



**Balkan Sunflowers  
Kosova-BSFK**

Independent Auditor's Report and Individual Financial Statements  
for the year ended December 31, 2020

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## INDEPENDENT AUDITOR'S REPORT

### To the Management of Balkan Sunflowers Kosova

#### ***Opinion***

We have audited the accompanying financial statements of Balkan Sunflowers Kosova, which comprise the statement of financial position as at December 31, 2020 and the statement of profit or loss, statement of changes in fund balances and statement of cash flow for the year then ended, and other explanatory notes.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Balkan Sunflowers Kosova as of December 31, 2020, results of its operation and the cash flow for the year then ended in conformity with actual laws.

#### ***Basis for Opinion***

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Project financial report section of our report. We are independent of the Business in accordance with International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (IESBA Code), 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.

#### ***Responsibilities of Management and those charged with Governance for the financial statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the International Financial Reporting Standard and the internal controls that the management deems necessary to enable the preparation of financial statements without material misstatement due to fraud or error.

For the financial statements preparation, management is responsible for assessing the organization's ability to sustainability in the future, disclosing, as necessary, future sustainability issues and using the accounting continuity principle unless management intends to liquidate the Organization or Interrupt the operation, or there is no other possible alternative than to do it.

Those charged with governance are responsible for overseeing the Organization's financial reporting process.

#### ***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 will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in total, 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 in accordance with ISAs, we exercise professional judgment and maintain professional skepticism 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 Organization'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 and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Organization'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 Organization to cease to continue as a going concern.

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.

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Armend Osaj – Statutory Auditor  
ACA – Audit & Consulting Associates  
Prishtine, Kosove  
12 July, 2021

**BALKAN SUNFLOWERS KOSOVA**  
**Statement of Financial Position**  
**For the year ended December 31, 2020**

	Notes	December 31, 2020 (in EUR)	December 31, 2019 (in EUR)
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property and equipment	3	11,959	10,705
Total non-current assets		<u>11,959</u>	<u>10,705</u>
<b>Current assets</b>			
Accounts Receivable		-	-
Cash and bank balances	4	84,015	11,658
Prepayments		273	214
Total current assets		<u>84,288</u>	<u>11,872</u>
<b>TOTAL ASSETS</b>		<u><u>96,247</u></u>	<u><u>22,577</u></u>
<b>LIABILITIES AND RESERVES</b>			
<b>Current liabilities</b>			
Accounts payable	5	3,122	3,127
Deferred Revenue	6	93,124	19,451
Total current liabilities		<u>96,247</u>	<u>22,577</u>
<b>Reserves</b>			
Opening Balance Equity		-	-
Retained surplus		-	-
Total reserves		<u>-</u>	<u>-</u>
<b>TOTAL LIABILITIES AND RESERVES</b>		<u><u>96,247</u></u>	<u><u>22,577</u></u>

The financial statements have been signed on 12 July 2021 by:

**Muhamet Arifi**

**Lorik Zhushi**

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**Executive Director**

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**Finance coordinator**

The accompanying notes from 1 to 14 form an integral part of these financial statements

**BALKAN SUNFLOWERS KOSOVA**  
**Statement of Profit or Loss**  
**For the year ended December 31, 2020**

		End Year 31 December 2020 (In EUR)	End Year 31 December 2019 (In EUR)
	Note		
<b>Incomes</b>			
Incomes	7	380,502	312,654
<b>Total income</b>		<b>380,502</b>	<b>312,654</b>
<b>Expenses</b>			
Payroll expenses	8	124,968	207,486
Operations expenses	9	96,260	75,058
Utility expenses	10	1,173	1,447
Fuel and travel expenses	11	5,515	4,714
Communication expenses	12	4,252	4,333
Activity expenses	13	4,144	13,782
Covid-19 Support to third parties		140,761	-
Depreciation expense		3,429	5,834
<b>Total expenses</b>		<b>380,502</b>	<b>312,654</b>
<b>Retained surplus</b>		<b>-</b>	<b>-</b>

The accompanying notes from 1 to 14 form an integral part of these financial statements

