

**BALKAN GREEN FOUNDATION  
(BGF)**

**INDEPENDENT AUDITORS'  
REPORT AND THE FINANCIAL  
STATEMENTS FOR THE YEAR ENDED  
DECEMBER 31, 2022**

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## 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, 2022, 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, 2022, 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.

  
Amir Dërmala  
Engagement Partner  
BDO Kosova L.L.C.  
Str. Ukshin Hoti, Ob.C4/3, Ent. A, 2<sup>nd</sup> Floor  
Pristina, Kosovo  
April 28, 2023

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

BALKAN GREEN FOUNDATION (BGF)  
Statement of Financial Position  
As at December 31, 2022

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	Notes	As at December 31, 2022 (in EUR)	As at December 31, 2021 (in EUR)
<b>ASSETS</b>			
Cash and cash equivalents	3	114,267	187,981
Advances and Prepayments		-	-
<b>TOTAL ASSETS</b>		<b>114,267</b>	<b>187,981</b>
<b>FUNDS AND LIABILITIES</b>			
<b>FUNDS</b>			
Unspent Funds		-	-
<b>TOTAL FUNDS</b>		<b>-</b>	<b>-</b>
<b>LIABILITIES</b>			
Accounts Payable		-	-
Deferred Funds	4	114,267	187,981
<b>TOTAL LIABILITIES</b>		<b>114,267</b>	<b>187,981</b>
<b>TOTAL FUNDS AND LIABILITIES</b>		<b>114,267</b>	<b>187,981</b>

Authorized for issue by the management of Balkan Green Foundation on April 28, 2023.

  
**Dardan Sejdiu**  
Acting Executive Director

**balkan  
green  
foundation**

  
**Doruntina Murati**  
Finance Manager

The accompanying notes 1 to 12 form an integral part of these Financial Statements.

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**BALKAN GREEN FOUNDATION (BGF)**  
**Statement of Sources and Uses of Funds**  
For the year ended December 31, 2022

	Notes	Year ended December 31, 2022 (in EUR)	Year ended December 31, 2021 (in EUR)
<b>FINANCING</b>			
Donors Funding	5	434,977	418,078
<b>TOTAL FINANCING</b>		<b>434,977</b>	<b>418,078</b>
<b>EXPENDITURE</b>			
Administrative and office expenses	6	29,868	24,587
Salary expenses	7	158,439	175,693
Activity expenses	8	204,786	183,777
Other	9	1,884	4,486
Grants for grantees	10	40,000	29,535
<b>TOTAL EXPENDITURE</b>		<b>434,977</b>	<b>418,078</b>
<b>NET SURPLUS/(DEFICIT) FOR THE YEAR ENDED</b>		<b>-</b>	<b>-</b>

**balkan  
green  
foundation**

  
Dardan Sejdiu  
Acting Executive Director

  
Doruntina Murati  
Finance Manager

The accompanying notes 1 to 12 form an integral part of these Financial Statements.

**BALKAN GREEN FOUNDATION (BGF)**  
**Statement of Cash Flows**  
For the year ended December 31, 2022

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	Notes	Year ended December 31, 2022 (in EUR)	Year ended December 31, 2021 (in EUR)
<b>Cash Flows from operating activities</b>			
Surplus/(deficit) for the year		-	-
Change in payables		-	(1,359)
Change in prepayments		-	-
Change in deferred revenues		(73,714)	(45,336)
<b>Net decrease in cash from operating activities</b>		<u>(73,714)</u>	<u>(46,695)</u>
<b>Net decrease in cash and cash equivalents</b>		(73,714)	(46,695)
Cash and cash equivalents at 1 January		<u>187,981</u>	<u>234,676</u>
<b>Cash and cash equivalents at 31 December</b>		<u>114,267</u>	<u>187,981</u>

The accompanying notes 1 to 12 form an integral part of these Financial Statements

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## **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, 2022

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**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, 2022 (in EUR)	As at December 31, 2021 (in EUR)
Cash at bank	114,217	187,935
Cash on hand	50	46
<b>TOTAL</b>	<b>114,267</b>	<b>187,981</b>

**4 DEFERRED FUNDS**

	As at December 31, 2022 (in EUR)	As at December 31, 2021 (in EUR)
Opening balance	187,981	233,316
Funds Received	361,263	372,743
Expenditure	(434,977)	(418,078)
<b>Closing Balance</b>	<b>114,267</b>	<b>187,981</b>

