

FINANCIAL STATEMENTS WITH INDEPENDENT AUDITORS' REPORT

KOSOVAR GENDER STUDIES CENTER

QENDRA KOSOVARE PËR STUDIME GJINORE

For the period 01 January 2012 – 31 December 2012

**Prishtine
March 2013**



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Independent Auditors' Report

25 March 2013

To: The management of Kosovo Gender Studies Center

We have audited the accompanying financial statements of Kosovo Gender Studies Center ('organization'), for the year ended 31 December 2012 and a summary of significant accounting policies and other explanatory information. Financial statements have been prepared by management of Kosovo Gender Studies Center based on the financial reporting requirements of the donor and relevant laws in Kosovo.

Management's Responsibility for the financial report

Management is responsible for the preparation of financial statements in accordance with the financial reporting requirements, and for such internal control as management determines is necessary to enable the preparation of financial report that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial considers internal control relevant to the entity's preparation of the financial report 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements of Kosovo Gender Studies Center, for the year ended 31 December 2012 are prepared, in all material respects, in accordance with the financial reporting requirement of donor and relevant laws in Kosovo.

Lulzim Zeka
Statutory Auditor

Baker Tilly Kosovo

Kosovar Gender Studies Center

Income Statement

For the period ended 31 December 2012

	<i>Note</i>	<u>31-Dec-12</u>	<u>31-Dec-11</u>
Income			
Income from Donations	3	192,436	88,505
Total Income		<u>192,436</u>	<u>88,505</u>
Expenses			
Program and Management Expenses	4	103,979	102,446
Total Expenses		<u>103,979</u>	<u>98,704</u>
Net Surplus/(Deficit)		<u>88,457</u>	<u>(5,584)</u>

Kosovar Gender Studies Center

Balance Sheet

For the period ended 31 December 2012

Assets	<i>Note</i>	<u>31-Dec-12</u>	<u>31-Dec-11</u>
Current assets			
Cash & cash equivalents	5	90,498	15,593
Accounts receivable	6	7,933	2,791
Total current assets		98,431	35,474
Noncurrent assets			
Fixed Assets		-	-
Other Assets		-	-
Total noncurrent assets		-	-
Total Assets		98,431	35,474
Liabilities			
Total short term liabilities			
Accounts payable	7	2,494	10,904
Total Liabilities		2,494	14,053
Equity			
Opening Balance		7,480	21,421
Net surplus/deficit		88,457	(13,941)
Total Equity		95,937	7,480
Total Liabilities and Equity		98,431	35,474

Kosovar Gender Studies Center

Notes to financial statements

For the period ended 31 December 2012

Introduction

In terms of the scope of work identified in the letter of agreement-dated January 21, 2013 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, 2012 to December 31, 2012.

1. Background

KGSC is registered as a non-governmental organization under the Law 03/L-134, with registration 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.

a. Specific Activities and Field Examination

The KGSC's throughout 2012 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.

Kosovar Gender Studies Center

Notes to financial statements (continued)

For the period ended 31 December 2012

2. Statement of Significant Accounting Policies

A) General Accounting Principle

For the purposes of financial recording, Kosovar Gender Studies Center uses the combined accrual and cash method of accounting for reporting the receipt and disbursement of funds. Under this method of reporting of financial transactions, Kosovar Gender Studies Center records most of its transactions on a cash basis of accounting.

The financial statements have been prepared in accordance with the Kosovo Accounting Standards under historical cost convention as modified by the revaluation of financial assets and liabilities.

B) Summary of Accounting Policies

Reporting Currency

The Kosovar Gender Studies Center accounting records are maintained in EURO and all financial statements are prepared and presented in EURO

Taxation

Kosovar Gender Studies Center is a NGO which received donations in the reporting year have been implemented into humanitarian purposes. According to Law No.03/L-162 on Corporate Income Tax, NGO's whose total income was used for their public benefit purposes are tax exempted.

Kosovar Gender Studies Center

Notes to financial statements (continued)

For the period ended 31 December 2012

3. 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:

Donor <i>In Euro</i>	2012	2011
Kvinna Till Kvinna	37,740	40,667
European Instrument For Democracy And Human Rights	69,280	-
UNFPA	3,973	-
UN Women	13,393	-
KCSF	40,000	-
Norwegian Embassy	26,550	-
UNIFEM	-	23,355
Finland Embassy	-	3,100
US Embassy	-	7,367
ISC	-	5,926
NEF	-	2,992
FES	-	3,496
UAF	-	1,102
Rrogreak	-	450
Other Income	1,500	50
Total revenues for the period	192,436	88,505

Kosovar Gender Studies Center

Notes to financial statements (continued)

For the period ended 31 December 2012

4. Program and Management Expenses

<i>In Euro</i>	2012	2011
Kvinna Till Kvinna	38,589	40,687
UNFPA	3,973	
European Instrument For Democracy And Human Rights	30,746	-
KCSF	24,298	-
Norwegian Embassy	5,179	-
KFOS	1,061	-
RBF	95	-
UNIFEM	-	20,794
Finland Embassy	-	14,527
US Embassy	-	11,336
ISC	-	5,926
FES	-	3,496
UAF	-	1,894
Rrogreak	-	385
FIQ	-	123
Kvinna Till Kvinna Return Of Funds From The Previous Year	-	1,650
KGSC	1,038	1,630
Total expenses for the period	103,979	102,446

5. 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 NLB Prishtina and a petty cash account.

<i>In Euro</i>	2012	2011
ProCredit Bank	88,015	13,385
NLB Pristina	1,517	1,517
Petty cash account	966	691
Total Cash and Cash Equivalents	90,498	15,593

Kosovar Gender Studies Center

Notes to financial statements (continued)

For the period ended 31 December 2012

6. Accounts receivable

Accounts receivable in total amount of EUR 7,933 consist of VAT receivable, prepaid project expenses and advances.

<i>In Euro</i>	2012	2011
Advance	1,269	150
Prepaid project expenses	4,750	2,641
VAT receivable	1,914	-
Total accounts receivable	7,933	2,791

7. Liabilities

Accounts payable

The amount of EUR 2,494 consists of audit expenses, taxes and pension contribution, and contracted program accrued during 2012. All these expenses will be settled during the year 2013.

<i>In Euro</i>	2012	2011
Audit services payable	700	1,100
Taxes and pension contribution	987	899
Tax on rent	35	35
Expenses related to BTD project	-	7,450
Expenses related to Kvinna Till Kvinna	772	184
Other payables	-	1,236
Total accounts payable	2,494	10,904