



SHËRBIME KONTABILITETI DHE AUDITIMI
ACCOUNTING AND AUDITING SERVICES

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NGO "NEVO KONCEPTI"

PRIZREN - KOSOVO

INDEPENDENT AUDIT'S REPORT

AND

FINANCIAL STATEMENTS

For the year then ended at 31 December 2022

Kadrush Çollaku, Statutory Auditor

28 March 2023

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INDEPENDENT AUDIT'S REPORT

To the: Management of NGO "NEVO KONCEPTI", Prizren-Kosovo

Opinion

We have audited the financial statements of NGO "NEVO KONCEPTI", which comprise the statement of financial position as at December 31, 2022, the statement of comprehensive income, statement of changes in funds and statement of cash flows 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 give a true and fair view, in all material respects, the financial position of the NGO as at December 31, 2022, of its financial performance and its cash flows for the year then ended in accordance with the financial reporting as described in notes 2.1 of this report.

Basis for opinionin

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 Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Kosovo, 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 the financial statements in accordance with IFRSs, 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 Company'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 Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company'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. A further description of the auditor's responsibilities for the audit of the financial statements is at *Annex 1* of this report. This description forms part of our audit's report.


Kadrush Çollaku, Statutory Auditor



"K&M" Accounting and Auditing Services

28 March 2023

FINANCIAL STATEMENTS

STATEMENT OF COMPREHENSIVE INCOME

NGO "Nevo Koncepti" Prizren			
Statement of Comprehensive Income			
For the period 1 January to 31 December 2022			
REVENUE	Notes	2022 Euro	2021 Euro
Income from grants and donations		215,116	199,937
Other income		3	1,100
Totala revenue	7	215,119	201,037
EXPENSES			
Program expenses			
Gross salaries and benefits		53,380	52,830
Program expenses		71,011	68,966
Total program expenses	8	124,391	121,796
Management and Administration			
Gross salaries and benefits		87,549	83,050
Operating expenses		3,953	1,436
Total management and administration	9	91,502	84,486
Other expenses		139	115
Total other expenses	9	139	115
TOTAL EXPENSES		216,032	206,397
Net increase / decrease from operations		(913)	(5,360)
Net increase / decrease of funds of the year		(913)	(5,360)
Net increase / decrease of funds from previous years		5,107	10,099
Funds returned		-	368
ACCUMULATED EXCESS OF FUNDS	6	4,194	5,107

STATEMENT OF FINANCIAL POSITION - BALANCE SHEET

NGO "Nevo Koncepti" Prizren			
Statement of Financial Position - Balance Sheet			
For the year then ended at 31 December 2022			
ASSETS	Notes	2022	2021
		Euro	Euro
Current assets			
Cash and cash equivalents	3	5,489	5,107
Total current assets		5,564	5,107
Non current assets			
	4		
TOTAL ASSETS		5,564	5,107
LIABILITIES AND FUNDS			
Current liabilities			
Accounts payable and other liabilities	5	1,370	-
Total current liabilities		1,370	-
Non current liabilities			
TOTAL LIABILITIES		1,370	-
FUNDS			
Accumulated excess of income		5,107	10,099
Net excess from income statement		(913)	(5,360)
Funds returned		-	368
Total funds		4,194	5,107
TOTAL LIABILITIES AND FUNDS		5,564	5,107

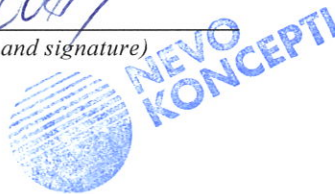
These financial statements have been prepared, approved and signed by the Management of NGO:

Prepared by: Tasim Shashivari
(Name, Surname and signature)

Date: 31.12.2022

Approved by: Osman Osmani
(Name, Surname and signature)

Date: 31.12.2022



STATEMENT OF CHANGES IN FUNDS

NGO "Nevo Koncepti" Prizren				
Statement of Changes in Funds				
For the year then ended at 31 December 2022				
	Initial Funds	Acumulated Funds	Rezerveves	Total
	Euro	Euro	Euro	Euro
Statement at 01 January 2021	-	10,099	-	10,099
Net increase / decrease from operations	-	(5,360)	-	(5,360)
Funds returned	-	368	-	368
Statement at 31 December 2021	-	5,107	-	5,107
Net increase / decrease from operations	-	(913)	-	(913)
Statement at 31 December 2022	-	4,194	-	4,194

STATEMENT OF CASH FLOWS

NGO "Nevo Koncepti" Prizren			
Statement of Cash Flows			
For the year then ended at 31 December 2022			
	Note	2022	2021
		Euro	Euro
OPERATING ACTIVITIES			
Excess of the year		(913)	(5,360)
<i>Adjustments for non-cash items</i>			
(Increase) / decrease in other assets		(75)	-
Increase / (decrease) in trade payables and other		1,370	-
		1,295	-
Net cash from operating activities		382	(5,360)
INVESTMENT ACTIVITIES			
Net cash from investing activities		-	-
FINANCIAL ACTIVITIES			
Funds returned		-	368
Net cash from financial activities		-	368
Net cash flow for the year		382	(4,992)
Cash and cash equivalents at beginning		5,107	10,099
Cash and cash equivalents at the end		5,489	5,107

