

**CCI France-Albanie**

Financial statements as at and for the year ended as at December 31<sup>st</sup>, 2018

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(all amounts are expressed in ALL)

Statement of Financial Position  
As at december 31, 2018

	Notes	ALL		Equivalent in EUR	
		2018	2017	2018	2017
<b>ASSETS</b>					
<b>Current assets</b>					
Cash and cash equivalents	4	4,253,041	4,464,119	34,460	33,577
Trade receivables	5	185,130	195,436	1,500	1,470
Other account receivables	6	-	18,233	-	137
<b>Total current assets</b>		<b>4,438,171</b>	<b>4,677,788</b>	<b>35,960</b>	<b>35,184</b>
<b>Tangible assets</b>					
Vehicles		730,190	912,738	5,916	6,865
Computer & other equipments		46,057	59,630	373	449
<b>Total non-current assets</b>	7	<b>776,247</b>	<b>972,368</b>	<b>6,289</b>	<b>7,314</b>
<b>Total assets</b>		<b>5,214,418</b>	<b>5,650,156</b>	<b>42,249</b>	<b>42,498</b>
<b>LIABILITIES</b>					
<b>Current liabilities</b>					
Trade payables	8	444,313	287,172	3,600	2,160
Tax liabilities	9	171,554	140,911	1,390	1,060
<b>Total current liabilities</b>		<b>615,867</b>	<b>428,083</b>	<b>4,990</b>	<b>3,220</b>
<b>Non-current liabilities</b>					
Finance lease	10	363,156	644,948	2,942	4,851
<b>Total non-current liabilities</b>		<b>363,156</b>	<b>644,948</b>	<b>2,942</b>	<b>4,851</b>
<b>Total liabilities</b>		<b>979,023</b>	<b>1,073,031</b>	<b>7,932</b>	<b>8,071</b>
Net result from previous years		4,577,125	3,857,635	34,427	28,526
Exchange rate difference from translation in foreign currency		-	-	2,569	537
Net result of the current year		(341,730)	719,490	(2,679)	5,364
<b>Net result</b>		<b>4,235,395</b>	<b>4,577,125</b>	<b>34,317</b>	<b>34,427</b>
<b>Total liabilities</b>		<b>5,214,418</b>	<b>5,650,156</b>	<b>42,249</b>	<b>42,498</b>

The financial statements has to be read in conjunction with notes set out in pages 5 to 11, forming part of these financial statements.

Director

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CCI France-Albanie  
Financial Statements as and for the year ended as at December 31, 2018

(all amounts are expressed in ALL)

Statement of financial performance  
For the year ended December 31, 2018

	Notes	ALL		Equivalent in EUR	
		2018	2017	2018	2017
<b>Income from operating activities</b>					
Income from contributions		6,600,820	6,234,645	51,739	46,482
Income from sponsorships		157,660	163,956	1,236	1,222
Other income		22,500	884,156	176	6,592
<b>Total income</b>	11	<b>6,780,980</b>	<b>7,282,757</b>	<b>53,151</b>	<b>54,296</b>
<b>Expenses from operating activities</b>	12	<b>(1,983,910)</b>	<b>(1,843,244)</b>	<b>(15,549)</b>	<b>(13,742)</b>
Membership fee and costs on Business France activities		(394,386)	(522,178)	(3,091)	(3,893)
Sponsorship expenses (marketing)		(258,902)	(132,711)	(2,029)	(989)
Representation expenses		(495,959)	(106,225)	(3,887)	(792)
Events and General assembly meeting		(834,663)	(909,261)	(6,542)	(6,779)
Studies		-	(172,869)	-	(1,289)
<b>Administrative expenses</b>	13	<b>(920,039)</b>	<b>(806,198)</b>	<b>(7,214)</b>	<b>(6,011)</b>
Rent expenses		(158,850)	(143,586)	(1,245)	(1,070)
Stationary expenses		(81,460)	(38,070)	(639)	(284)
Communication and web support		(276,669)	(199,801)	(2,169)	(1,490)
Local taxes		(15,000)	(15,000)	(118)	(112)
Fines and penalties		(459)	(11,134)	(4)	(83)
Other expenses		(233,068)	(221,863)	(1,827)	(1,654)
Insurance		(17,676)	(44,489)	(139)	(332)
Fuel & transport expenses		(101,190)	(77,547)	(793)	(578)
Interest expense from finance lease		(35,667)	(54,708)	(280)	(408)
<b>Employees expenses</b>	14	<b>(3,443,304)</b>	<b>(3,383,396)</b>	<b>(26,989)</b>	<b>(25,224)</b>
Salary expenses		(3,148,573)	(3,119,906)	(24,679)	(23,260)
Social and health contribution expenses		(294,731)	(263,490)	(2,310)	(1,964)
<b>Depreciation expenses</b>	15	<b>(196,121)</b>	<b>(242,691)</b>	<b>(1,537)</b>	<b>(1,809)</b>
Depreciation		(196,121)	(242,691)	(1,537)	(1,809)
<b>Profit/loss from activities</b>		<b>237,606</b>	<b>1,007,228</b>	<b>1,862</b>	<b>7,510</b>
<b>Net financial income and expenses</b>	16	<b>(579,336)</b>	<b>(287,738)</b>	<b>(4,541)</b>	<b>(2,146)</b>
Interest and commission income		(70,177)	(97,735)	(550)	(729)
Gains/losses from foreign exchange rate		(509,159)	(190,003)	(3,991)	(1,417)
<b>Net result of the year</b>		<b>(341,730)</b>	<b>719,490</b>	<b>(2,679)</b>	<b>5,364</b>