**BALKAN SUNFLOWERS KOSOVA**  
**Statement of Changes in Net Assets**  
**For the year ended December 31, 2020**

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	Retained surplus (in EUR)	Net deficit/ surplus (in EUR)	Total Equity  (in EUR)
<b>Balance as at January 01, 2019</b>			
Balance carried forward	-	-	-
Net deficit/surplus for the year	-	-	-
	<hr/>	<hr/>	<hr/>
<b>Balance as at December 31, 2019</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<hr/>	<hr/>	<hr/>
<b>Balance as at January 01, 2020</b>			
Balance carried forward	-	-	-
Net deficit/surplus for the year	-	-	-
	<hr/>	<hr/>	<hr/>
<b>Balance as at December 31, 2020</b>	<b>-</b>	<b>-</b>	<b>-</b>
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The accompanying notes from 1 to 14 form an integral part of these financial statements

**BALKAN SUNFLOWERS KOSOVA**  
**Statement of Cash Flows**  
**For the year ended December 31, 2020**

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	December 31, 2020	December 31, 2019
	(in EUR)	(in EUR)
<b>Cash flows from operating activities</b>		
(Deficit)/surplus for the year	-	-
Adjustment for:		
Depreciation	3,429	5,834
Amortizimi	-	-
Change in receivables	-	65
Change in prepayments	(59)	(74)
Change in payables	(4)	1,218
Change in deferred revenue	73,674	(22,175)
<b>Net cash from operating activities</b>	<b>77,041</b>	<b>(15,132)</b>
<b>Cash flows from investing activities</b>		
Acquisition of property and equipment	(4,683)	-
<b>Net cash used in investing activities</b>	<b>(4,683)</b>	-
<b>Net increase in cash and cash equivalents</b>	<b>72,357</b>	<b>(15,132)</b>
Cash and cash equivalents at 1 January	11,658	26,790
<b>Cash and cash equivalents at 31 December</b>	<b>84,015</b>	<b>11,658</b>

The accompanying notes from 1 to 14 form an integral part of these financial statements



**BALKAN SUNFLOWERS KOSOVA**  
**Notes to the Financial Statements**  
**For the year ended December 31, 2020**

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**1. INTRODUCTION**

**Curent Balkan Sunflowers Kosova programs are:** Learning Centers Network Program, School Mediation Program, KOSINT project, Kosovo Education and Employment Network project (KEEN), Education through Dialogue and Integration (EDI phase 2), Activating Cohesion and Tolerance (ACT), EU Support for the Implementation of Roma, Ashkali and Egyptian Strategy Phase 2- Education for Integration (EU SIMRAES 2), Integration of Socially Excluded Persons in Pilot Localities, Improving the Health Situation of Children and Adults from Roma, Ashkali, and Egyptian Communities. Balkan Sunflowers Kosova primary focus areas are Community, Human Dignity, and Children and Youth.

**BALKAN SUNFLOWERS KOSOVA (BSFK)** builds activist lives for social change. We inspire and engage in community action for human rights and dignity, working in education, health, culture, citizenship, employment, and respect for diversity.

**Scope of work:**

The protection of human rights; the social, emotional and intellectual development of all people in Kosovo; and the promotion of community empowerment - through developing and implementing programs for education, research, advocacy, arts, culture and other humane activities.

**BALKAN SUNFLOWERS KOSOVA**  
**Notes to the Financial Statements**  
**For the year ended December 31, 2020**

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**2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES**

**2.1 Basis of preparation**

The financial statements for the Organization have been prepared on a modified cash basis for revenue and expenditure. The basics of measurement are described in more detail in the accounting policies set out below.

**2.2 Currency of presentation**

The functional currency of the Organization is the European Union currency unit Euro (“EUR”). The business financial statements are presented in Euro.

**2.3 Foreign currency exchange**

Foreign currency transactions are exchanged into the functional currency using the exchange rates existing at the dates of the transactions. Foreign currency gains and losses arising from the adjustment of transactions such as the re-measurements of monetary items at the end of the year exchange rates are presented as profit or loss.

**2.4 Property, plant and equipment**

*(i) Recognition and measurement*

Property, plant and equipment of the business are stated in the statement of financial position with the value of the purchased date less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Equipments are stated at cost less accumulated depreciation and accumulated impairment losses. Depreciation is recognized so as to write off the cost or valuation of assets less their residual values over their useful lives, using the declining balance method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

The gain or loss arising on the sale or disposal of an asset is defined as the difference between the proceeds of the sale and the carrying amount of an asset and is therefore recognized in profit or loss in the income statement.

*(ii) Depreciation*

Depreciation of property, plant and equipment is calculated using the straight-line method of cost allocation or cost considered at their residual value over their useful lives as follows:

Buildings	20 years
Equipment and machinery	10 years
Other non-current assets	5 years

**BALKAN SUNFLOWERS KOSOVA**  
**Notes to the Financial Statements**  
**For the year ended December 31, 2020**

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**2.5 Cash and cash equivalents**

For the purpose of the statement of cash flows, cash and cash equivalents are considered to be cash on hand and at bank and in operating accounts at bank with an original maturity of three months or less.