NOTES TO THE FINANCIAL STATEMENTS

1. GENERAL INFORMATION

NGO "NEVO KONCEPTI - NVK" was established as non-governmental organization under Law No.06/L-043 on Freedom of Association in Non-Governmental Organizations in the Republic of Kosovo. The organization is a non-profit association, as defined in Article 12 of the Law no.06/L-043 on Freedom of Association in Non-Governmental Organizations in the Republic of Kosovo.

Registration date: 26 November 2014
RNo: 5115293-0
FNo: 601188700
Address: Str. Adnan Krasniqi 149 hyrja II/8, Prizren
Constitution Memebrs: Erxhan Galushi, Edon Korllari, Nurgjan Qorri,
Director of NGO Board: Daut Qylanxhi
Authorized representative: Osman Osmani, Director

MISSION, GOAL AND ACTIVITIES OF ORGANIZATION

Mision of "NEVO KONCEPTI":

Organization is constituted for the following purposes:

Improve the situation of RAE (Roma, Ashkali and Egyptian) communities in the field of education and other areas that affect their well-being through community awareness raising, capacity building and advocacy activities, with the priority of integrating children of the communities concerned into the teaching process.

Activities of "NEVO KONCEPTI":

During the year 2022 NGO "NEVO KONCEPTI" operated with the following project:

1. Promotion of diversity and the Roma language in the municipality of Prizren - financed by the Council of Europe, Office in Kosovo

- The aim of the project was to promote good governance through the engagement of civil society in promoting the participation of the Roma community in decision-making processes at the local level.

-Project objectives: Increasing the participation of the Roma community in local decision-making through influencing the decision-making actors in the official recognition of the status of the Roma language as a language in official use in the municipality of Prizren.

Mobilization of Civil Society Organizations (MCSO) in promoting the values of cultural and linguistic diversity in the municipality of Prizren

2. Reintegration of Roma, Ashkali and Egyptian returnees from Western Europe in the Prizren Municipality, Kosovo (REACH II)

- The aim of the project was to contribute to the improvement of the living conditions of the RAE communities in Kosovo, their access to education, social services and the labor market.

The main target of the project is 4 neighborhoods of Prizren with Roma, Ashkali and Egyptian families who have returned from Western European countries to the Municipality of Prizren.

Needy Roma, Ashkali and Egyptian children, especially in these 4 neighborhoods, to be integrated into the education system in grades 1 to 12 and to prevent them from dropping out of school.

The unemployed Roma, Ashkali and Egyptian, especially the returnees, develop their capacities and skills for employment, which help them to improve their family life. The REACH II project is funded by the German Government respectively by the German Karl Kübel Stiftung für Kind und Familie (KKS).

3. Re/Integration of Vulnerable and Returned Roma, Ashkali and Egyptians in the Municipality of Peja and Suhareka, Kosovo (PROSPECT 3)

The project: Re/Integration of vulnerable and returned Roma, Ashkali and Egyptians in the municipality of Peja and Suhareka, Kosovo (PROSPECT 3), is a three-year project which has been implemented since May 1, 2019 and has lasted until on October 31, 2022.

The project was focused on four components: education, employment, health and psycho-social issues.

The PROSPECT 3 project is financed by the Kosovar Foundation for Open Society (KFOS) with the support of the German Government and the German Foundation Karl Kübel Stiftung für Kind und Familie (KKS).

This project was implemented in the Municipality of Suhareka in the villages of Gelancë, Leshan and Tërrnje

4. Governance of Children's Right (SIDA) – financed by Save the Children International, Office in Kosovo

Project activities: establishment of the Children's Assembly with representatives from elementary schools in Prizren; Organization of regular meetings of the Children's Assembly; Exchange of children's experiences with the Assembly of children of other cities in Kosovo;

Organization Capacity Building including: Updating the strategic plan; Updating the policies of the organization and training of the staff;

5. Service Contract with Swisscontact Kosovo (SC)

FEGO Project: Assessment of business initiatives owned by Roma, Ashkali and Egyptian communities in furniture and apparel sector in municipality of Prizren, Suhareka, Mamushe and Rahovec

“Reintegration of Roma, Ashkali and Egyptian returnees from Western Europe, Prizren Municipality, Kosovo (REACH II) - March 1st 2019 – December 31st 2022

2. ACCOUNTING POLICIES

2.1 Bases of preparation

The financial statements have been prepared in accordance with the accounting and financial reporting standards applicable in the Republic of Kosovo and in compliance with Law No. 06/L-043 that are currently in force in the Republic of Kosovo as well as on the basis of the accounting defined in the agreement with the donors, including budgeting. The financial statements have been prepared on the basis of historical cost and the moderate cash basis, where as income of the period are recognized only the revenues spent for that period and not when they are received, while expenses are recognized when they are paid and not when they occur. Modification of the cash basis is made only for accumulated expenses at the end of the reporting period.