The financial statements has to be read in conjunction with notes set out in pages 5 to 11, forming part of these financial statements.

CCI France-Albanie  
 Financial Statements as and for the year ended as at December 31, 2018

*(all amounts are expressed in ALL)*

Statement of fund balance

For the year ended December 31, 2018

	ALL	EUR
	For the year ended december 31,2018	For the year ended december 31,2018
<b>Balance of funds carried forward</b>	4,577,125	34,427
Funds received from membership	6,600,820	51,739
Funds received from sponsorship	157,660	1,236
Funds received from others	22,500	176
<b>Funds received from CCIFA during the period</b>	<b>6,780,980</b>	<b>53,151</b>
Expenses for the period January-December 2018	(7,122,710)	(55,830)
Exchange rate differences	-	2,569
<b>Total expenses for 2018</b>	<b>(7,122,710)</b>	<b>(53,261)</b>
<b>Current year balance of funds</b>	<b>(341,730)</b>	<b>(110)</b>
<b>Total fund balance as at 31 December 2018</b>	<b>4,235,395</b>	<b>34,317</b>

The financial statements have to be read in conjunction with notes set out in pages 5 to 11, forming part of these financial statements.

*(all amounts are expressed in ALL)*

## NOTES TO THE FINANCIAL STATEMENTS

### 1. General information

#### 1.1 General

CCI France-Albanie (hereinafter called "The Chamber") is a non-profit organization in Albania.

The Chamber is registered in 14.12.2011, with a court decision no.3217, and has NUIS L12428451F. The address of organization is Road "Dëshmorët e Kombit", Twin Towers, First tower, 9<sup>th</sup> floor, Tirana, Albania.

The Chamber activity are in compliance with requirement of law no. 8788, date 07.05.2011, "For non-profit organization"

### 2. Basis of preparation of the financial statements

#### Statement of compliance

The Financial Statements have been prepared, in all material respects, in conform with Law No. 9228 dated April 29, 2004 "On accounting" and the "General Accounting Principle", approved on 15.06. 2006.

#### Basis of preparation

The financial statements are prepared in accordance with National Accounting Standard no. 15, "Accounting and Financial Reporting micro entities" (NAS15), adopted by the National Accounting Council and promulgated by the Ministry of Finance. NAS 15 based on Law no. 9228, dated 29.04.2004 "On Accounting and Financial Statements" amended, "On amendments and additions to Law no. 8957, dated 17.10.2002 "For small and medium-sized enterprises," as amended.

#### 2.1 Modified cash basis for accounting

With the exception for accounting for unpaid services and goods received, the organisation maintains its accounting records in accordance with the cash basis of accounting. Under this basis of accounting, income is recorded when received and expenses are recorded when paid. Only at the end of a period, accruals or creditors are booked in order to show all costs and income of the period in financial statements.

#### 2.2 Historical cost basis

The Financial Statements of the Organization have been prepared on the historical cost basis. Below are the significant accounting policies adopted from the organisation.

### 3. Summary of significant accounting policies

#### 3.1 Going concern

Development of the Organization's financial statements are normally based on the assumption that its activity is ongoing and will continue to develop without substantial changes in the next 12 months, except when the activity goes down and the termination or its liquidation within a year, there is no other alternative to operate.

*(all amounts are expressed in ALL)*

### 3. Summary of significant accounting policies (continue)

#### 3.2 Functional and reporting currency and foreign currency transactions

The financial Statements are expressed in Albanian Lek (ALL) which is the functional and reporting currency of the organization. The financial information is presented in Lek.

Income funds and expenditures are expressed in Lek. Foreign currency transactions are converted into ALL at exchange rate on the day of the transaction. The resulting differences are recognized in the statement of financial performance for the period.

Balance Sheet, Statement of financial performance and Statement of fund balance is translated in Euro for reading purposes by the members of the chamber.

