



Albanian Helsinki Committee

Management Letter to the Audit Report 2009

In addition to the Audit Report 2009 we would like to draw your attention to the following points concerning the financial management of the Albanian Helsinki Committee:

Quality of Accounting System

The accounting system and financial management of the Albanian Helsinki Committee is of a high quality. The internal control procedures are well established and consistently applied. The organisation has a good system of checks and balances between its organs General Assembly, Advisory Board and Executive Director. As a consequence the organisation is not dominated by just one person. The General Assembly and the Advisory Board are actively involved in strategic management decisions. Other features of internal control such as separation of cash handling and accounting, joint signatory power, authorisation of expenses and control over fixed assets are also well applied.

The accounting system is organised on the basis of cost centres, which allows splitting income, expenses and remaining funds per project and donor. The information provided is important for the AHC as a multi-donor organisation. It can both transparently show cash flows and project balance separately to every donor and present the financial information in consolidated financial statements.

Our audit did not reveal any shortcomings in financial reporting. The financial statements accurately reflect the position and operations of the Albanian Helsinki Committee and the accounting figures are completely supported by original documents. The organisation furthermore fully complied with the tax legislation in Albania.



Distribution of Funding Sources

In 2009 a share of 70.5 % of all expenses was covered by two donors: the European Commission (43.7 %) and the Civil Rights Defenders (26.8 %). The remaining 29.5 % were covered by six other foreign donors and by the organisation's own funds. The Albanian Helsinki Committee did not receive any local income in 2009.

Although the Albanian Helsinki Committee has a solid financial basis and considerable reserves, the dependence on few donors might bear risks for the future.

It may be an idea that the AHC starts to develop fundraising in Albania to obtain income also from local sources. The organisation has a long history and a very good reputation. The work of the Albanian Helsinki Committee is in the best interest and to the benefit of the Albanian society. Why should it not be possible to receive funding from local sources? In this case some of the AHC's employees should attend fundraising seminars or receive consulting. This would help the organisation in working out its fundraising capacities and strategies.

München, 8 July 2010



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