

NGO CASA

Independent Auditor's Report and Individual Financial Statements
for the year ended December 31, 2022

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INDEPENDENT AUDITOR'S REPORT

To the Management of NGO Casa

Opinion

We have audited the accompanying financial statements of NGO Casa , which comprise the statement of financial position as at December 31, 2022 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 NGO Casa as of December 31, 2022, 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.



Astrit Musa – Statutory Auditor
ACA – Audit & Consulting Associates
Prishtine, Kosovo
04 July 2023

NGO Casa
Statement of Financial Position
For the year ended December 31, 2022

		As of December 31, 2022 (in EUR)	As of December 31, 2021 (in EUR)
ASSETS			
Current assets			
Cash and bank balances	3	114,101	1,911
Total current assets		<u>114,101</u>	<u>1,911</u>
TOTAL ASSETS		<u>114,101</u>	<u>1,911</u>
LIABILITIES AND RESERVES			
Current liabilities			
Deferred revenue	4	114,101	1,911
Total current liabilities		<u>-</u>	<u>-</u>
TOTAL LIABILITIES AND RESERVES		<u>-</u>	<u>-</u>

The financial statements have been signed on July 2023 by:


Miodrag Marinković

Executive Director

Natasa Denovic

Financial Manager

The accompanying notes from 1 to 9 form an integral part of these financial statements

NGO Casa
Statement of Profit or Loss
For the year ended December 31, 2022

	Notes	Year ended December 31, 2022 (in EUR)	Year ended December 31, 2021 (in EUR)
Income			
Income	5	49,866	2,709
Total income		49,866	2,709
Expenditure			
Gross salaries and wages	6	27,364	1,523
Programatic expenses	7	15,778	140
Administrative expenses	8	6,723	1,046
Total expenditure		49,866	2,709
Net (Deficit)/surplus for the year			

The accompanying notes from 1 to 9 form an integral part of these financial statements

NGO Casa
Statement of Changes in Equity
For the year ended December 31, 2022

	As of 31 December, 2022 (in EUR)
Opening balance as at January 1st, 2021	-
Net deficit/surplus for the year ended December 31, 2021	- <hr/>
Balance as at December 31, 2021	-
Net deficit/surplus for the year ended December 31, 2022	- <hr/>
Balance as at December 31, 2022	- <hr/> <hr/>

The accompanying notes from 1 to 9 form an integral part of these financial statements

NGO Casa
Statement of Cash Flows
For the year ended December 31, 2022

	Year ended December 31, 2022 (in EUR)	Year ended December 31, 2021 (in EUR)
Cash flows from operating activities		
(Deficit)/surplus for the period	0	0
Adjustment for:		
Depreciation		
Change in deferred revenues	112,191	1,911
Net cash from operating activities	112,191	1,911
Cash flows from investing activities		
Acquisition of property and equipment		
Net cash used in investing activities	-	-
Net increase in cash and cash equivalents	112,191	1,911
Cash and cash equivalents at 1 January	1,911	0
Cash and cash equivalents at 31 December	114,101	1,911

The accompanying notes from 1 to 9 form an integral part of these financial statements

NGO Casa
Notes to the Financial Statements
For the year ended December 31, 2022

1. INTRODUCTION

The Centre for Affirmative Social Actions CASA is emerging civic society initiative, established in 2020 with purpose to increase the engagement of authentic representatives of Kosovo Serb community, emerging young leaders in initiatives pursuing the mission of the organization.

The mission of Center for Affirmative social Actions – CASA is: to build a viable future for Serbian and other non-majority communities in Kosovo, safeguarded by attainable laws, accomplished by equal developmental opportunities and valued by recognized ethnic distinctiveness.

Objectives

1. Legal and institutional safety for non-majority communities protected by efficient institutions and affirmative legal and policy framework safeguarding their rights and freedoms
2. Affirmative economic environment with increased opportunities for non-majority communities in the achievement of economic and social prosperity and balanced community development
3. Valued ethnic and cultural distinctiveness of Kosovo Serbs and other non-majority communities endorsed through actions protecting/promoting the diversity of ethnic, cultural, linguistic and religious identities .

