



Fonden Arij International

Skindergade 23
1159 København K
CVR No. 38934481

Annual report 2020

The Annual General Meeting adopted the
annual report on 01.07.2021

Kim Ghattas

Chairperson of the General Meeting

Contents

Entity details	2
Statement by Management	3
Independent auditor's report	4
Management commentary	7
Income statement for 2020	13
Balance sheet at 31.12.2020	14
Statement of changes in equity for 2020	16
Notes	17
Accounting policies	18

Entity details

Entity

Fonden Arij International

Skindergade 23

1159 København K

CVR No.: 38934481

Registered office: København

Financial year: 01.01.2020 - 31.12.2020

Board of Directors

Kim Ghattas, chairperson

Anders Alexandersson

Assile Tabbara

Jad P Melki

Pia Normann Thordsen

Reem Abu Hassan

Sullivan Andrew Joseph

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Weidekampsgade 6

2300 Copenhagen S

Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of Fonden Arij International for the financial year 01.01.2020 - 31.12.2020.

The annual report is presented in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2020 and of the results of its operations for the financial year 01.01.2020 - 31.12.2020.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Copenhagen, 01.07.2021

Board of Directors

Kim Ghattas
chairperson

Anders Alexandersson

Assile Tabbara

Jad P Melki

Pia Normann Thordsen

Reem Abu Hassan

Sullivan Andrew Joseph

Independent auditor's report

To the shareholders of Fonden Arij International

Opinion

We have audited the financial statements of Fonden Arij International for the financial year 01.01.2020 - 31.12.2020, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2020 and of the results of its operations for the financial year 01.01.2020 - 31.12.2020 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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 this auditor's report. We are independent of the Entity in accordance with the International Ethics Standards Board of 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 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 the Danish Financial Statements Act, 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 Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Entity 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 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 and the additional requirements applicable in Denmark, 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 Entity'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 Entity'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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, and whether the financial statements 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 the management commentary

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, 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 commentary and, in doing so, consider whether the management commentary is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

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

Copenhagen, 01.07.2021

Deloitte

Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Christian Dalmose Pedersen

State Authorised Public Accountant
Identification No (MNE) mne24730

Management commentary

Primary activities

The object of the Foundation is:

"To support investigative journalism, transparency and credibility, primarily in the Arab world. The object of the Foundation is to engage in charitable purposes. The Foundation is governed by the Danish act on Registered Social Enterprises and is therefore a social enterprise".

Development in activities and finances

The Foundation was established in September 2017.

The Foundation has signed an administration agreement with the Danish law firm Foldschack, Forchhammer, Dahlager & Barfod. Furthermore, the Foundation has signed an agreement with IMS and a number of other international organizations. on receiving funds from these organizations to be used in the Foundation's work.

The Foundation implement the assignments through the company Arab Researchers for Managing Seminars and Training in Jordan.

The Foundation holds conferences, seminars, training courses, and the like as well as in other ways support investigative journalism in the Arab World. In 2020 many of the activities has been digitally.

Furthermore, the Foundation has signed an agreement that Arab Researchers are in charge of the internet-based platform ARIJ which is updated on an on-going basis so that the investigative journalism being produced may become available to a large audience.

In 2020 the Foundation bought all the shares in the Jordanian company Arab Researchers for Managing Seminars and Training in Jordan.

In addition, the Board of Directors must i.h.t. Section 8 of the Act on social economy companies states the following:

The Board hereby gives an account of the following matters:

1. The total amount of Board remuneration for present and former members listed for each management body:
The Board does not carry out remunerated tasks for the Foundation.
2. The total amount of management remuneration: There is no management.
3. Agreements entered into with related persons/parties: An agreement has been signed with the founder IMS that the founder pays for the Foundation carrying out a number of activities which are specified in the agreement with IMS. The Foundation informs IMS in relation to whether these activities have been carried out and it is clearly stated in the signed agreement that the funds received are to be paid back to IMS, if the activities are not carried out as agreed.
4. Cash and other assets distributed from the Foundation's funds: In the financial year, no funds have been

distributed by the Foundation.

