

**BALKAN GREEN FOUNDATION
(BGF)**

**INDEPENDENT AUDITORS'
REPORT AND THE FINANCIAL
STATEMENTS FOR THE YEAR ENDED
DECEMBER 31, 2021**

CONTENTS

	PAGE
INDEPENDENT AUDITORS' REPORT	1
STATEMENT OF FINANCIAL POSITION	3
STATEMENT OF EARNINGS AND EXPENDITURES	4
STATEMENT OF CHANGES IN NET ASSETS	5
STATEMENT OF CASH FLOWS	6
NOTES TO THE FINANCIAL STATEMENTS	7-10



Tel: +383 38 600 031
Fax: +383 38 600 032
www.bdokosovo.com

BDO Kosova L.L.C.
Rr. Ukshin Hoti C 4/3, Hy. A, Kati II
10000 Prishtina Kosova

INDEPENDENT AUDITORS' REPORT

To the Management of Balkan Green Foundation "BGF"

Opinion

We have audited the financial statements of Balkan Green Foundation (the Organization), which comprise: the statement of financial position as at December 31, 2021, the statement of earnings and expenditures, statement of changes in fund balances for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at December 31, 2021, and its financial performance and its earnings and expenditures for the year then ended in accordance with generally accepted accounting standards and policies as set out in Note 2 to the financial statements.

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 Financial Statements* section of our report. We are independent of the Organization in accordance with the 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 and the IESBA Code. 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 the financial statements in accordance with generally accepted accounting standards and policies as set out in Note 2 to the financial statements, 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 Organization's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Organization or to cease operations, or has no realistic alternative but to do so.

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 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 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.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represent the underlying transactions and events in a manner that achieves fair presentation.

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.


BDO Kosova L.L.C.
Amir Dërmala
Engagement Partner
Str. Ukshin Hoti, Ob.C4/3, Ent. A, 2nd Floor
Pristina, Kosovo
April 30, 2022


BDO Kosova L.L.C.
audit, accounting and financial advisor
Prishtina, Kosovo

BALKAN GREEN FOUNDATION (BGF)
Statement of Financial Position
As at December 31, 2021

	Notes	As at December 31, 2021 (in EUR)	As at December 31, 2020 (in EUR)
ASSETS			
Cash and cash equivalents	3	187,981	234,676
Advances and Prepayments		-	-
TOTAL ASSETS		187,981	234,676
FUNDS AND LIABILITIES			
FUNDS			
Unspent Funds		-	-
TOTAL FUNDS		-	-
LIABILITIES			
Accounts Payable		-	1,359
Deferred Funds	4	187,981	233,316
TOTAL LIABILITIES		187,981	234,676
TOTAL FUNDS AND LIABILITIES		187,981	234,676

Authorized for issue by the management of Balkan Green Foundation on April 30, 2022.


Visar Azemi
Executive Director


**balkan
Green
foundation**


Doruntina Murati
Finance Manager

The accompanying notes 1 to 10 form an integral part of these Financial Statements.

BALKAN GREEN FOUNDATION (BGF)
Statement of Earnings and Expenditures
For the year ended December 31, 2021

	Notes	Year ended December 31, 2021 (in EUR)	Year ended December 31, 2020 (in EUR)
FINANCING			
Donors Funding	5	418,078	570,870
TOTAL FINANCING		418,078	570,870
EXPENDITURE			
Administrative and office expenses	6	24,587	17,858
Salary expenses	7	175,693	190,369
Activity expenses	8	183,777	158,368
Other	9	4,486	5,736
Grants for grantees	10	29,535	198,538
TOTAL EXPENDITURE		418,078	570,870
NET SURPLUS/(DEFICIT) FOR THE YEAR ENDED		-	-


Visar Azemi
Executive Director

**balkan
green
foundation**


Doruntina Murati
Finance Manager

The accompanying notes 1 to 10 form an integral part of these Financial Statements.

BALKAN GREEN FOUNDATION (BGF)
Statement of Changes in Funds
For the year ended December 31, 2021

	Retained surplus (in EUR)	Equity (in EUR)
Balance as at January 1, 2020	-	-
Net surplus/(deficit) for the year ended December 31,2020	-	-
As at December 31, 2020	-	-
Balance as at January 1, 2021	-	-
Net surplus/(deficit) for the year ended December 31,2021	-	-
As at December 31, 2021	-	-

The accompanying notes 1 to 10 form an integral part of these Financial Statements

BALKAN GREEN FOUNDATION (BGF)
Statement of Cash Flows
For the year ended December 31, 2021

Notes	Year ended December 31, 2021 (in EUR)	Year ended December 31, 2020 (in EUR)
Cash Flows from operating activities		
Surplus/(deficit) for the year	-	-
Change in payables	(1,359)	1,359
Change in prepayments	-	1,543
Change in deferred revenues	(45,336)	(256,137)
Net decrease in cash from operating activities	(46,695)	(253,234)
Net decrease in cash and cash equivalents	(46,695)	(253,234)
Cash and cash equivalents at 1 January	234,676	487,911
Cash and cash equivalents at 31 December	187,981	234,676

The accompanying notes 1 to 10 form an integral part of these Financial Statements

1 BACKGROUND AND OPERATING POLICIES

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.

2 BASIS OF PREPARATION OF THE STATEMENT AND ACCOUNTING CONVENTIONS

2.1 Basis of preparations

These financial statements have been prepared on an accrual basis and in accordance with the Accounting Policies and Procedures and general practices.

The financial statements have been prepared using the measurement bases specified for each type of asset, liability, income and expense. The measurement bases are more fully described in the accounting policies below.