**BALKAN GREEN FOUNDATION (BGF)**

Notes to financial statements for the year ended December 31, 2022

**5 INCOMES**

	Year ended December 31, 2022 (in EUR)	Year ended December 31, 2021 (in EUR)
Incomes from RBF	137,548	108,765
Incomes from Green Cross	132,545	103,300
Incomes from Erasmus +	46,485	36,196
Incomes from EUKI	39,870	47,094
Incomes from BTD	19,370	41,629
Incomes from RYCO	15,183	17,844
Incomes from HBS	14,807	13,190
Incomes from UN	14,219	8,032
Incomes from SWEPA	11,519	-
Incomes from WBD	1,321	-
Incomes from Youth Alliance (EACEA)	200	-
Incomes from MAP	-	39,801
Other	1,910	2,226
<b>TOTAL</b>	<b>434,977</b>	<b>418,078</b>

**6 ADMINISTRATIVE AND OFFICE EXPENSES**

	Year ended December 31, 2022 (in EUR)	Year ended December 31, 2021 (in EUR)
Office supplies	11,950	6,288
Rent expenses	9,231	9,231
Bank charges and external audit	7,784	8,037
Website maintenance	903	1,031
<b>TOTAL</b>	<b>29,868</b>	<b>24,587</b>

**7 SALARY EXPENSES**

	Year ended December 31, 2022 (in EUR)	Year ended December 31, 2021 (in EUR)
Salaries	151,186	168,068
Pension Contribution	7,253	7,625
<b>TOTAL</b>	<b>158,439</b>	<b>175,693</b>

**8 ACTIVITY EXPENSES**

	Year ended December 31, 2022 (in EUR)	Year ended December 31, 2021 (in EUR)
International and regional Activities	77,667	53,810
Transfer for partners	74,095	-
Investment	24,608	-
Travel	4,954	1,894
Equipment's for Activities	-	48,264
Co-financing	-	20,000
Different activities	23,462	59,810
<b>TOTAL</b>	<b>204,786</b>	<b>183,777</b>

**9 OTHER EXPENSES**

	Year ended December 31, 2022 (in EUR)	Year ended December 31, 2021 (in EUR)
Other expenses	1,884	4,486
<b>TOTAL</b>	<b>1,884</b>	<b>4,486</b>

**10 GRANTS FOR GRANTEES**

	Year ended December 31, 2022 (in EUR)	Year ended December 31, 2021 (in EUR)
Balkan Green Ideas	40,000	29,535
<b>TOTAL</b>	<b>40,000</b>	<b>29,535</b>

**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.

**BALKAN GREEN FOUNDATION (BGF)**  
**List of Fixed Assets as at December 31, 2022**

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**ANNEX 1**

The list of assets shown in the table below for the purpose of above financial statement are expensed in the year purchased.

<b>Name</b>	<b>Description</b>	<b>Amount</b>	<b>Purchase date</b>
Laptop Macbook	MBP 13.3/2.7 /GHZ/8gb/128gb	1,155.40	15/04/2015
Lap top HP	HP Notebook 15t INTEL (R) CORE (TM) i7	610.00	06/04/2018
Pojector	Acer	400.00	18/07/2018
Laptop Macbook	MBP 13.3 SG/2.3 GHZ QC/8GB256GB	1,632.69	13/04/2019
Camera	Canon EOS 80D Video Creator K	1,441.45	13/04/2019
Printer Ricoh	MP C3003	450.00	27/05/2019
Chairs for the office/operative	6 chairs for the office	714.00	11/06/2019
Chairs & Tables for the office/operative	4 chairs & 8 tables	1,324.60	22/01/2020
Lap top HP	HP Envy x360 Convertible	812.50	23/03/2020
Lap top HP	HP Envy x360 Convertible	812.50	23/03/2020
Router	Asus	59.00	24/02/2021
Shredder	Shreadcat 8250	159.00	19/04/2021
Laptop HP	HP Envy x360 Convertible	995.00	19/05/2021
Juicer	Philips	190.99	27/07/2021
Vacuum Cleaner	Philips	193.99	27/07/2021
Steamer Mop	Vileda	89.00	29/07/2021
Hard Disc Drive	Seagate	81.94	20/04/2022
Water Dispenser Machine	Beko	259.00	14/06/2022
Laptop Lenovo	Lenovo Ideapad 3 15IAU7 I5-1235U 8GB/512GB SSD	639.00	30/11/2022
Apple Pencil & iPad	2nd GEN-AME and 12.9 Black-USA	529.79	19/10/2022
Magic Keyboard	12.9 WF CL 512 GRY-USA	1,755.07	25/10/2022
iPad Pro			