5. The Foundation's policy for distribution of funds: As the Foundation is in the set-up phase of its organization and activities, the Board has decided not to distribute any funds at this stage.
6. List of recipients of funds: There has been no distribution of funds in the financial year.
7. How the Foundation fulfills its social aims: The Foundation has agreements with subsuppliers to ensure that the activities that are necessary in order for the Foundation to fulfill its aims to support investigative journalism, transparency and credibility in the Arab world have been carried out.
8. How the Foundation is independent of public authorities: The Foundation has no members that have been appointed by public authorities, nor is the Foundation in any other way dependent on public authorities.
9. How the Foundation is inclusive and responsible in its work: The Foundation is in an on-going dialogue with a number of different cooperation partners, including not least a number of investigative journalists in the Arab world, about possible ways to spread and support investigative journalism. Furthermore with the aid of subsuppliers, the Foundation's work includes propagating investigative journalism which may contribute to citizens becoming involved in important matters in society and may increase citizens' commitment and belief that they are able to influence society.

Statutory report on foundation governance

Section 60 of the Danish Act on Commercial Foundations requires the Foundation's Executive Committee to consider the recommendations of the Committee on Foundation Governance under the Comply or Explain approach. The Executive Committee has reviewed and considered each recommendation, as stated below.

Name	Reem Abu Hassan	Anders Alexanderson	Acil Tabbara
Title	board member	board member	board member
Gender	F	M	F
Age	Born 1963	Born 1954	Born 1962
Nationality	Jordanian	Swedish	French / Lebanese
Joined board	43862	44267	44267
Initial Expiration	45291	44561	44561
Competencies	Law, Human Rights, Family protection, Early child protection, Domestic and GBV, in depth knowledge of the legislative system in Jordan	Training, Investigation, Business, Funding	Reporting, Journalism, Gender, Training, Coaching, Management, Arab Region
Jobs	Independent - Lawyer Civil Society Activist - Gender and Development Issues	Senior vice president at Stockholm School of Economics in Riga (SSE Riga)	Senior Editor, Agence France Presse
Other jobs,.... etc	Head of "Poverty" Committee Support in Jordan	Board member, OCCRP	No
Independancy/ Partners	Independent	A Board member at OCCRP, which is one of ARIJ's partners/small donors	Independent

Name	Kim Ghattas	Pia Thordsen	Drew Sullivan	Jad Melki
Title	Chairperson	board member	board member	board member
Gender	F	F	M	M
Age	Born 1977	Born 1966	Born 1963	Born 1974
Nationality	Dutch / Lebanese	Danish	American	American / Lebanese
Joined board	13-06-2020	14-09-2017	01-01-2020	01-02-2020
Initial Expiration	31-12-2023	31-12-2021	31-12-2023	31-12-2023
Competencies	Journalism, politics, fundraising, communication, Knowledge of the terms of journalistic work in the Arab Region	Investigative journalism, Production, Media Landscape, Knowledge of the terms of journalistic work in the Arab World	Management, Business Operations, Fundraising, Investigative Journalism, Finance, Administrative, Editorial, Fact Checking	Communications, Media, Investigative journalism, Accademia, training, Arts, Multimedia
Jobs	Independent - Reporter/Author	Journalist/Producer	Editor (Co-founder of OCCRP (Organized Crime and Corruption Project Reporting))	Associate Professor, Journalism and Media Studies Chairperson, Department of Communication Arts Director, Institute of Media Research and Training, LAU(Lebanese American University)
Other jobs,... etc	Ghattas serves at the board of trustees at the AUB (American University of Beirut), She is also currently a non resident senior fellow at the Carnegie Endowment for International Peace.	No	No	No
Independancy/ Partners	Independent	Independent	Heads OCCRP, which is one of ARIJ's partners/small donors	Independent

Nr. 1.1 It is recommended that the board of directors adopt principles for external communication that address the need for transparency and stakeholders' needs and possibilities to obtain relevant up-to-date information about the circumstances of the foundation.

The foundation complies

Nr. 2.1.1 It is recommended that, in order to secure the activities of the commercial foundation in accordance with the purposes and interests of the foundation, the board of directors should, at least once a year, take a position on the overall strategy and distribution policy of the foundation on the basis of the articles of association.