2.2 Currency of presentation

The presentation and reporting currency of the Organization is Euro (EUR), which in accordance with regulations of European Monetary Union and instructions issued by the Central Bank of Kosovo. EUR is adopted as the only legal currency in the territory of Kosovo from January 1, 2002.

2.3 Revenues and expenses

Revenue for the period is recognized as revenue only when it relates to expenditure which are supported by donor-approved grants.

2.4 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks and other short term highly liquid investments maturing within periods of up to 12 months.

2.5 Employee benefits

Pension obligations

The Organization makes only mandatory social security contributions its employees’ post retirement plans Contributions of 5% based on gross salaries, are made to the state pension plan, Kosovo Pension Saving Trust (KPST) responsible for the payment of pensions. The Organization has no additional liability regarding this plan.

BALKAN GREEN FOUNDATION (BGF)

Notes to financial statements for the year ended December 31, 2021

2. BASIS OF PREPARATION OF THE STATEMENT AND ACCOUNTING CONVENTIONS (CONTINUED)**2.6 Foreign currency translation**

Transactions in foreign currencies are recorded in accordance with the valid exchange rate at the date of the transaction. At the end of the year, the remaining foreign currency balances were converted using the exchange rate on the last day of the reporting period.

2.7 Tax on Profit

As a non-governmental organization in Kosovo, Balkan Green Foundation is not subject to profit tax (Law No. 06 / L-105 on Corporate Income Tax, Article 7).

2.8 Trade payables and other payables

Trade payables and other payables are recognized at fair value and subsequently measured at amortized cost using the effective interest method.

2.9 Operating Expenses

Operating expenses are recognized in profit or loss on the use of the service or on the date of their origin.

3 CASH AND CASH EQUIVALENTS

	As at December 31, 2021 (in EUR)	As at December 31, 2020 (in EUR)
Cash at bank	187,935	234,518
Cash on hand	46	157
TOTAL	187,981	234,676

4 DEFERRED FUNDS

	As at December 31, 2021 (in EUR)	As at December 31, 2020 (in EUR)
Rockefeller Brothers Fund	63,629	57,898
EU	(389)	(9,975)
MAP	638	40,812
HBS	(611)	(3,419)
E3G	16	16
GIZ	7,633	(1,791)
Green Cross	99,695	89,223
Other	1,835	(1,050)
BTD	20,723	20,417
Erasmus +	3,418	39,615
EUKI	(28,460)	(4,583)
RYCO	3,911	6,145
UN	5,558	-
RES	4,375	-
SWEPA	5,520	-
Association Justice and Environment	490	-
TOTAL	187,981	233,316

BALKAN GREEN FOUNDATION (BGF)

Notes to financial statements for the year ended December 31, 2021

5 INCOMES

	Year ended December 31, 2021 (in EUR)	Year ended December 31, 2020 (in EUR)
Incomes from EU	-	131,709
Incomes from RBF	108,765	94,575
Incomes from MAP	39,801	68,979
Incomes from HBS	13,190	13,409
Incomes from Green Cross	103,300	134,550
Incomes from BTD	41,629	17,942
Incomes from Erasmus +	36,196	317
Incomes from Erste	-	4,990
Incomes from EUKI	47,094	4,583
Incomes from RYCO	17,844	10,276
Incomes from GIZ	-	88,189
UN	8,032	-
Other	2,226	1,350
TOTAL	418,078	570,870

6 ADMINISTRATIVE AND OFFICE EXPENSES

	Year ended December 31, 2021 (in EUR)	Year ended December 31, 2020 (in EUR)
Office supplies	6,288	1,795
Rent expenses	9,231	6,264
Website maintenance	1,031	9,368
Bank charges and external audit	8,037	431
TOTAL	24,587	17,858

7 SALARY EXPENSES

	Year ended December 31, 2021 (in EUR)	Year ended December 31, 2020 (in EUR)
Salaries	168,068	182,172
Pension Contribution	7,625	8,197
TOTAL	175,693	190,369

BALKAN GREEN FOUNDATION (BGF)

Notes to financial statements for the year ended December 31, 2021

8	ACTIVITY EXPENSES	Year ended December 31, 2021 (in EUR)	Year ended December 31, 2020 (in EUR)
	Co-financing	20,000	106,122
	International and regional Activities	53,810	29,224
	Philanthropy for Green Ideas	-	5,368
	Travel	1,894	2,566
	Accommodation and daily allowances	-	489
	Equipment's for Activities	48,264	2,970
	Different activities	59,810	11,629
	TOTAL	183,777	158,368
9	OTHER EXPENSES	Year ended December 31, 2021 (in EUR)	Year ended December 31, 2020 (in EUR)
	Utilities, office supplies, equipment and maintenance	-	2,825
	Other expenses	4,486	2,911
	TOTAL	4,486	5,736
10	GRANTS FOR GRANTEES	Year ended December 31, 2021 (in EUR)	Year ended December 31, 2020 (in EUR)
	Fees Prize Money KOSID	-	30,000
	Delivering the Grant for local NGO		53,967
	Delivering the Grant for local NGO (Small Grants)		73,438
	Delivering the Grant-HBS	-	8,193
	Balkan Green Ideas	29,535	32,941
	TOTAL	29,535	198,538

11 COMMITMENTS AND CONTINGENCIES**Capital commitments**

There are no contingencies or commitments in existence as at the balance sheet date.

12 EVENTS AFTER THE REPORTING DATE

Events after the end of the reporting year on the balance sheet which provide additional information about the Organization's position at the balance sheet date (adjusting events) are reflected in the financial statements. Events after the end of the year that has not been adjusted are disclosed in the notes when the event reflects additional material value.