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COMPASSION DANMARK
HAVNEGADE 39, 1058 COPENHAGEN K
ANNUAL REPORT
1 JULY 2023 - 30 JUNE 2024

The English part of 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.

CVR NO. 39 93 53 33

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ORGANISATION DETAILS

Organisation	Compassion Danmark Havnegade 39 1058 Copenhagen K
	CVR No.: 39 93 53 33
	Established: 1 October 2018
	Municipality: Copenhagen
	Financial Year: 1 July 2023 - 30 June 2024
Board of Directors	Mathias Wählberg, chairman Robert W. Peters Marie Nylén Utbult Johan Forsbäck Jacob Vium Simen Trannum Johannes Johansson
CEO	Claes Parsmo
Auditor	BDO Statsautoriseret revisionsaktieselskab Havneholmen 29 1561 Copenhagen V

MANAGEMENT'S STATEMENT

Today the Board of Directors and Management have discussed and approved the Annual Report of Compassion Danmark for the financial year 1 July 2023 - 30 June 2024.

The Annual Report is presented in accordance with the accounting policies described in the section Accounting Policies.

In our opinion the Annual Report give a true and fair view of the Organisation's assets, liabilities and financial position at 30 June 2024 and of the results of the Organisation's operations for the financial year 1 July 2023 - 30 June 2024.

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

We recommend the Annual Report will be approved at the annual general meeting.

As regard the above Statement by the Management on the aggregate Financial Statements, we declare that the Collections made by Compassion Danmark in 2023/2024 were made in accordance with the rules of the Fundraising Act and the relevant requirements from "lov om indsamling mv. nr. 511 af 26. maj 2014" and "BEK 160 af 26. februar 2020". We, the signers are responsible for the Collection and declares by signature that the Collection has been prepared in accordance with the rules in "lov om indsamling mv. nr. 511 af 26. maj 2014" and "BEK 160 af 26. februar 2020".

Copenhagen, 17 October 2024

Executive Board

Claes Parsmo

Board of Directors

Mathias Wählberg
Chairman

Robert W. Peters

Marie Nylén Utbult

Johan Forsbäck

Jacob Vium

Simen Trannum

Johannes Johansson

INDEPENDENT AUDITOR'S REPORT

To the Management of Compassion Danmark

Opinion

We have audited the Annual Report of Compassion Danmark for the financial year 1 July 2023 - 30 June 2024, which comprise income statement, Balance Sheet, notes and a summary of significant accounting policies. The Annual Report are prepared in accordance with the accounting policies described in the section Accounting Policies with addition of the requirements from "Lov om indsamling mv. nr. 511 af 26. maj 2014" and "BEK 160 af 26. februar 2020".

In our opinion, the Annual Report give a true and fair view of the assets, liabilities and financial position of the organisation at 30 June 2024 and of the results of the Organisation's operations for the financial year 1 July 2023 - 30 June 2024 in accordance with the accounting policies described in the section Accounting Policies.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) 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 Annual Report" section of our report. We are independent of the organisation in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), together with the ethical requirements that are relevant to our audit of the financial statements in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Management's Responsibilities for the Annual Report

Management is responsible for the preparation of Annual Report that give a true and fair view in accordance with the accounting policies described in the section Accounting Policies and for such Internal control as Management determines is necessary to enable the preparation of Annual Report that are free from material misstatement, whether due to fraud or error.

In preparing the Annual Report, 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 Annual Report unless Management either intends to liquidate the organisation or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Management Financial Statements

Our objectives are to obtain reasonable assurance about whether the Annual Report 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 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 Annual Report.

As part of an audit conducted in accordance with ISAs 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 Annual Report, 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.

INDEPENDENT AUDITOR'S REPORT

- 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 Annual Report 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 Annual Report 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 Annual Report, including the disclosures, and whether the Annual Report represent the underlying transactions and events in a manner that gives a true and fair view.

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.

Statement on Management Review

Management is responsible for Management Review.

Our opinion on the Annual Report does not cover Management Review, and we do not express any form of assurance conclusion thereon.

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

Moreover, it is our responsibility to consider whether Management Review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that Management Review is in accordance with the Annual Report and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of Management Review.

Copenhagen, 17 October 2024

BDO Statsautoriseret revisionsaktieselskab
CVR no. 20 22 26 70

Henrik Brünings
State Authorised Public Accountant
MNE no. mne3106

MANAGEMENT REVIEW

Information about Compassion Danmark

Compassion Danmark is a charity based on Christian values and part of the Compassion International global network. Compassion's mission is to release children from poverty in Jesus' name and to be an advocate for children and assist them in their economic, physical, social, and spiritual development.

