



Balkan Green Foundation

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

TABLE OF CONTENTS

PAGE

AUDITOR'S REPORT

STATEMENT OF FINANCIAL POSITION

1

STATEMENT OF PROFIT OR LOSS

2

STATEMENT OF CHANGES IN NET ASSETS

3

STATEMENT OF CASH FLOWS

4

NOTES TO THE FINANCIAL STATEMENTS

5



INDEPENDENT AUDITOR'S REPORT

To the Management of Balkan Green Foundation

Opinion

We have audited the accompanying financial statements of Balkan Green Foundation, 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 Green Foundation 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.

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



Balkan Green Foundation
Statement of Financial Position
For the year ended December 31, 2020

	Notes	31-Dec-20 (in EUR)	31-Dec-19 (in EUR)
ASSETS			
Current assets			
Cash and bank balances	3	234,676	487,911
Prepayments		-	1,543
Total current assets		<u>234,676</u>	<u>489,454</u>
TOTAL ASSETS		<u>234,676</u>	<u>489,454</u>
LIABILITIES AND RESERVES			
Current liabilities			
Accounts payable	4	1,359	-
Deferred revenues	5	<u>233,316</u>	<u>489,454</u>
Total current liabilities		<u>234,676</u>	<u>489,454</u>
TOTAL LIABILITIES AND EQUITY		<u>234,676</u>	<u>489,454</u>

The financial statements have been signed on May 2021 by:

Visar Azemi

Executive director



**balkan
green
foundation**

The accompanying notes from 1 to 11 form an integral part of these financial statements

Balkan Green Foundation
Statement of Profit or Loss
For the year ended December 31, 2020

		Year ended December 31, 2020 (in EUR)	Year ended December 31, 2019 (in EUR)
	Notes		
Income			
Income	5	570,870	375,156
Total Income		570,870	375,156
Expenditure			
Administrative and office expenses	6	17,858	22,523
Salary expenses	7	190,369	120,838
Activity expenses	8	158,368	67,871
Other	9	5,736	5,398
Grants for grantees	10	198,538	158,525
Total expenditure		570,870	375,155
Excess of the income over expenses		-	-

The accompanying notes from 1 to 11 form an integral part of these financial statements

Balkan Green Foundation
Statement of Changes in Net Assets
For the year ended December 31, 2020

	Retained surplus (in EUR)	Total Reserves (in EUR)
Balance as at January 1, 2019	-	-
Net deficit/surplus for the year ended December 31, 2019	-	-
Balance as at January 1, 2020	<u>-</u>	<u>-</u>
Net deficit/surplus for the year ended December 31, 2020	-	-
Balance as at December 31, 2020	<u><u>-</u></u>	<u><u>-</u></u>

The accompanying notes from 1 to 11 form an integral part of these financial statements

Balkan Green Foundation
Statement of Cash Flows
For the year ended December 31, 2020

	Year ended December 31, 2020 (in EUR)	Year ended December 31, 2019 (in EUR)
Cash flows from operating activities		
(Deficit)/surplus for the period	-	-
Change in payables	1,359	(2,198)
Change in prepayment	1,543	(1,193)
Change in deferred revenues	(256,137)	429,644
Net cash from operating activities	(253,234)	426,253
Cash flows from investing activities		
Acquisition of property and equipment	-	-
Net cash used in investing activities	-	-
Net increase in cash and cash equivalents	(253,234)	426,253
Cash and cash equivalents at 1 January	487,911	61,657
Cash and cash equivalents at 31 December	234,676	487,911

The accompanying notes from 1 to 11 form an integral part of these financial statements

Balkan Green Foundation
Notes to the Financial Statements
For the year ended December 31, 2020

1. INTRODUCTION

Balkan Green Foundation (BGF) is a regional organization that promotes inclusive and equitable progress within the Western Balkans on sustainable development domain. Along with its partner organizations, BGF places a strong focus on advocating for solutions that promote development policies, which are in line with world's latest developments, global challenges and national agendas for EU integration. Regional initiatives are undertaken on an ongoing basis to further convey BGF's commitment towards regional sustainability, ensuring the strengthening and advancement of vital policies affecting key sectors, such as energy, environment, and economy.

