had been followed similarly in 2017, the impact would have been approximately €160k.

4. ACCOUNTS PAYABLE AND ACCRUED EXPENSES:

	2018	2017
	€	€
Taxes & social security	29.256,63	23.617,21
Accounts payable & Other Accruals	105.754,19	65.617,37
	135.010,82	89.234,58

5. PROVISION FOR STAFF RETIREMENT INDEMNITIES

	2018	2017
	€	€
Balance as at 1st January	17.821,58	19.913,64
Charged against income	6.084,40	(2.092,05)
Balance as at 31st December	23.905,98	17.821,59

Under Greek labour law, employees are entitled to termination payments in the event of dismissal or retirement, with the amount of payment varying in relation to the employee's compensation, length of service and manner (dismissed or retired) of termination, which if due to retirement is 40% of the amount payable upon dismissal. Employees who resign or are dismissed with cause are not entitled to termination payments. The liability shown above has not been established based on an actuarial study but based on the relevant Greek Labour law and methodology prescribed under Greek GAAP.

6. TANGIBLE FIXED ASSETS:

	Buildings	Furniture	Equipment	TOTAL
<u>Cost:</u>				
At 1st January	5.520,66	26.263,55	40.677,03	72.461,24
Additions	0,00	11.585,02	279,79	11.864,81
At 31st December	5.520,66	37.848,57	40.956,82	84.326,05
<u>Depreciation:</u>				
At 1st January	3.628,34	14.929,69	40.677,02	59.235,05
Charge for the year	220,84	2.593,89	93,27	2.908,00
At 31st December	3.849,18	17.523,58	40.770,29	62.143,05
<u>Net book value:</u>				
At 31st December 2018	1.671,48	20.324,99	186,53	22.183,00
At 31st December 2017	1.892,32	11.333,87	0,00	13.226,19

7. CASH AND CASH EQUIVALENTS

	2018	2017
	€	€
Banks	681.948,10	475.507,49
Time Deposit	700.000,00	700.000,00
Cash on hand	17.866,05	18.566,07
	1.399.814,15	1.194.073,56

8. INVENTORIES

	2018	2017
	€	€
Balance as at 1st January	15.774,72	19.459,11
Purchases	58.097,74	73.831,49
Sales	(59.441,21)	(77.515,88)
Balance as at 31st December	14.431,25	15.774,72

Inventories consist mainly of goods sold at bazaars.

9. INCOME

	2018	2017
	€	€
Events	224.181,04	184.124,90
Donations	371.668,25	250.748,44
Donations in kind (Note 10)	947.525,59	557.717,37
Wish star	205.972,34	227.156,46
Adopt a Wish	68.739,33	140.840,46
Weddings & Baptisms	50.847,03	55.924,82
Bazaar	40.766,22	28.078,95
MaW goods	58.194,81	51.247,93
Wish assist	4.584,60	4.546,56
	1.972.479,21	1.500.385,89

During 2018, the Organization has changed its policy please refer to paragraphs 1(c) and 3.

10. WISH AND EVENT EXPENSES

	2018	2017
	€	€
Wish expenses	1.292.051,06	807.589,54
Fund raising expenses	74.430,54	71.338,75
Cost of goods sold	59.441,21	77.368,68
Other	58.836,06	34.366,46
	1.484.758,87	990.663,43

MAKE - A - WISH (OF) GREECE
Notes to the Financial Statements
As of and for the year ended 31st December 2018

11. EVENTS AFTER THE REPORTING PERIOD

There are no significant events relating to the Company after 31 December 2018 that should be disclosed or would require adjustments on the Financial Statements.

12. COMMITMENTS AND CONTINGENCIES

There are no Commitments or Contingencies that should be referred in this report.