Kosovo as inclusive, diverse, and just society in which all communities and individuals enjoy equal rights and opportunities and freedom to cooperate with one and all.

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 Inventory

Inventories are stated at lower of the cost value and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business less applicable variable selling expenses. Cost includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition. Cost is determined using the moving average method.

2.5 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.

NGO Casa
Notes to the Financial Statements
For the year ended December 31, 2022

(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

2.6 Intangible assets

Intangible assets purchased by the Organization are stated at cost less accumulated amortization and impairment, if any. Amortization of intangible assets is calculated on a straight-line basis at an annual rate of 20%, while amortization for licenses is calculated on the basis of contractual terms.

2.7 Trade receivables

Trade receivables are initially recognized at fair value and then carried at cost less provisions, if any. A provision is recognized when there is objective evidence that the Organization will not be able to collect all appropriate amounts under the original receivables terms. Examples of objective evidence may be the client's financial difficulties, the high probability that the client will go bankrupt, and the constant delays in payments.

2.8 Other receivables

Other accounts receivable include prepayments and other current assets. Prepayments are kept at cost less commission if any. A prepayment is classified as long-term when goods or services related to the prepayment are expected to be received after one year.

2.9 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.

2.10 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.

2.11 Borrowings

Borrowings are initially recognized at fair value, net of transaction costs incurred. Borrowings are then reflected at amortized cost using the effective interest method.

NGO Casa
Notes to the Financial Statements
For the year ended December 31, 2022

2.12 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.

2.13 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.

2.14 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

NGO Casa
Notes to the Financial Statements
For the year ended December 31, 2022

- 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.

2.15 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.

2.16 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, 2022, 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.

2.17 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.

NGO Casa
Notes to the Financial Statements
For the year ended December 31, 2022

3. CASH

	December 31, 2022 (in EUR)	December 31, 2021 (in EUR)
Cash	114,101	1,911
Total Cash	114,101	1,911

4. DEFERRED REVENUE

	December 31, 2022 (in EUR)	December 31, 2021 (in EUR)
Kosovo Foundation for Open Society	41,088	1,911
Community Development Fund	(425)	-
European Endowment for Democracy	10,149	-
Kosoco Civil Society Foundation	91	-
UNMIK	62,603	-
Community Building Mitrovica	595	-
Total Deferred revenue	114,101	1,911

5. INCOME

	December 31, 2022 (in EUR)	December 31, 2021 (in EUR)
Depozit	45	30
Kosovo Foundation for Open Society	3,768	2,679
Kosovo 2.0	5,548	-
Community Development Fund	4,406	-
European Endowment for Democracy	14,851	-
Kosoco Civil Society Foundation	9,856	-
UNMIK	8,576	-
Community Building Mitrovica	2,816	-
Total Income	49,865	2,709

Agro Trade Group SH.P.K
Notes to the Financial Statements
For the year ended December 31, 2014

6. GROSS SALARIES AND WAGES

	December 31, 2022 (in EUR)	December 31, 2021 (in EUR)
Gross salaries and wages	27,364	1,523
Total Gross salaries and wages	27,364	1,523

7. PROGRAMATIC EXPENSES

	December 31, 2022 (in EUR)	December 31, 2021 (in EUR)
Programatic expenses	15,778	140
Total Programatic expenses	15,778	140

NGO Casa
Notes to the Financial Statements
For the year ended December 31, 2022

8. ADMINISTRATIVE EXPENSES

	December 31, 2022 (in EUR)	December 31, 2021 (in EUR)
Administrative expenses	<u>6,723</u>	<u>1,046</u>
Total Administrative expenses	<u>6,723</u>	<u>1,046</u>

NGO Casa
Notes to the Financial Statements
For the year ended December 31, 2022

9. 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.