



**NGO**  
**Emancipimi Civil Ma Ndryshe (EC Ma Ndryshe)**

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 EC Ma Ndryshe

#### ***Opinion***

We have audited the accompanying financial statements of EC Ma Ndryshe, 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 EC Ma Ndryshe as of December 31, 2021, results of its operation and the cash flow for the year then ended in conformity with actual laws and with individual agreements between KCSF and grantees.

#### ***Basis for Opinion***

We conducted our audit in accordance with International Standards on Auditing (with the application of ISA 700). 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.

#### ***Emphasis of Matter***

We draw attention that the 2020 audited Financial Statements are restated because the organization in the year end cash balance did not include the balance of a bank account in the amount of 1,541 euros. This value is also reflected in deferred revenue which as a result was understated by this value. Considering that this account is used for the project of YIHR, hence we increased the incomes from this donor at the income disclosure. Please refer to the details in note 5 of the Financial Statements.

#### ***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 modified cash basis principle, applicable laws 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  
March , 2022



**EC Ma Ndryshe**  
**Statement of Financial Position**  
For the year ended December 31, 2021

	Note	31 December 2021 (in EUR)	31 December 2020 (in EUR) <i>Restated</i>	31 December 2020 (in EUR)
<b>ASSETS</b>				
<b>Current assets</b>				
Cash and cash equivalents	3	29,855	17,461	15,919
Total current assets		29,855	17,461	15,919
<b>Non-current assets</b>				
Property, plant and equipments		-	-	-
Total non-current assets		-	-	-
<b>TOTAL ASSETS</b>		<b>29,855</b>	<b>17,461</b>	<b>15,919</b>
<b>SHAREHOLDERS EQUITY, LIABILITIES AND RESERVES</b>				
<b>Current Liabilities</b>				
Trade payables		-	-	-
Deferred revenues	4	29,855	17,461	15,919
<b>Total Current Liabilities</b>		<b>29,855</b>	<b>17,461</b>	<b>15,919</b>
<b>Shareholders Equity and Reserves</b>				
Share Capital		-	-	-
Net Profit/(Loss) for the period		-	-	-
Total Shareholders Equity and Reserves		-	-	-
<b>TOTAL SHAREHOLDERS EQUITY, RESERVES AND L</b>		<b>29,855</b>	<b>17,461</b>	<b>15,919</b>

The financial statements have been signed on March, 2022 by:

Valon Xhabali

Executive Director



Admir Istrefi

Financial Manager

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

**EC Ma Ndryshe**  
**Statement of Profit or Loss**  
**For the year ended December 31, 2021**

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		<b>31 December 2021</b>	<b>31 December 2020</b>	<b>31 December 2020</b>
	<b>Note</b>	<b>(in EUR)</b>	<b>(in EUR)</b>	<b>(in EUR)</b>
			<i><b>Restated</b></i>	
<b>Income</b>				
Income from donators	<b>5</b>	196,778	165,070	165,070
<b>Total Income</b>		<b>196,778</b>	<b>165,070</b>	<b>165,070</b>
<b>Expenses</b>				
Projects expenses	<b>6</b>	104,574	101,130	101,130
Salary expenses	<b>7</b>	77,382	53,617	53,617
Administrative expenses	<b>8</b>	4,727	4,234	4,234
Rental expenses	<b>9</b>	7,749	5,624	5,624
Provisions	<b>10</b>	654	266	266
Audit		860	-	-
Other expenses		834	200	200
<b>Total expenses</b>		<b>196,778</b>	<b>165,070</b>	<b>165,070</b>
<b>Net (Deficit)/for the year</b>		<b>-</b>	<b>-</b>	<b>-</b>

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

**EC Ma Ndryshe**  
**Statement of Cash Flows**  
**For the year ended December 31, 2021**

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	Year ended 31 December 2021 (in EUR)	Year ended 31 December 2020 (in EUR) <i>Restated</i>	Year ended 31 December 2020 (in EUR)
<b>Cash Flow from Operating activities</b>			
Profit/(Loss) for the period			
Adjusted for:			
Depreciation	-	-	-
Deferred revenues	12,395	1,542	(37,975)
Trade receivables	-	-	-
Trade payables	-	-	-
<b>Net cash from Operations</b>	<u>12,395</u>	<u>1,542</u>	<u>(37,975)</u>
<b>Cash Flow from Investing activities</b>			
Aquisition of property, equipment	-	-	-
<b>Net cash from Investing activities</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net increase in cash and cash equivalents</b>	<b>12,395</b>	<b>1,542</b>	<b>(37,975)</b>
Cash and cash equivalents at 1 January	17,461	15,919	53,894
<b>Cash and cash equivalents at 31 December</b>	<u>29,855</u>	<u>17,461</u>	<u>15,919</u>

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

**EC Ma Ndryshe**  
**Statement of Changes in Equity**  
**For the year ended December 31, 2021**

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	<b>Total (in EUR)</b>
<b>Beginning balance on January 01, 2020</b>	-
Net Profit/ (Loss) for the year	-
<b>Ending balance December 31, 2020</b>	<u>-</u>
<b>Beginning balance on January 01, 2021</b>	-
Net Profit/ (Loss) for the year	-
<b>Ending balance December 31, 2021</b>	<u>-</u>

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



**EC Ma Ndryshe**  
**Notes to the Financial Statements**  
**For the year ended December 31, 2021**

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**1. INTRODUCTION**

The NGO Civil Ma Ndryshe ("EC Ma Ndryshe"), was established in 2006 with fiscal number 600523783, and Address: Fehmi Lladrovci NR. 94 Prizren. EC is the organization of community committed to advancing democracy at the local level in Kosovo.

