



## **Independent Auditor's Report**

**To the Executive Director of  
Kosovar Civil Society Foundation (KCSF)  
Prishtina - Kosova**

We have conducted an audit of the accompanying Statement of Sources and Uses of Funds of the Kosovar Civil Society Foundation (hereinafter: the "KCSF") Prishtina - Kosovo, for the period 1 January 2011 to 31 December 2011.

### *Management's Responsibility for the Financial Report*

These statements are the responsibility of the KCSF management. Our responsibility is to express an opinion on these statements based on our audit. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. The Organization's policy is to prepare the accompanying statement of cash receipts and disbursement on the modify cash basis. Based on this, revenues are recognized when received rather than earned, and expenses are recognized when paid rather than when incurred.

### *Auditor's Responsibility*

Our responsibility is to express an opinion on this Financial Report 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 whether the financial statements are free from material misstatement.

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

### *Basis of qualification*

### *Opinion*

In our opinion, we have been able to satisfy ourselves on the accompanying Statement of Sources and Uses of Funds presents fairly, in all material respects, the total income and expenditures received and paid by the organization during the period from 01 January 2011 to 31 December 2011, are in accordance with the cash receipt and disbursement basis as described above.

**Balluku&Zhaveli  
Prishtina, Kosovo**

*Tomorr Zhaveli*  
**Tomorr Zhaveli**

**Legal Auditor**



Prishtina, March 12, 2012



**1. Identification**

**1.1 Audit Assignment**

**Client:** **Kosovar Civil Society Foundation (KCSF)**  
Venera Hajrullahu, Executive Director  
Fazli Grajqevci, 4/a Street  
10000 Prishtina, Kosovo  
Phone: +381/ 38/ 248 636 248 643  
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**Contractor:** Balluku&Zhaveli, General Partnership  
Tomorr Zhaveli, Partner  
Agim Ramadani 36/13  
10000 Prishtina  
Kosova  
Phone: + 44 50 421  
E-mail: [tzhaveli@Yahoo.com](mailto:tzhaveli@Yahoo.com)

**Assignment:** **Audit of the financial statements of the KCSF as of 31 December 2011**

**1.3. Audit Team (Auditor) in Charge**

Tomorr Zhaveli, Lead Auditor

**1.14. Persons Contacted**

at the KCSF: Venera Hajrullahu, Executive Director  
Vjollca Sllamniku, Finance Manager

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# Kosovar Civil Society Foundation ("KCSF")

Notes to the Statement of Sources and Uses of Funds for the period ended 31 December 2011

(amounts in Euro)

## BALANCE SHEET AS AT 31 DECEMBER 2011

	Notes	<u>31-Dec-11</u>	<u>31-Dec-10</u>
<b>Current assets</b>			
Cash and bank	4	589,392.09	315,547.33
Receivable from Employees	5	0.00	122.62
Receivable	6	0.00	417.58
VAT reimbursement claims	7	1,701.75	9,646.83
Prepaid Expense	8	0.00	12,189.76
		<u>591,093.84</u>	<u>337,924.12</u>
<b>Fixed Assets</b>			
Tangible fixed assets	9	108,184.71	99,611.91
		<u>108,184.71</u>	<u>99,611.91</u>
<b>Total Assets</b>		<u>699,278.55</u>	<u>437,536.03</u>
<b>Liabilities and fund balance</b>			
Creditors / Payables	10	2,192.97	1,093.66
Permanent Restricted Funds - Assets	9	108,184.71	99,611.91
Fund balance	14	588,900.87	336,830.45
		<u>699,278.55</u>	<u>437,536.03</u>
<b>Total liabilities and fund balance</b>		<u>699,278.55</u>	<u>437,536.03</u>

Authorized for issue by the management on 12.03.2012

Ms. Venera Hajrullahu  
Executive Director



Ms. Vjollca Sllamniku  
Finance Manager



The accompanying notes form an integral part of these Statements



**Kosovar Civil Society Foundation ("KCSF")**Notes to the Statement of Sources and Uses of Funds for the period  
ended 31 December 2011*(amounts in Euro)***STATEMENT OF INCOME AND EXPENDITURE AS AT 31 DECEMBER 2011**

	Notes	<u>31-Dec-11</u>	<u>31-Dec-10</u>
<b>Revenue</b>			
Project grants	11	841,041.28	383,296.91
Other Funds	12	21,896.12	12,534.48
		<u>862,937.40</u>	<u>395,831.39</u>
<b>Expenses</b>			
Projects expenses	13	314,970.28	204,748.90
Projects expenses-Granting	13	111,877.16	114,490.80
Administrative expenses	13	128,460.68	157,662.48
		<u>555,308.12</u>	<u>476,902.18</u>
Other Expenses	13	46,986.07	25,494.00
<b>Total of Expenses</b>		<u>602,294.19</u>	<u>502,396.18</u>
<b>Excess of funds over expenditures</b>		<u>260,643.21</u>	<u>(106,564.78)</u>



**Kosovar Civil Society Foundation ("KCSF")**Notes to the Statement of Sources and Uses of Funds for the period  
ended 31 December 2011*(amounts in Euro)***CHANGES IN FUND BALANCE FOR THE PERIOD ENDED 31 DECEMBER 2011**

	Notes	<u>31-Dec-11</u>	<u>31-Dec-10</u>
<b>Funds received:</b>			
Contributions	12	862,937.40	395,831.39
		<u>862,937.41</u>	<u>395,831.39</u>
<b>Expenses:</b>			
Project expenses	13	314,970.28	204,748.90
Projects expenses-Granting	13	111,877.16	114,490.80
Administrative expenses	13	128,460.68	157,662.48
Other expenses	13	46,986.07	25,494.00
		<u>602,294.19</u>	<u>502,396.18</u>
<b>Surplus/(deficit) of the period</b>		<u>260,643.21</u>	<u>(106,564.78)</u>
<b>Changes in fund balance</b>			
Fund balance beginning of the year		436,442.37	543,007.15
Fund balance at the end of the year		<u>697,085.58</u>	<u>436,442.37</u>
<b>Excess of funds over expenditure for the year</b>		<u>260,643.21</u>	<u>(106,564.78)</u>