



Balkan Sunflowers Kosova
BSFK

Independent Auditor's Report and Individual Financial Statements
for the year ended December 31, 2021

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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, 2021 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, 2021, 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.



Armend Osaj – Statutory Auditor
ACA – Audit & Consulting Associates
Prishtina, Kosove
26 April, 2022

BALKAN SUNFLOWERS KOSOVA
Statement of Financial Position
For the year ended December 31, 2021

		December 31, 2021 (in EUR)	December 31, 2020 (in EUR)
ASSETS			
Current assets			
Cash and bank balances	3	89,650	84,015
Accounts Receivable	4	55,812	51,915
Prepayments		976	273
Total current assets		146,437	136,203
Non-current assets			
Property and equipment	5	9,459	11,959
Total non-current assets		9,459	11,959
TOTAL ASSETS		155,896	148,162
LIABILITIES AND RESERVES			
Current liabilities			
Accounts payable	6	4,032	3,122
Deferred Revenue	7	151,864	145,040
Total current liabilities		155,896	148,162
Reserves			
Opening Balance Equity		-	-
Retained surplus		-	-
Total reserves		-	-
TOTAL LIABILITIES AND RESERVES		155,896	148,162

The financial statements have been signed on 26 April 2022 by:

Muhamet Arifi

Executive Director



Lorik Zhushi

Finance coordinator

The accompanying notes from 1 to 15 form an integral part of these financial statements

BALKAN SUNFLOWERS KOSOVA
Statement of Profit or Loss
For the year ended December 31, 2021

		End Year 31 December 2021 (In EUR)	End Year 31 December 2020 (In EUR)
Incomes			
Incomes	8	286,000	380,502
Total income		286,000	380,502
Expenses			
Payroll expenses	9	172,461	124,968
Operations expenses	10	76,467	96,260
Utility expenses	11	5,078	1,173
Fuel and travel expenses	12	15,571	5,515
Communication expenses	13	7,101	4,252
Activity expenses	14	6,823	4,144
Covid-19 Support to third parties		-	140,761
Depreciation expense		2,500	3,429
Total expenses		286,000	380,502
Retained surplus		-	-

The accompanying notes from 1 to 15 form an integral part of these financial statements

BALKAN SUNFLOWERS KOSOVA
Statement of Changes in Net Assets
For the year ended December 31, 2021

	Retained surplus (in EUR)	Net deficit/ surplus (in EUR)	Total Equity (in EUR)
Balance as at January 01, 2020			
Balance carried forward	-	-	-
Net deficit/surplus for the year	-	-	-
Balance as at December 31, 2020	<u>-</u>	<u>-</u>	<u>-</u>
Balance as at January 01, 2021			
Balance carried forward	-	-	-
Net deficit/surplus for the year	-	-	-
Balance as at December 31, 2021	<u>-</u>	<u>-</u>	<u>-</u>

The accompanying notes from 1 to 15 form an integral part of these financial statements

BALKAN SUNFLOWERS KOSOVA
Statement of Cash Flows
For the year ended December 31, 2021

	December 31, 2021 (in EUR)	December 31, 2020 (in EUR)
Cash flows from operating activities		
(Deficit)/surplus for the year	-	-
Depreciation	2,500	3,429
Change in receivables	(3,897)	(51,915)
Change in prepayments	(703)	(59)
Change in payables	910	(4)
Change in deferred revenue	6,824	125,589
Net cash from operating activities	5,634	77,041
Cash flows from investing activities		
Acquisition of property and equipment	-	(4,683)
Net cash used in investing activities	-	(4,683)
Net increase in cash and cash equivalents	5,634	72,357
Cash and cash equivalents at 1 January	84,015	11,658
Cash and cash equivalents at 31 December	89,650	84,015

The accompanying notes from 1 to 15 form an integral part of these financial statements

BALKAN SUNFLOWERS KOSOVA
Statement of Cash Flows
For the year ended December 31, 2021

1. INTRODUCTION

Current Balkan Sunflowers Kosova programs are: Learning Centers Network Program, School Mediation Program, KOSINT project, Share a Tablet: Support to Online Learning, Youth empowerment for Social Inclusion, Qendrat Mësimore – Rrugë për gjithëpërfshirje, Promovimi, vetëdijësimi dhe mbrojtja e të drejtave të komuniteteve Rom, Ashkali dhe Egjiptjan, Mbeshtetje me pako ushqimore dhe higjienike për 900 familje të komuniteteve Ashkali, Egjiptjan dhe Rom në 4 komuna të Kosovës, Awareness raising and immunization of Roma, Ashkali and Egyptian children.

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, 2021

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The financial statements for the Organization have been prepared on a 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, 2021

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

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, 2021

2.11 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.