Compassion Danmark is working in close collaboration with Compassion Sverige.

Our main activity is individual sponsorship. Each sponsor takes a financial responsibility for one specific child who, thanks to their regular support, have access to education, food, clothing, medical check-ups, healthcare, and nutritional supplements as well as age-oriented Bible teaching. Older children can get vocational training.

The sponsored children live in 25 countries: Bangladesh, Bolivia, Brazil, Burkina Faso, Colombia, Dominican Republic, Ecuador, El Salvador, Ethiopia, Philippines, Ghana, Guatemala, Haiti, Honduras, Indonesia, Kenya, Mexico, Nicaragua, Peru, Rwanda, Sri Lanka, Tanzania, Thailand, Togo, Uganda.

The sponsorship program is run by local Churches that Compassion International equips with skills, resources, and funds. A Church partner generally hosts 250-300 children aged 1-22 years enrolled in the sponsorship program. Each center is regularly checked and evaluated, both the financial part and the program itself. The sponsorship program is run according to age groups: 0-5, 6-11, 12+, and the caregivers also get support in various ways.

An example of the benefits for age group 12+ in center UG0230 in Kigarama, Uganda:

Physical: Age Graded Health Education, Athletics, Health Kits, Health Screening, Vaccinations, Hygiene Training, Indoor and Outdoor Games, Medical Camps

Cognitive: Basic Life-Skill Training, Career Guidance, Computer Classes, Early Mentorship programs, Educational Tours/Trips

Socio-emotional: Drama, Games, Music, Community Service, Counseling and Testing for HIV/aids, Leadership Training, Talent Development

Spiritual: Age Graded Workshops, Bible Dramas, Bible Memory Verse Club

Activities for parents/families: Child Development Education, Child Rights Awareness, Community Engagement, Conflict Management, Counseling, Domestic Violence

The sponsorship fee is 260 kr. per month. 34% (32%) of our sponsors contribute an additional 50 kr. per month (so-called Sponsorship-Plus). The sponsorship-Plus fund is used for needs that are not covered by sponsorship. It can be used for all Compassion programs, where it is most needed, for example clean water, sanitation facilities, emergency aid or registered children who have not yet got a sponsor.

A sponsor can also give an individual gift to their sponsored child twice a year, as well as to the child's family. Something useful is then purchased on site with the help of the center staff.

Events during the financial year

Compassion Danmark participated in some major events:

- Kari Jobe, artist from USA, had a concert in Aalborg in November 2023, where former sponsored child Julian Alum represented Compassion Danmark at a booth.
- Echo Conference in Jylland in February where 1500 young adults assisted. Mattias Martinson, evangelist for Compassion in the Nordics informed the visitors about Compassion Danmark.
- We were also present at Riverfest Festival in Jylland in May with 4000 participants.

During the year, we sent 1,099 letters from the sponsored children to their sponsors in Denmark, and 598 letters from the sponsors to the children. 143 of the children received at least one extra gift for themselves or their families.

On the revenue side, this fiscal year was challenging, because our bank closed so we had to change to a new bank and reset our Betalingssservice agreement at the end of the previous fiscal year. Due to this, we lost many monthly payments from sponsors, which led to a lower revenue than expected.

Compassion Danmark ended the year with 420 (457) active sponsorships.

MANAGEMENT REVIEW

Information about sustainability

In Compassion globally as well as in Compassion Danmark there is a willingness to work sustainably. For example, we strive to use digital tools and reduce the use of paper.

We communicate with our sponsors and donors via email, and we send all child information folders and child letters to the sponsors via email.

In addition to the sustainability aspect, the new digital possibilities contribute to keeping administrative costs down.

Staff and management

Compassion Danmark did not have any paid employee during this financial year. The marketing, administration and follow-up of sponsorships and donors is done from Compassion Sverige.

The Board has seven members (six men and one woman).

Result and future development

The association's earnings and position in general are shown in the income statement and balance sheet with notes.

Significant events after the end of the financial year

No events have occurred after the end of the financial year of material importance for the Organisation's financial position.