BGF has been successfully positioned as a key strategic partner for regional and global institutions, organizations, and communities in promoting sustainable development, transforming innovative concepts into powerful solutions, and strengthening regional and global partnerships.

Balkan Green Foundation
Statement of Cash Flows
For the year ended December 31, 2020

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 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.

2.5 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.

2.6 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.

2.7 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.

Balkan Green Foundation
Notes to the Financial Statements
For the year ended December 31, 2020

2.8 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable, and represents the amount received from donors.

2.9 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 Green Foundation
Notes to the Financial Statements
For the year ended December 31, 2020

3. CASH AND CASH EQUIVALENTS

	December 31, 2020 (in EUR)	December 31, 2019 (in EUR)
Cash on hand	157	305
Cash at bank	234,518	487,606
Total Cash and Cash Equivalents	234,676	487,911

4. DEFERRED REVENUES

	December 31, 2020 (in EUR)	December 31, 2019 (in EUR)
Rockefeller Brothers Fund	57,898	32,853
EU	(9,975)	121,734
MAP	40,812	24,391
HBS	(3,419)	(11)
E3G	16	16
GIZ	(1,791)	86,398
Green Cross	89,223	223,773
Other	(1,050)	300
BTD	20,417	-
Erasmus +	39,615	-
EUKI	(4,583)	-
RYCO	6,154	-
Total Deferred Revenues	233,316	489,454

Balkan Green Foundation
Notes to the Financial Statements
For the year ended December 31, 2020

5. INCOMES

	December 31, 2020 (in EUR)	December 31, 2019 (in EUR)
Income from EU	131,709	164,273
Incomes from RBF	94,575	135,085
Incomes from MAP	68,979	57,374
Incomes from HBS	13,409	14,999
Incomes from Green Cross	134,550	-
Incomes from BTD	17,942	-
Incomes from Erasmus +	317	-
Incomes from Erste	4,990	-
Incomes from EUKI	4,583	-
Incomes from RYCO	10,276	-
Income from GIZ	88,189	3,425
Other	1,350	-
Total Incomes	570,870	375,156

6. ADMINISTRATIVE AND OFFICE EXPENSES

	December 31, 2020 (in EUR)	December 31, 2019 (in EUR)
Representation expenses	-	9,967
Office supplies	1,795	2,906
Rent expenses	6,264	6,111
Website maintenance	9,368	1,022
Bank charges and external audit	431	2,517
Total Administrative and Office Expenses	17,858	22,523

Balkan Green Foundation
Notes to the Financial Statements
For the year ended December 31, 2020

7. SALARY EXPENSES

	December 31, 2020 (in EUR)	December 31, 2019 (in EUR)
Salaries	182,172	115,738
Pension contribution	8,197	5,100
Total Salary Expenses	<u>190,369</u>	<u>120,838</u>

8. ACTIVITY EXPENSES

	December 31, 2020 (in EUR)	December 31, 2019 (in EUR)
Co-Financing	106,122	13,770
Annual meeting and public events	-	12,536
International and Regional Activities	29,224	9,887
Philanthropy for Green Ideas	5,368	19,246
Travel	2,566	12,432
Accommodation and daily allowances	489	-
Equipment's for Activities	2,970	-
Different activities	11,629	-
Total activity expenses	<u>158,368</u>	<u>67,871</u>

Balkan Green Foundation
Notes to the Financial Statements
For the year ended December 31, 2020

9. OTHER EXPENSES

	December 31, 2020 (in EUR)	December 31, 2019 (in EUR)
Utilities, office supplies, equipment and maintenance	2,825	5,398
Other Expenses	2,911	-
Total Other Expenses	5,736	5,398

10. GRANTS FOR GRANTEES

	December 31, 2020 (in EUR)	December 31, 2019 (in EUR)
Fees Prize Money KOSID	30,000	-
Delivering the Grant for local NGO	53,967	38,074
Delivering the Grant for local NGO (Small Grants)	73,438	84,560
Delivering of the Grant - HBS	8,193	-
PGI	32,941	35,891
Total Grants for Grantees	198,538	158,525

Balkan Green Foundation
Notes to the Financial Statements
For the year ended December 31, 2020

11. 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.