The foundation complies

Nr. 2.1.2 It is recommended that the board of directors regularly address whether the foundation's asset management is in line with the purpose of the foundation and its long- and short-term needs.

The foundation complies

Nr. 2.2.1 It is recommended that the chairman of the board of directors organise, convene and chair meetings of the board of directors in order to ensure effective board work and to establish the best conditions for the work of the board members, individually and collectively.

The foundation complies

Nr. 2.2.2 It is recommended that if the board of directors, in exceptional cases, asks the chairman of the board of directors to perform special activities for the commercial foundation which extend beyond the duties of chairman, a board resolution to that effect be passed to ensure that the board of directors maintains its independent, general management and control function. Appropriate allocation of responsibilities should be ensured between the chairman, the vice-chairman, the other members of the board of directors and the executive board, if any.

The foundation complies

Nr. 2.3.1 It is recommended that the board of directors regularly, and at least every second year, assess and stipulate the competences that the board of directors needs to possess in order to best perform the tasks incumbent upon the board of directors.

The foundation complies

Nr. 2.3.2 It is recommended that, with due respect of any right in the articles of association to make appointments, the board of directors approves a structured, thorough and transparent process for selection and nomination of candidates for the board of directors.

The foundation complies

Nr. 2.3.3 It is recommended that members of the board of directors are appointed on the basis of their personal qualities and competences, taking into account the collective competences of the board, and when composing and nominating new members of the board the need for introducing new talent is weighed against the need for continuity and the need for diversity in relation to commercial and grants experience, age and gender.

The foundation complies

Nr. 2.3.4 It is recommended that in the management commentary in the annual report and on the commercial foundation's website, if any, there is an account of the composition of the board of directors, including its diversity, and that the following information is provided on each board member:

- the name and position of the member,
- the age and gender of the member,
- date of original appointment to the board whether the member has been re-elected, and expiry of the current election period,
- any special competences possessed by the member,

- other managerial positions held by the member, including positions on executive boards, boards of directors and supervisory boards and board committees in Danish and foreign foundations, enterprises and institutions, as well as other demanding organisation tasks,
- whether the member owns shares, options, warrants and similar in the foundation's subsidiaries and/or associated companies,
- whether the member has been appointed by authorities/providers of grants etc., and
- whether the member is considered independent.

The foundation complies

Nr. 2.3.5 It is recommended that the majority of the members of the board of directors of the commercial foundation are not also members of the board of directors or executive board of the foundation's subsidiary(ies), unless it is a fully owned actual holding company.

The foundation complies

Nr. 2.4.1 It is recommended that an appropriate proportion of the board of directors be independent. If the board of directors (excluding employee representatives) is composed of

- up to four members, at least one member should be independent,
- between five and eight members, at least two members should be independent, or
- nine to eleven members, at least three members should be independent, and so on.

To be considered independent, this person may not, for example:

- be or within the past three years have been member of the executive board, or senior employee in the foundation, or an essential subsidiary or associated company to the foundation,
- within the past five years have received larger emoluments, including distributions or other benefits from the foundation/group or a subsidiary or associated company to the foundation in other capacity than as member of the board of directors or executive board of the foundation,
- within the past year have had a significant business relationship (e.g. personal or indirectly as partner or employee, shareholder, customer, supplier or member of the executive management of companies with corresponding connection) with the foundation/group or a subsidiary or associated company to the foundation,
- be or within the past three years have been employed or partner at the external auditor,
- have been a member of the board of directors or executive board of the foundation for more than 12 years,
- be a close relative of, or in some other way be especially close to, persons who are not considered independent,
- be the founder or a significant donor if the purpose of the foundation is to grant support to this person's family or others who are especially close to this person, or
- be a member of the management of an organisation, another foundation or similar, which receives or repeatedly within the past five years has received significant donations from the foundation.

The foundation complies

Nr. 2.5.1 It is recommended that members of the board of directors be appointed for a minimum period of two years and a maximum period of four years.

The foundation complies

Nr. 2.5.2 It is recommended that an age limit for members of the board of directors be set, which is published in the management commentary or on the foundation's website.

