

KOSOVAR GENDER STUDIES CENTER

QENDRA KOSOVARE PËR STUDIME GJINORE

Audit of the Financial Statements for the year ended 31 December 2008

With Independent Auditors' Report

March 18, 2009



Bashkim Uka
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March 18, 2009

Attn: Ms Luljeta Vuniqi
Executive Director
Kosovar Gender Studies Center

Independent Auditors' Report

We have audited the financial statements and supplementary financial data of the Kosovar Gender Studies Center expressed in EUR, for the period 1 January to 31 December 2008. These financial statements and supplementary financial data are the responsibility of the project's management. Our responsibility is to express an opinion on the aforementioned financial information based on our audit.

We conducted our audit in accordance with International Standards on Auditing (ISA). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the reporting forms are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the reporting forms. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the proper accounting and reporting of the data on the financial statements. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial information present fairly, in all material respects, the financial position of the Kosovar Gender Studies Center as of 31 December 2008, and the results of operations for year then ended in accordance with accepted accounting principles in Kosovo.

Bashkim Uka
Licensed Auditor

BU & Partners

Introduction

In terms of the scope of work identified in the letter of agreement-dated January 15, 2009 signed with the Kosovar Gender Studies Center - KGSC, we carried out an audit of the financial statements and supplementary reports of Kosovar Gender Studies Center for period January 1, 2008 to December 31, 2008.

1. Background

KGSC is registered as a non-governmental organization under the UNMIK regulation 1999/22, No.5101853-2. KGSC is a Kosovar non-for-profit organization that works in mainstreaming gender in all aspects of life, increasing women's participation in decision-making, as a precondition of achieving gender equality on the society.

2. Specific Activities and Field Examination

The KGSC's through out 2008 continued strategic activities to:

1. Initiate and develop research/analyses on gender issues as a source for development of gender studies and expertise in this field in Kosova, providing expertise to women's NGOs and their networks, academic institutions etc.
2. The cooperation and exchange of experiences and expertise with similar institutions and organizations
3. The center will serve for the collection, development and dissemination of accurate and up-to-date data and information regarding gender issues

3. List of Documents Confirmed and Audited

- Internal Regulation
- Financial Statement
- Vouchers
- Contracts with subcontractors
- Inventory and Asset List
- Bank Statements
- Tax Files
- Rental Agreement
- Reports
- Employee Follow Up
- Income Tax/ Pension Fund
- Personnel Files

4. Confirmation of Expenditures

Our examination has addressed direct and program costs. We hereby confirm that expenses amounting to Euro 122,378.92 have incurred throughout the period. All expenses have been accounted for and documented sufficiently according to applicable regulations of Kosova.

The accounts of Kosovar Gender Studies Center are kept following the accounts principle; that is, taxes and other incurring payment obligations have been calculated along with payments and are included in the above figure, regardless of whether payment has taken place within the time interval specified above. All such calculations have been made whenever required by local legislation.

The control and evaluation of documents, expenditures and receipts of the project shows conformity with the project objectives, program activities. Kosovar Gender Studies Center has well-developed system for economical and efficient conduct of business. This is achieved through minimization of the costs of resources utilized for the activities, always ensuring an appropriate quality. Expenditures incurred compare very well with budget positions. Funds received for the project reconcile with the corresponding lists of donor. Goods purchased with allocated funds within the framework of the execution of the project are utilized within foreseen objectives.

Kosovar Gender Studies Center - Financial Statements

BALANCE SHEET
As at 31 December 2008

Assets	Notes	EUR	Liabilities	Notes	EUR
Cash	1	15,780.82	Accounts Payable	3	6,088.46
Accounts Receivable	2	2,233.32	Grants Payable		
Notes receivable			Deferred Revenue		
Inventory			Mortgages and other Notes payable		
Investments			Other liabilities		
Securities			Total Liabilities:		6,088.46
Land, buildings, and equipment			Fund Balance:		
Other			Fund balance as of 31 December 2007		10,604.24
Land, buildings, and equipment			Excess (from income statement)		1,321.44
Other assets			Total Balance:		11,925.68
Total Assets:		<u>18,014.14</u>	Total Liabilities and Fund Balance:		<u>18,014.14</u>

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INCOME STATEMENT

For the year ended 31 December 2008

Revenue	Notes	EUR	Expenses	Notes	EUR
Contributions, gifts or grants	4	123,700.36	Program services		74,020.37
Fees and revenues from activities			Management and Administration		44,780.95
Dues			Other Expenses		3,577.60
Dividends and interest					
Rents					
Other investment income			Total Expenses:	5	122,378.92
Sale of assets					
(less cost of sales)			Net Income from Operations:		1,321.44
Special event revenue					
Gross sales of inventory					
(less cost of goods sold)					
Other revenue			Taxes		
Total Revenue:		123,700.36	Net Income:		1,321.44

Accounting Policy

For the purposes of financial recording, KGSC uses the cash method of accounting for reporting the receipt and disbursement of KGSC funds. Under this method of reporting financial transactions, the organization records the actual receipts and disbursements occurring in a given period.

Foreign Currency Transactions

Reimbursements to the NGO are made in Euros. All financial reports issued by the KGSC are expressed in Euros.

Notes to the financial statements

1. Cash and cash equivalents

Cash and cash equivalents comprise cash balances of the Bank Accounts and Cash Box. The organization maintains two bank accounts, Pro Credit and Kasabank and a petty cash account.

<i>In Euro</i>	31 December 2008
ProCredit Bank	13,780.19
NLB Pristina	1,582.28
Petty cash account	418.35
Total Cash and Cash Equivalents	<u>15,780.82</u>

2. Accounts receivable

Accounts receivable in total amount of EUR 2,223.32 consist of travel advances which will be settled during year 2009.

<i>In Euro</i>	31 December 2008
Travel advances	2,223.32
Total accounts receivable	<u>2,223.32</u>

3. Liabilities

Accounts payable

The amount of EUR 6,088.46 consists of audit expenses, taxes and pension contribution, and travel expenses accrued during 2008.

<i>In Euro</i>	31 December 2008
Audit services payable	2,100.00
Taxes and pension contribution	2,902.70
Travel Expenses	1,085.76
Total accounts receivable	<u>6,088.46</u>

4. Revenues

All organization's revenues are from donor grants. The list below shows the total amount of revenues that each donor has contributed for KGSC projects:

<i>In Euro</i>	For the period ending 31 December 2008
Donor	Amount
DFID	7,463.58
KVINNA TILL KVINNA	16,832.00
OSI NY 08	19,839.92
QKSGJ - KGSC	472.00
RBF	12,756.86
SWISS CO	11,340.00
UNIFEM	54,996.00
Total revenues for the period	<u>123,700.36</u>

5. Expenses

<i>In Euro</i>	For the period ending 31 December 2008
Donor	Amount
DFID	19,873.49
GFW	4,387.91
IREX	844.04
KFOS/OSI	246.46
KVINNA TILL KVINNA	11,565.88
MEDIA	1,085.99
OSI NY 07	388.67
OSI NY 08	19,839.92
QKSGJ - KGSC	3,934.17
RBF	3,089.01
SWISS CO	7,146.30
UNIFEM	49,977.08
Total expenses for the period	<u>122,378.92</u>