**2.6 Trade payables**

The amounts payable are measured at cost which is the fair value of the consideration to be paid in the future for goods and services received whether billed to the business or not.

**2.7 Contractual obligations**

Contractual obligations represent the obligation of the organization to transfer goods or services to a customer and are recognized when a customer pays the consideration, or when the organization recognizes a receivable in order to reflect its unconditional right to review before the Organization have transferred goods or services to the customer.

**2.8 Taxes**

The organization was established as a non-governmental organization, therefore it has responsibilities and operates as an NGO under the applicable laws of Kosovo.

**2.9 Revenue recognition**

Revenue is measured at the fair value of the consideration received or receivable, and represents the amount receivable for products sold or services provided in the ordinary course of business, net of customer returns, deductions and sales taxes.

Sales of goods - Revenues from sales of goods are recognized when all of the following conditions are met:

- Revenue amounts can be measured reliably
- It is probable that the economic benefits associated with the transaction will flow to the Organization
- The stage of completion of the transaction at the balance sheet date can be measured reliably
- Costs incurred or to occur in connection with the transaction can be measured reliably

Sales of services - These revenues are recognized in the accounting period in which the services are provided.

**2.10 Financial costs**

Financial costs include bank charges, charged for banking transactions and the cost charged for the guarantee received as well as interest expense on borrowings.

**BALKAN SUNFLOWERS KOSOVA**  
**Notes to the Financial Statements**  
**For the year ended December 31, 2020**

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**2.11 Contingencies and provisions**

Contingent liabilities are not recognized in financial statements. They are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. A contingent asset is not recognized in the financial statements but disclosed when an inflow of economic benefits is probable.

As at December 31, 2020, there are no contingent liabilities that require disclosure in the financial statements of the business. A provision is recognized if the business has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and a reliable estimate can be made of the amount of the obligation.

**2.12 Employee benefits**

The Organization, in the normal course of business, makes payments to the State budget of on behalf of its employees. The majority of the Organization's employees are members of the State pension plan. All such contributions to the mandatory government pension schemes are expensed when incurred. The Organization does not operate any other pension scheme or postretirement benefit plan and, consequently, has no obligation in respect of pensions.

In addition, the Organization has no material obligations to provide further benefits to current and former employees.

**BALKAN SUNFLOWERS KOSOVA**  
**Notes to the Financial Statements**  
**For the year ended December 31, 2020**

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**3. PROPERTY, PLANT AND EQUIPMENT**

	<u>Vehicles</u>	<u>Total</u>
At 1 January 2019	29,250	29,250
Additions	-	-
Disposals	-	-
<b>At 31 December 2019</b>	<b>29,250</b>	<b>29,250</b>
At 1 January 2020	29,250	29,250
Additions	12,500	12,500
Disposals	(29,250)	(29,250)
<b>At 31 December 2020</b>	<b>12,500</b>	<b>12,500</b>
At 1 January 2019	12,711	12,711
Depreciation charge for the year	5,834	5,834
Disposals	-	-
<b>At 31 December 2019</b>	<b>18,545</b>	<b>18,545</b>
At 1 January 2020	18,545	18,545
Depreciation charge for the year	3,429	3,429
Disposals	(21,433)	(21,433)
<b>At 31 December 2020</b>	<b>541</b>	<b>541</b>
<b>At 31 December 2020</b>	<b>11,959</b>	<b>11,959</b>
<b>At 31 December 2019</b>	<b>10,705</b>	<b>10,705</b>

**4. CASH AND CASH EQUIVALENTS**

	December 31, 2020	December 31, 2019
	(in EUR)	(in EUR)
Cash on Hand	62	10
Cash on Bank	83,953	11,648
<b>Total Cash and Cash Equivalents</b>	<b>84,015</b>	<b>11,658</b>

**BALKAN SUNFLOWERS KOSOVA**  
**Notes to the Financial Statements**  
**For the year ended December 31, 2020**

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**5. ACCOUNTS PAYABLE**

	December 31, 2020	December 31, 2019
	(in EUR)	(in EUR)
Taxes and pension contribution	2,404	2,404
Other liabilities	719	723
<b>Total Accounts Payable</b>	<b>3,122</b>	<b>3,127</b>