2.2 Accounting System

NGO "NEVO KONCEPTI" uses the accounting system developed in the "LOG MICRO", which produces sufficient financial reports such as: the cash book, the bank book, the general ledger, the income and expenditure reports for projects as well as the financial statements of the NGO as a whole.

2.3 Internal Regulations

In the time of audit NGO "NEVO KONCEPTI" is applying the following Internal Policy and Procedures of Organization:

1. Finance regulation
2. Work regulations
3. Regulation for prevention and protection from sexual harassment in the workplace

2.4 Reporting currency and presentation

The financial statements are prepared and presented in Euro currency, which is the functional and legal currency at the Republic of Kosovo.

2.5 Going Concern

Statement of financial position and income statement have been prepared on a going concern basis, under which the organization will be able to realize its assets and liabilities in the normal course of business.

2.6 Financial Instruments

The organization keeps only non-derivative financial instruments, consisting of cash and cash equivalents, account receivables, borrowings, account payables and other payables.

Cash and cash equivalents

Cash and cash equivalents include: Cash on hand and current deposits held in local banks.

Account Receivable

Receivables are measured at cost arising from the operations and expected to be received from the debtors. At the end of each reporting period, the carrying amounts of receivables are examined to determine whether there is any objective evidence that the amounts are not recoverable and any impairment loss is recognized directly in the income statement.

Accounts Payable

Accounts payable are recognized at their fair value and are liabilities arising from regular business on the basis of normal lending times and are not interest bearing.

2.7 Employee benefits

The organization contributes to its employees only pension plan contributions prescribed by the social security legislation as mandatory determining pension benefits for employees after retirement. Such contributions for the pension plan are charged to profit or loss when incurred.

2.8 Revenues and expenditures

Income from grants and donations are recognized as income over the period necessary to connect them with the costs for which are budgeted. While income from economic activities is recognized when the goods are delivered and ownership is transferred or services are rendered. Operating costs and other expenses are recognized on cash basis when they are paid.

2.9 Income tax

The organization is registered as non-profit organization and does not distribute profit, therefore as per applicable law is not subject to income tax.

3. CASH AND CASH EQUIVALENTS

Cash and cash equivalents represents cash in bank and petty cash, on 31 December 2022 comprise as the following:

Cash and cash equivalents	31.Dec.22	31.Dec.21
Petty Cash	-	-
Total Petty Cash	-	-
Raiffeisen Bank	5,489	5,107
Total Bank	5,489	5,107

4. OTHER PREPAYMENTS

Other prepayments consist of the following:

Other prepayments	31.Dec.22	31.Dec.21
Other prepayments	75	-
Total	75	-

5. ACCOUNTS PAYABLE AND OTHERS

Accounts payable represent the debts incurred from operations and expected to be paid after December 31, 2022 which comprise as the following:

Accounts payable and other liabilities	31.Dec.22	31.Dec.21
Accounts payable	1,370	-
Total	1,370	-

6. FUNDS

Represents the funds carried forward, returned funds and the excess of income and expenditure for the period, on 31 December 2022 comprise as the following:

Funds	31.Dec.22	31.Dec.21
Accumulated excess of income	5,107	10,099
Net excess from income statement	(913)	(5,360)
Returne to donors	-	368
Total	4,194	5,107

7. REVENUES

Revenues represent income from grants, donations, membership and economic activity on 31 December 2022 comprise as the following:

Revenues	1 Jan - 31 Dec 2022	1 Jan - 31 Dec 2021
Income from donations	215,116	199,937
Other income	3	1,100
Total	215,119	201,037

8. PROGRAM EXPENSES

Program expenses represent the direct costs for running and development of projects during the period 1 January to 31 December 2022, which comprise as the following:

Program expenses	1 Jan - 31 Dec 2022	1 Jan - 31 Dec 2021
Gross salaries and benefits	53,380	52,830
Program expenses	71,011	68,966
Total	124,391	121,796

9. ADMINISTRATION AND MANAGEMENT EXPENSES

Administration and management expenses represent the indirect costs for supporting project activities during the period 1 January to 31 December 2022, which comprise as the following:

Administration and management expenses	1 Jan - 31 Dec 2022	1 Jan - 31 Dec 2021
Gross salaries and benefits	87,549	83,050
Operation expenses	3,953	1,436
Total	91,502	84,486
Other expenses	139	115
Total	139	115

10. SUBSEQUENT EVENTS

There are no subsequent events after the balance sheet date that requires adjustment or disclosure to the financial statements.

Annex I

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 Company'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 Company'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 Company 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.