Monetary assets and liabilities are translated in Balance Sheet with the exchange rate of the Bank of Albania at 31.12.2018. The resulting exchange rate differences are recognized in the Balance Sheet. Non-monetary assets and liabilities measured at historical costs and denominated in foreign currency are translated using the exchange rate ruling at the date of the transaction.

The exchange rate as per Bank of Albania as of 31.12.2018 for the main two currencies are represented in the table below:

Foreign exchange rate	2018	2017
EUR/LEK	123.42	132.95
USD/ LEK	107.82	111.10

#### 3.3 Recognize of resources and expenses

The financial resources of the financial year 2018, which are recognized on cash basis, consist of membership fees and other income.

Expenses recognized in financial statements, are all payment and expenditures incurred during 2018 including few unpaid expenses at the end of the period.

#### 3.4 Property, plant and equipment

Property, plant and equipment's are presented in balance sheet with their cost less the accumulated depreciation. Additions of Plant, Property and Equipment are recorded with their purchase. The cost of purchase comprises all the expenses made to bring the asset in the place and existing conditions.

#### 3.5 Cash and cash equivalents

For purpose of the Statement of Use and disbursement of funds, cash is considered cash in hand and in operating accounts in banks.

#### 3.6 Surplus of resources over expenses

Surplus/deficit between resources and uses which is created in financial year is reflected in net funds of organization.

#### 3.7 Taxes and contributions

In Albania, not-for-profit organizations are exempted from the income tax.

*(all amounts are expressed in ALL)*

**3. Summary of significant accounting policies (continue)**

**3.8 Employee benefits and income taxes**

Organisation is liable for social security contributions and income taxes of its local staff. Therefore, it has to contribute into the Albanian state pension fund an amount of benefits based on each employee's salary and has to remit the income taxes withheld to the tax authorities. During this period, the organization has respected the local rules for the payment of social contribution.

**4. Cash and cash Equivalents**

Cash and cash equivalents for the year ended December 31, 2018 and December 31, 2017 are composed follows:

	<u>December 31, 2018</u>	<u>December 31, 2017</u>
Cash and cash equivalents at banks	4,195,764	4,464,119
In ALL	65,022	162,781
In foreign currency	4,130,742	4,301,338
Petty cash	57,277	-
	<u>4,253,041</u>	<u>4,464,119</u>

**5. Accounts Receivable**

Accounts receivable for the year ended December 31, 2018 and December 31, 2017 are composed as follows:

	<u>December 31, 2018</u>	<u>December 31, 2017</u>
Clients in foreign currency	185,130	195,436
	<u>185,130</u>	<u>195,436</u>

**6. Other account receivables**

Other account receivables for the year ended December 31, 2018 and December 31, 2017 are composed as follows:

	<u>December 31, 2018</u>	<u>December 31, 2017</u>
Prepayment of withholding tax	-	18,233
	<u>-</u>	<u>18,233</u>



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(all amounts are expressed in ALL)

7. Tangible assets

	Computers	Other	Vehicles	Total
<b>Cost</b>				
Balance as at 1 January 2017	57,000	-	1,581,549	1,638,549
Additions	-	30,200	-	30,200
<b>Balance as at 31 December 2017</b>	<b>57,000</b>	<b>30,200</b>	<b>1,581,549</b>	<b>1,668,749</b>
Additions	-	-	-	-
<b>Balance as at 31 December 2018</b>	<b>57,000</b>	<b>30,200</b>	<b>1,581,549</b>	<b>1,668,749</b>
<b>Accumulated depreciation</b>				
Balance as at 1 January 2017	13,063	-	440,627	453,690
Charge for the year	10,984	3,523	228,184	242,691
<b>Balance as at 31 December 2017</b>	<b>24,047</b>	<b>3,523</b>	<b>668,811</b>	<b>696,381</b>
Charge for the year	8,238	5,335	182,548	196,121
<b>Balance as at 31 December 2018</b>	<b>32,285</b>	<b>8,858</b>	<b>851,359</b>	<b>892,502</b>
<b>Net Book Value</b>				
<b>Balance as at 31 December 2017</b>	<b>32,953</b>	<b>26,677</b>	<b>912,738</b>	<b>972,368</b>
<b>Balance as at 31 December 2018</b>	<b>24,715</b>	<b>21,342</b>	<b>730,190</b>	<b>776,247</b>

8. Trade payables

Trade payables for the year ended December 31, 2018 and December 31, 2017 is composed as follows:

	December 31, 2018	December 31, 2017
Supplier for unreceived invoices	444,313	287,172
	<b>444,313</b>	<b>287,172</b>

9. Due to state for contribution and taxes

Due to state for contribution and taxes for the year ended December 31, 2018 and December 31, 2017 are composed as follows:

	December 31, 2018	December 31, 2017
Social and health contribution and income tax liabilities	140,783	140,911
Withholding tax liabilities	30,771	-
	<b>171,554</b>	<b>140,911</b>

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*(all amounts are expressed in ALL)*

**10. Finance lease**

Finance lease for the year ended December 31, 2018 and December 31, 2017 is composed as follows:

	<u>December 31, 2018</u>	<u>December 31, 2017</u>
Leasing SGA	363,156	644,948
	<u>363,156</u>	<u>644,948</u>

**11. Income from operating activity**

Income from operating activity for the year ended December 31, 2018 and December 31, 2017 is composed as follows:

	<u>December 31, 2018</u>	<u>December 31, 2017</u>
Income from membership fee	6,600,820	6,234,645
Income from sponsorships	157,660	163,956
Other income	22,500	884,156
	<u>6,780,980</u>	<u>7,282,757</u>

<b>Breakdown of membership fee in 2018</b>	<b>No.of members</b>	<b>Member fees</b>	<b>Amount in EUR</b>	<b>Amount in ALL</b>
Member contribution of 5,000 EUR	1	5,000	5,000	
Member contribution of 1,500 EUR	16	1,500	24,000	
Member contribution of 500 EUR	41	500	20,500	
Impact of translation reserve			2,239	
	<u>58</u>		<u>51,739</u>	<u>6,600,820</u>

<b>Breakdown of membership fee in 2017</b>	<b>No.of members</b>	<b>Member fees</b>	<b>Amount in EUR</b>	<b>Amount in ALL</b>
Member contribution of 5,000 EUR	1	5,000	5,000	
Member contribution of 1,500 EUR	11	1,500	16,500	
Member contribution of 500 EUR	44	500	22,000	
Member annual contribution-Pro rata	13		2,280	
Impact of translation reserve			709	
	<u>69</u>		<u>46,482</u>	<u>6,234,645</u>

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*(all amounts are expressed in ALL)*

**12. Operating expenses**

Operating expenses for the year ended December 31, 2018 and December 31, 2017 is composed as follows:

	<u>For the year ended as at December 31,2018</u>	<u>For the year ended as at December 31,2017</u>
Events and General assembly meeting	834,663	909,261
Representation expenses	495,959	106,225
Membership fee and cost of Business France activities	394,386	522,178
Marketing expenses (sponsorship)	258,902	132,711
Studies	-	172,869
	<u><b>1,983,910</b></u>	<u><b>1,843,244</b></u>

**13. Administrative expenses**

Administrative expenses for the year ended December 31, 2018 and December 31, 2017 is composed as follows:

	<u>For the year ended as at December 31,2018</u>	<u>For the year ended as at December 31,2017</u>
Communication and web support	276,669	199,801
Rent expenses	158,850	143,586
Fuel & transport expenses	101,190	77,547
Stationary expenses	81,460	38,070
Tax and accounting service	177,725	-
Interest expense from finance lease	35,667	54,708
Insurance expenses	17,676	44,489
Local taxes	15,000	15,000
Fines and penalties	459	11,134
Other expenses	55,345	221,863
	<u><b>920,039</b></u>	<u><b>806,198</b></u>

**14. Employees expenses**

Employees expenses for the year ended December 31, 2018 and December 31, 2017 is composed as follows:

	<u>For the year ended as at December 31,2018</u>	<u>For the year ended as at December 31,2017</u>
Salary expenses	3,148,573	3,119,906
Social and health contributions expenses	294,731	263,490
	<u><b>3,443,304</b></u>	<u><b>3,383,396</b></u>

**CCI France-Albanie**  
**Financial Statements as and for the year ended as at December 31, 2018**

*(all amounts are expressed in ALL)*

Employees expenses represent the cost of salaries for the executive director for 12 months and the secretary of the chamber for a period of 12 months.

**15. Depreciation expenses**

Depreciation expenses for the year ended December 31, 2018 and December 31, 2017 is composed as follows:

	<u>For the year ended as at December 31,2018</u>	<u>For the year ended as at December 31,2017</u>
Depreciation expenses	196,121	242,691
	<u>196,121</u>	<u>242,691</u>

**16. Net financial income and expenses**

Net financial income and expenses for the year ended December 31, 2018 and December 31, 2017 is composed as follows:

	<u>For the year ended as at December 31,2018</u>	<u>For the year ended as at December 31,2017</u>
Interest and bank commissions income	70,177	97,735
Gains/losses from foreign exchange rates	572,379	190,003
	<u>642,556</u>	<u>287,738</u>

**17. Subsequent events**

There are no significant subsequent events after the balance sheet date which would require adjustment or disclosure to these financial statements.