Organization works with a significant number of community groups, as well as maintains pressure permanent to local governments for inclusive, transparent governance and accountable. EC is committed to active citizenship in shaping the living environment by promote proper community organization, democratization of institutions and enrichment of cultural life in the main centers of Kosovo, with a focus on Prizren and Prishtina.

From January 2015, EC operates with these three programs: Inclusive City (mobilization of community), Good Governance (monitoring and advocacy), Research (knowledge production).

The special features of EC are: one, geographical focus, and two, approach to issues of interest. Based in Prizren and Prishtina, the organization uses anthropological approaches to research and policy development. As a result, the organization's research products provide content credible, as they deal with the substance of the problem rather than the symptoms.

Furthermore, EC covers specific areas such as urban planning, cultural policies, spatial management public and similar, which are generally under-treated in Kosovo. Research activity and grassrootsi activism of organization are well combined working methods and interdependent. Through activism, EC is permanently engaged in working with groups of community to identify their needs, which are the resources that nourish the component of research. This methodology enables greater influence on the policy-making agenda, as ideas come from below, while opportunities for political involvement are created in parallel makers in a constructive and well-informed debate.

EC Ma Ndryshe is one of the founders and represents Kosovo in the Europe Network Southeast of cultural heritage organizations - SEE Heritage Network. Also, it is the founder of the Cultural Heritage Forum of Prizren, the Network of Cultural Organizations in Prizren and the Network of Independent Cultural Organizations in Kosovo - Cultural Forum.

**EC Ma Ndryshe**  
**Notes to the Financial Statements**  
**For the year ended December 31, 2021**

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**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 reporting currency of EC Ma Ndryshe is the European Union currency unit Euro ("EUR"). The financial statements are presented in Euro.

**2.3 Foreign currency exchange**

The organization does not perform transactions in foreign currencies.

**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 Expenses**

Expenses incurred are recognized in the relevant period on a cash basis.

**2.6 Income recognition**

Incomes from grants are recognized as income on the period when received. At the end of the year the excess amount of incomes over expenses is treated as balance carried forward to the next period.

**2.7 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.

**EC Ma Ndryshe**  
**Notes to the Financial Statements**  
**For the year ended December 31, 2021**

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**3. CASH AND CASH EQUIVALENTS**

	31 December 2021 (in EUR)	31 December 2020 (in EUR) <i>Restated</i>	31 December 2020 (in EUR)
<b>Cash and cash equivalents</b>			
Cash on bank - BKT 137	-	1,541	-
Cash on bank - BKT 210	2,451	-	-
Cash on bank - BKT 695	10,281	-	-
Cash on bank - BKT 598	6,414	-	-
Cash on bank - BKT 307	4,033	1	-
Cash on bank - BKT 404	-	0	-
Cash on bank - BKT 889	-	2,000	2,000
Cash on bank - BKT 986	6,258	13,588	13,588
Cash on bank - BKT 113	-	44	44
Petty cash	419	286	286
<b>Total cash and cash equivalents</b>	<b>29,855</b>	<b>17,461</b>	<b>15,919</b>

**4. DEFERRED REVENUES**

	31 December 2021 (in EUR)	31 December 2020 (in EUR) <i>Restated</i>	31 December 2020 (in EUR)
<b>Deferred revenues</b>			
Deferred revenues KCSF	10,334	-	-
Deferred revenues UN Habitat	-	285	285
Deferred revenues OPIC	-	1	-
Deferred revenues KFOS	4,203	1	-
Deferred revenues ATRC	6,414	-	-
Deferred revenues UNDP 2	-	-	13,588
Deferred revenues LUX	2,451	-	-
Deferred revenues YIHR	-	1,541	-
Deferred revenues FLOSK/UNDP	6,453	13,632	-
Filigrani			
Deferred revenues for small projects	-	2,000	2,045
<b>Total deferred revenues</b>	<b>29,855</b>	<b>17,461</b>	<b>15,919</b>