INCOME STATEMENT 1 JULY - 30 JUNE

	Note	2023/24 DKK	2022/23 DKK
DONATIONS	1	1,336,771	1,441,330
TOTAL REVENUE		1,336,771	1,441,330
Total Grants to Compassion International.....		-951,123	-1,013,834
Travel and marketing costs.....		-31,616	-37,748
Rent adress in Denmark.....		-30,563	-27,638
Administrative expenses.....	2	-484,213	-465,767
TOTAL EXPENDITURE		-160,744	-103,657
Other financial income.....		523	10,163
Other financial expenses.....		-11,163	-1,136
RESULT OF THE YEAR		-171,384	-94,630
PROPOSED DISTRIBUTION OF RESULTS			
Retained earnings.....		-171,384	-94,630
TOTAL		-171,384	-94,630

BALANCE SHEET AT 30 JUNE

ASSETS	Note	2024 DKK	2023 DKK
Trade receivables		0	4,930
Receivables		0	4,930
Cash and cash equivalents		269,539	332,479
CURRENT ASSETS		269,539	337,409
ASSETS		269,539	337,409
 EQUITY AND LIABILITIES			
Equity.....		178,341	272,971
Retained earnings.....		-171,384	-94,630
EQUITY		6,957	178,341
Prepayments from donors.....		0	11,460
Trade payables.....		230,225	117,086
Other short term liabilities to Compassion International.....		19,505	10,522
Other liabilities.....		12,852	20,000
Current liabilities		262,582	159,068
LIABILITIES		262,582	159,068
EQUITY AND LIABILITIES		269,539	337,409

The Collection Financial Statements

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NOTES

	2023/24 DKK	2022/23 DKK	Note
Donations			1
Sponsorship payments.....	1,248,158	1,362,300	
Membership.....	500	250	
Other donations.....	88,113	78,780	
	1,336,771	1,441,330	
Administrative expenses			2
Office cost.....	39,382	0	
Telephone and internet.....	5,515	5,761	
Auditors.....	122,250	98,625	
Advisory services and other assistance.....	0	1,200	
Bank charges.....	15,281	19,707	
Other administration cost.....	2,000	1,200	
IT expenses.....	0	21,425	
Freight and postage.....	0	175	
Nordic administration fee to Sweden.....	299,809	316,665	
Cash differences.....	-24	0	
Receipts, amounts previously written off.....	0	1,009	
	484,213	465,767	

NOTES

Note

The Collection Financial Statements

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The Collection financial statements has been prepared in accordance with generally accepted accounting policies and "lov om indsamling mv. nr. 511 af 26. maj 2014" and "BEK 160 af 26. februar 2020".

The surplus of the year DKK 39,044 is transfer to next year and will be just within the purpose of Compassion Danmark.

	2023/24
	DKK
Raised Funds.....	1,336,771
Travel cost.....	-4,214
Bank charges.....	-14,760
Currency lost.....	-11,163
Marketing cost.....	-27,402
Administration fee.....	-211,630
Office rent.....	-30,563
Other administration cost.....	-46,872
Use of funds.....	-951,123
	39,044

ACCOUNTING POLICIES

The Annual Report of Compassion Denmark for 2023/24 has been presented in accordance with the accounting policies described below.

The Annual Report is prepared with the following accounting principles.

INCOME STATEMENT

Donations

Funds and donations are recognized when they are received. Grants and donations from donors and earned income from activities are recognized in the income statement when the organisation has a legal right to the grant or donation and the value can be measured reliably. The value of funds raised and donations are measured at fair value at the time of receipt.

Other external expenses

Other external expenses include marketing and administrative costs. etc.

The costs include all direct costs associated with carrying out the raised funds. Compassion Denmark has no paid staff during the year, but costs for employees in the other Nordic Compassion entities have been shared according to the active sponsorships in each country, including Denmark. Other administration cost in the Nordic Compassion entities are also shared based on the number of active sponsorships in each country. Travels are required to be able to visit churches and events.

Use of funds

Funds allocated to the purpose.

Financial income and expenses

Financial income and expenses include interest income and expenses, realised and unrealised gains and losses arising from securities, debt and transactions in foreign currencies, etc. Financial income and expenses are recognised by the amounts that relate to the financial year. Interest income and expenses are calculated on amortised cost prices.

BALANCE SHEET

Receivables

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

Liabilities

Financial liabilities are recognised at the time of borrowing by the amount of proceeds received less transaction 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 loan period.

The amortised cost of current liabilities corresponds usually to the nominal value.

Foreign currency translation

Transactions in foreign currencies are translated at the rate of exchange on the transaction date. Exchange differences arising between the rate on the transaction date and the rate on the payment date are recognised in the Income Statement as a financial income or expense.

Receivables, payables and other monetary items in foreign currencies that are not settled on the balance sheet date are translated at the exchange rate on the balance sheet date. The difference between the exchange rate on the balance sheet date and the exchange rate at the date when the receivables or payables come into existence recognised in the Income Statement as financial income or expenses.