3. CASH AND CASH EQUIVALENTS

	December 31, 2021	December 31, 2020
	(in EUR)	(in EUR)
Cash on Hand	8	62
Cash on Bank	89,641	83,953
Total Cash and Cash Equivalents	89,650	84,015

4. ACCOUNTS RECEIVABLE

	December 31, 2021	December 31, 2020
	(in EUR)	(in EUR)
Roma Inicitives Office	2,004	-
UNMIK	1,107	-
URF	426	-
Unicef	360	-
Other receivables	51,915	51,915
Total receivables from donors	55,812	51,915

BALKAN SUNFLOWERS KOSOVA
Notes to the Financial Statements
For the year ended December 31, 2021

5. PROPERTY, PLANT AND EQUIPMENT

	<u>Vehicles</u>	<u>Total</u>
Cost		
At 1 January 2020	29,250	29,250
Additions	12,500	12,500
Disposals	(29,250)	(29,250)
At 31 December 2020	12,500	12,500
Cost		
At 1 January 2021	12,500	12,500
Additions	-	-
Disposals	-	-
At 31 December 2021	12,500	12,500
At 1 January 2020	18,545	18,545
Depreciation charge for the year	3,429	3,429
Disposals	(21,433)	(21,433)
At 31 December 2020	541	541
At 1 January 2021	541	541
Depreciation charge for the year	2,500	2,500
Disposals	-	-
At 31 December 2021	3,041	3,041
At 31 December 2021	9,459	9,459
At 31 December 2020	11,959	11,959

6. ACCOUNTS PAYABLE

	December 31, 2021	December 31, 2020
	(in EUR)	(in EUR)
Taxes and pension contribution	3,314	2,404
Other liabilities	719	719
Total Accounts Payable	4,032	3,122

BALKAN SUNFLOWERS KOSOVA
Notes to the Financial Statements
For the year ended December 31, 2021

7. DEFERRED REVENUE

	December 31, 2021	December 31, 2020
	(in EUR)	(in EUR)
GIZ	16,947	16,947
Crowdrise	1,147	1,147
Diakonia	2,816	1,816
Unicef	-	6,453
Jugend Eine Welt	70,435	71,637
KFOS	167	167
UNFPA	1,199	585
Roma Inicitives Office	-	45
International Organization IOM	42	-
Perspectives for Children in We	389	-
Zyra per Cështje te Komuniteteve	-	19,843
Rand Zachary Engel Donation	5,000	5,000
BSF - USA	1,536	1,536
MASHTI	32,797	-
CONSEIL DE L EUROPE	3,962	-
Other	15,426	19,863
Total Deferred Revenue	151,864	145,040

BALKAN SUNFLOWERS KOSOVA
Notes to the Financial Statements
For the year ended December 31, 2021

8. GRANT INCOME

	December 31, 2021	December 31, 2020
	(in EUR)	(in EUR)
Diakonia	-	10,184
ADA-Edi 2 Project & III	-	51,915
Solidar Suisse	-	10,820
UNICEF	35,748	23,727
KFOS	-	128,496
Roma Inicitives Office	18,767	17,333
UNFPA	-	28,531
Jugend Eine Welt	92,111	24,633
Zyra për Çështje të Komuniteteve	19,844	5,157
German Embassy	-	12,001
UNMIK	24,534	21,501
KCSF	-	32,663
ERSTE	-	5,000
International Organization IOM	1,511	3,355
Perspectives for Children in We	1,611	4,424
Conseil de L Europe	5,682	-
Unicef	76,384	-
MASHTI	6,883	-
Other incomes	2,926	763
Total grant income	286,000	380,502

9. PAYROLL EXPENSES

	December 31, 2021	December 31, 2020
	(in EUR)	(in EUR)
Salaries	172,461	124,968
Total payroll expenses	172,461	124,968

BALKAN SUNFLOWERS KOSOVA
Notes to the Financial Statements
For the year ended December 31, 2021

10. TRADE PAYABLE

	December 31, 2021 (in EUR)	December 31, 2020 (in EUR)
Rent	9,343	9,955
Supplies	4,276	11,785
Program expenses	33,028	14,867
Office	6,004	4,091
Refreshments	13,789	10,910
Auditing	1,400	2,850
Staff training	521	-
TIP	-	15,860
PLAY	-	20,531
Other operations expenses	8,106	5,412
Total operations expenses	76,467	96,260

11. OPERATIONS EXPENSES

	December 31, 2021 (in EUR)	December 31, 2020 (in EUR)
Electricity, water	3,110	829
Heating	1,968	344
Total utility expense	5,078	1,173

12. FUEL AND TRAVEL EXPENSES

	December 31, 2021 (in EUR)	December 31, 2020 (in EUR)
Fuel	7,396	4,683
Taxi/Travel cost	8,175	832
Total fuel and travel expenses	15,571	5,515

13. COMMUNICATION EXPENSES

	December 31, 2021 (in EUR)	December 31, 2020 (in EUR)
Telephone Land Line/Fax	2,642	2,757
Internet	1,934	632
Web Maintenance	2,525	862
Total communication expenses	7,101	4,252

BALKAN SUNFLOWERS KOSOVA
Notes to the Financial Statements
For the year ended December 31, 2021

14. ACTIVITY EXPENSES

	December 31, 2021	December 31, 2020
	(in EUR)	(in EUR)
Education materials	6,823	4,144
Total Activity expenses	6,823	4,144

15. SUBSEQUENT EVENTS

COVID-19

The situation created by COVID-19 and as a result of the measures imposed by the Government of Kosovo, has affected the reduction and obstacles in activities. It can also have an effect on the organization's future operations.

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.