**6. DEFERRED REVENUE**

	December 31, 2020	December 31, 2019
	(in EUR)	(in EUR)
GIZ	16,947	-
KOSINT	(6,009)	-
Crowdrise	1,147	1,147
Diakonia	1,816	-
ADA-Edi 2	(51,915)	-
Unicef	6,453	-
JEW COVID	71,637	-
KFOS Covid 19	(3,861)	-
KFOS	4,028	-
UNFPA	585	-
Roma Inicitives Office 2020	6,054	-
Zyra per Ceshtje te Komuniteteve	19,843	-
Rand Zachary Engel Donation	5,000	-
BSF - USA	1,536	-
Other	19,863	18,304
<b>Total Deferred Revenue</b>	<b>93,124</b>	<b>19,451</b>

**BALKAN SUNFLOWERS KOSOVA**  
**Notes to the Financial Statements**  
**For the year ended December 31, 2020**

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**7. INCOMES**

	<b>December 31, 2020</b>	<b>December 31, 2019</b>
	<b>(in EUR)</b>	<b>(in EUR)</b>
Portiucs	-	5,834
Diakonia	10,184	30,001
ADA-Edi 2 Project & III	51,915	46,585
EU-SIMRAES II	-	43,016
KEEN	-	41,715
KOSINT 2020	5,783	21,208
Solidar Suisse	10,820	7,503
GIZ	-	87,624
UNICEF	23,727	-
KFOS 1	36,642	-
Roma Inicitives Office 2020	11,551	-
UNFPA	28,531	-
Jugend Eine Welt LC	5,361	-
JEW COVID	19,272	-
Zyra per ceshtje te komuniteteve	5,157	-
KFOS 2	91,854	-
German Embassy	12,001	-
UNMIK	21,501	-
KCSF	32,663	-
ERSTE	5,000	-
International Organization IOM	3,355	-
Perspectives for Children in We	4,424	-
Rand Zachary Engel Donation	-	-
Other incomes	763	29,167
<b>Total grant income</b>	<b>380,502</b>	<b>312,654</b>

**BALKAN SUNFLOWERS KOSOVA**  
**Notes to the Financial Statements**  
**For the year ended December 31, 2020**

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**8. PAYROLL EXPENSES**

	December 31, 2020	December 31, 2019
	(in EUR)	(in EUR)
Salaries	124,968	207,486
<b>Total payroll expenses</b>	<b>124,968</b>	<b>207,486</b>

**9. OPERATIONS EXPENSES**

	December 31, 2020	December 31, 2019
	(in EUR)	(in EUR)
Rent	9,955	19,491
Supplies	11,785	3,806
Program expenses	14,867	12,845
Office	4,091	2,642
Refreshments	10,910	9,516
Auditing	2,850	1,500
TIP	15,860	-
PLAY	20,531	-
Other operations expenses	5,412	25,256
<b>Total operations expenses</b>	<b>96,260</b>	<b>75,058</b>

**10. UTILITY EXPENSES**

	December 31, 2020	December 31, 2019
	(in EUR)	(in EUR)
Electricity, water	829	1,052
Heating	344	395
<b>Total utility expense</b>	<b>1,173</b>	<b>1,447</b>



**BALKAN SUNFLOWERS KOSOVA**  
**Notes to the Financial Statements**  
**For the year ended December 31, 2020**

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**11. FUEL & TRAVEL EXPENSES**

	December 31, 2020	December 31, 2019
	(in EUR)	(in EUR)
Fuel	4,683	3,573
Taxi	832	455
Airplane ticket	-	686
<b>Total fuel and travel expenses</b>	<b>5,515</b>	<b>4,714</b>

**12. COMMUNICATION EXPENSES**

	December 31, 2020	December 31, 2019
	(in EUR)	(in EUR)
Telephone Land Line/Fax	2,757	1,001
Internet	632	840
Web Maintenance	862	2,493
<b>Total communication expenses</b>	<b>4,252</b>	<b>4,333</b>

**13. ACTIVITY EXPENSES**

	December 31, 2020	December 31, 2019
	(in EUR)	(in EUR)
Education materials	4,144	8,693
Children's activity	-	5,089
<b>Total Activity expenses</b>	<b>4,144</b>	<b>13,782</b>

**14. SUBSEQUENT EVENTS**

COVID-19

The period of several months of closure of the organization or reduction of activities may have an effect on the operations of the organization in the future.

At the time of preparation of the audit report, the organization has continued operations and has been able to meet its obligations, therefore the report is prepared using the basis of continuity.