The foundation complies

Nr. 2.6.1 It is recommended that the board of directors establish an evaluation procedure in which the board of directors, the chairman and the contributions and performance of individual members are evaluated annually, and the result is discussed by the board of directors.

The foundation complies

Nr. 2.6.2 It is recommended that once a year the board of directors evaluate the work and performance of the executive board and/or the administrator (where relevant) in accordance with predefined clear criteria.

The foundation complies

Nr. 3.1.1 It is recommended that the members of the board of directors of commercial foundations be remunerated with a fixed remuneration and that members of an executive board, if any, be remunerated with a fixed remuneration, possibly combined with a bonus which should not be dependent upon accounting results. The remuneration should reflect the work and responsibilities consequential to the position.

The foundation complies

Nr. 3.1.2 It is recommended that the financial statements provide information about the full remuneration received by each member of the board of directors and any executive board from the commercial foundation and from the foundation's subsidiaries and associated companies. Furthermore there should be information on any other remuneration which members of the board of directors and any executive board have received for performing other work or tasks for the foundation, the foundation's subsidiaries or associated companies, except for the remuneration of employee representatives as employees.

The foundation complies

Statutory report on distribution policy

As the fund is in an establishment phase, the management has decided not to make any distributions at this time and therefore no distribution policy has been defined.

Events after the balance sheet date

No events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

Income statement for 2020

	Notes	2020 DKK	2019 DKK
Revenue		10,110,576	11,438,531
Cost of sales		(9,579,994)	(11,256,926)
Other external expenses		(182,010)	(168,065)
Gross profit/loss		348,572	13,540
Other financial income	1	3,642	0
Other financial expenses	2	(42,635)	(13,540)
Profit/loss for the year		309,579	0
Proposed distribution of profit and loss:			
Retained earnings		309,579	0
Proposed distribution of profit and loss		309,579	0

Balance sheet at 31.12.2020

Assets

	Notes	2020 DKK	2019 DKK
Other receivables		892,193	2,028,207
Receivables		892,193	2,028,207
Cash		968,054	1,512,388
Current assets		1,860,247	3,540,595
Assets		1,860,247	3,540,595

Equity and liabilities

	Notes	2020 DKK	2019 DKK
Contributed capital		300,000	300,000
Retained earnings		309,579	0
Equity		609,579	300,000
Trade payables		43,125	55,625
Deferred income		1,207,543	3,184,970
Current liabilities other than provisions		1,250,668	3,240,595
Liabilities other than provisions		1,250,668	3,240,595
Equity and liabilities		1,860,247	3,540,595

Non-arm's length related party transactions

3

Statement of changes in equity for 2020

	Contributed capital DKK	Retained earnings DKK	Total DKK
Equity beginning of year	300,000	0	300,000
Profit/loss for the year	0	309,579	309,579
Equity end of year	300,000	309,579	609,579

Notes

1 Other financial income

	2020	2019
	DKK	DKK
Other financial income	3,642	0
	3,642	0

2 Other financial expenses

	2020	2019
	DKK	DKK
Other interest expenses	8,463	0
Exchange rate adjustments	34,172	13,540
	42,635	13,540

3 Non-arm's length related party transactions

Only related party transactions not conducted on an arm's length basis are disclosed in the annual report. No such transactions have been conducted in the financial year.

Accounting policies

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of certain provisions for reporting class C.

The accounting policies applied to these financial statements are consistent with those applied last year.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Income statement

Revenue

Revenue consists of grants received and donations to support investigative journalism, transparency and credibility primarily in the Arab world.

Cost of sales

Cost of sales includes project costs to meet the Fund's mission statement to support investigative journalism, transparency and credibility primarily in the Arab world.

Other external expenses

Other external expenses include expenses relating to the Entity's administrator and accountant.

Other financial income

Other financial income comprises of exchange gains on transactions in foreign currencies.

Other financial expenses

Other financial expenses comprise of exchange loss on transactions in foreign currencies.

Balance sheet

Receivables

Receivables are measured at amortised cost, usually equalling nominal value less writedowns for bad and doubtful debts.

Cash

Cash comprises cash in hand and bank deposits.

Other financial liabilities

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.

Deferred income

Deferred income comprises income received for recognition in subsequent financial years. Deferred income is measured at cost.