**EC Ma Ndryshe**  
**Notes to the Financial Statements**  
**For the year ended December 31, 2021**

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**5. INCOME FROM DONATORS**

	<b>31 December 2021 (in EUR)</b>	<b>31 December 2020 (in EUR) <i>Restated</i></b>	<b>31 December 2020 (in EUR)</b>
<b>Income from donators</b>			
Income from SIDA	74,873	67,421	67,421
Income from KCSF	38,300	-	-
Income from OPIC	40,662	39,633	39,633
Income from YIHR	2,757	4,078	2,537
Income from KFOS	10,000	-	-
Income from UN Habitat	11,345	-	-
Income from UNDP	12,000	13,505	13,505
Income from UNDP 2	14,655	-	-
Income from DKRS-Prishtine	2,000	-	-
Income from GAP Institute	1,200	-	-
Income from MKRS	-	4,000	4,000
Income from Democracy +	1,381	-	-
Deferred revenues from last year	17,460	53,894	53,894
Deferred revenues	(29,855)	(17,461)	(15,919)
<b>Total income from donators</b>	<b>196,778</b>	<b>165,070</b>	<b>165,070</b>

**6. PROJECTS EXPENSES**

	<b>31 December 2021 (in EUR)</b>	<b>31 December 2020 (in EUR) <i>Restated</i></b>	<b>31 December 2020 (in EUR)</b>
<b>Projects expenses</b>			
Expenses for SIDA	50,388	17,842	17,842
Expenses for KCSF	3,279	10,935	10,935
Expenses for OPIC	23,185	22,323	22,323
Expenses for YIHR	1,728	687	687
Expenses for KFOS	3,300	2,900	2,900
Expenses for UN Habitat	6,537	28,520	28,520
Expenses for UNDP	3,239	17,924	17,924
Expenses for UNDP 2	7,089	-	-
Expenses for DKRS-Prishtine	1,979	-	-
Expenses for D+	905	-	-
Expenses for MKRS	2,945	-	-
<b>Total projects expenses</b>	<b>104,574</b>	<b>101,130</b>	<b>101,130</b>

**EC Ma Ndryshe**  
**Notes to the Financial Statements**  
**For the year ended December 31, 2021**

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**7. SALARY EXPENSES**

	<b>31 December 2021 (in EUR)</b>	<b>31 December 2020 (in EUR) <i>Restated</i></b>	<b>31 December 2020 (in EUR)</b>
<b>Salary expenses</b>			
Expenses for SIDA	31,248	27,888	27,888
Expenses for KCSF	20,788	-	-
Expenses for OPIC	14,385	14,170	14,170
Expenses for YIHR	1,491	301	301
Expenses for KFOS	3,250	2,250	2,250
Expenses for UN Habitat	-	3,808	3,808
Expenses for UNDP	2,280	5,200	5,200
Expenses for UNDP 2	2,940	-	-
Expenses for MKRS	1,000	-	-
<b>Total salary expenses</b>	<b>77,382</b>	<b>53,617</b>	<b>53,617</b>

**8. ADMINISTRATIVE EXPENSES**

	<b>31 December 2021 (in EUR)</b>	<b>31 December 2020 (in EUR) <i>Restated</i></b>	<b>31 December 2020 (in EUR)</b>
<b>Administrative expenses</b>			
Expenses for SIDA	2,382	1,480	1,480
Expenses for KCSF	1,218	498	498
Expenses for OPIC	586	623	623
Expenses for YIHR	223	-	-
Expenses for KFOS	248	520	520
Expenses for UN Habitat	-	460	460
Expenses for UNDP	-	653	653
Expenses for UNDP 2	70	-	-
<b>Total administrative expenses</b>	<b>4,727</b>	<b>4,234</b>	<b>4,234</b>

**9. RENT EXPENSES**

	<b>31 December 2021 (in EUR)</b>	<b>31 December 2020 (in EUR) <i>Restated</i></b>	<b>31 December 2020 (in EUR)</b>
<b>Rent expenses</b>			
Expenses for SIDA	1,800	1,950	1,950
Expenses for KCSF	2,600	-	-
Expenses for OPIC	2,399	2,414	2,414
Expenses for UN Habitat	-	560	560
Expenses for UNDP	-	700	700
Expenses for UNDP 2	350	-	-
Expenses for GAP Institute	600	-	-
<b>Total rent expenses</b>	<b>7,749</b>	<b>5,624</b>	<b>5,624</b>

**EC Ma Ndryshe**  
**Notes to the Financial Statements**  
**For the year ended December 31, 2021**

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**10. PROVISIONS**

	<b>31 December 2021 (in EUR)</b>	<b>31 December 2020 (in EUR) <i>Restated</i></b>	<b>31 December 2020 (in EUR)</b>
<b>Provisions</b>			
Provisions for SIDA	126	73	73
Provisions for KCSF	81	21	21
Provisions for OPIC	106	101	101
Provisions for YIHR	22	9	9
Provisions for KFOS	32	9	9
Provisions for UN Habitat	2	25	25
Provisions for UNDP	47	28	28
Provisions for UNDP 2	16	-	-
Provisions for DKRS-Prishtine	18	-	-
Provisions for GAP Institute	2	-	-
Provisions for D+	158	-	-
Provisions for MKRS	45	-	-
<b>Total provisions</b>	<b>654</b>	<b>266</b>	<b>266</b>

**11. 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.