

Emancipimi Civil Ma Ndryshe

Financial Statements and Independent Auditor's Report

31 DECEMBER 2012

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Independent Auditor's Report

To the management of the NGO Emancipimi Civil Ma Ndryshe, Prishtina

We have carried out an audit of the financial statements of the NGO Emancipimi Civil Ma Ndryshe (further referred to as the NGO "EC Ma Ndryshe") which comprise of the Balance Sheet at 31 December 2012, the Income Statement and Fund Balances for the period 1 January 2012 to 31 December 2012, and the explanatory notes to the financial statements.

Management's responsibility for financial statements

It is the responsibility of the management the preparation and fair presentation of financial statements in accordance with Kosovo Accounting Standards. This responsibility consist of: designing, implementation and maintenance of internal controls which are important for the preparation and fair presentation of financial statements that are free from material misstatement, whether due to errors and frauds; selection and application of appropriate accounting policies and realization of accounting evaluations that are reasonable in certain circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on financial statements based on our audit. We have conducted our audit in accordance with the International Standards on Auditing. Those standards require adherence to the ethical requirements as well as the planning and performing the audit to obtain reasonable assurance whether the financial statements are free of any 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 statements, whether due to fraud or error. When making these risk assessments, the auditor considers internal control important to the entity's preparation and fair presentation of the financial statements 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 controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the management, as well as evaluating of the overall presentation of the financial statements.

We deem that, in addition to the issues listed below, the audit evidence we have obtained is sufficient and apt to provide the basis for our opinion.

A basis for a qualified opinion:

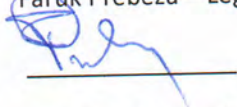
- a) Financial statements for the year ended 2011 have not been audited and therefore not presented herein. The scope of our audit work has been limited only to the audit of financial statements for the year ended on 31 December 2012. We are not able to determine the impact of any change that may be crucial as per the financial statements for the year ended on 31 December 2012.

NGO Emancipimi Civil Ma Ndryshe

Qualified opinion

In our opinion, with the exception of the above mentioned matters and the effects those may have on the presentation of the amounts related to these issues, *the attached financial statements, in all material respects, give a true and fair view of the financial position of the NGO "Emancipimi Civil Ma Ndryshe" on 31 December 2012*, in accordance with accounting policies and procedures as outlined in Note 2.

Faruk Prebeza – Legal Auditor



Faruk R. Prebeza
Auditor Ligjor
Nr. 40

Mitrovicë/Mitrovica, Republic of Kosova

28 February 2013

Income and Fund Balances Statements, for the period 01.01.2012 – 31.12.2012

Funds

Grants (donations)
Other incomes
Total incomes

3

88,850.23
-
88,850.23

Expenses

Wages and contributions
Benefits
Rent and other office expenses
Communications
Travelling and lodgings
Trainings
Printing and publications
Contractual services
Roundtables & Meetings
Other direct expenses
Banking provisions
Audit
Other
Total Expenses

4

41,640.21
8,066.53
600.00
1,588.08
11,592.75
11,236.36
1,268.20
109.10
76,101.23

Reminder of funds over expenses (Net income)

12,749.00

Adjusted expenses for accrual reporting

1,531.97

Cash on hand and cash in account at the beginning of
the period

5

15,134.74

Cash on hand and cash in account at the beginning of
the period

5

29,415.71

Authorized by the management:

Hajrulla Çeku

Valon Xhabali

Balance sheet, on 31.12.2012

Assets	Notes	
Current assets:		
Cash and cash in bank account	5	29,415.71
Accounts Receivable		
Other		
Total current assets:		29,415.71
Total assets		29,415.71
Liabilities and funds carried forward		
Short-term liabilities:		
Wages Payable		
Accounts Payable		
Other		1,531.97
Total current liabilities		1,531.97
Funds carried forward	6	27,883.74
Total of funds carried forward		27,883.74
Total Liabilities and funds		29,415.71

Authorized by the management:

Hajrulla Çeku

Executive Director

Valon Xhabali

Head of Administration Division

Notes to the Financial Statements

1. General

Non-governmental organization “Emancipimi Civil Ma Ndryshe” was founded in March 2006. The main goals of the organization are: promotion of active and participatory citizenry and the raise of civic awareness on the protection and foster of cultural heritage. EC Ma Ndryshe is one of the founding and representing organizations of Kosovo in South East European Heritage Network of organizations that deal with cultural heritage – SEE Heritage Network. Furthermore, it is the founder of Cultural Heritage Forum of Prizren, Cultural Organizations’ Network (RrOK) in Prizren and of the Independent Culture Organizations’ Network of Kosovo – Cultural Forum.

Since its establishment in 2006, EC Ma Ndryshe is exercising direct pressure on local government in Prizren to generate access for civil society and the citizens in participatory decision-making. In addition to direct participation in public consultation processes, EC Ma Ndryshe has regularly advocated the adherence to legal requirements for public consultations, wider community involvement in public consultations and inclusion of community’s issues and needs in public policy documents. In order to provide a specific model of public consultation, EC Ma Ndryshe has implemented the “Citizen Open Forums” project in which the instrument of the Forum posed as an efficient model of citizen participation in decision-making. In addition, EC Ma Ndryshe, through the Cultural Heritage Forum of Prizren, has set-up an advocacy platform for the city’s cultural community by turning this Forum in an active participant in drafting cultural policies at local level.

On the part of enforcement of direct democracy instruments, EC Ma Ndryshe was a co-initiator of two Petitions in the city of Prizren; one for prevention of pulling down the city’s cinema building and the second one to rebuff the draft law on the Historic Centre of Prizren. One of tangible actions with the youth of the city had been the cooperation with the Film Festival Dokufest on screening the documentaries for the city’s secondary school students. The documentaries included a wide range of civic education topics for coaching citizen-responsible and active future generations. Activism is one of the guiding principles of the organization’s internal operation as well. Through the Group of Active Volunteers (a group that operates within EC Ma Ndryshe), the organization has promoted voluntary activity in many areas, particularly in the domain of culture and cultural heritage.

EC Ma Ndryshe's Programmes and Projects

- Increase of citizen participation in the design and implementation of cultural policies in municipal level (2012 – 2013)
- Cultural Volunteers (2012 – 2013)
- Online Transparency of Prizren Municipality (2012 - ongoing)
- A Balkan Tale, Ottoman heritage in the Balkans (regional project) – (2011 – 2013)
- Role of Civil Society in Promotion of Cultural Heritage (regional project) – (2011 – 2013)

2. Accounting Policies

Accompanying financial statements have been prepared for the purpose of fulfilling the obligations arising from the contract and present a complete view of economic transactions as well as of incomes and expenses presented in the form of funds obtained and laid out.

2.1 Basis of preparation

These financial statements are prepared in accordance with the accrual accounting as oriented by the KSA and modified with the application of cash-based accounting for the identification of long-term material assets, depreciation associated with those and which are related to the non-profit activity of "EC Ma Ndryshe", which have been recognized as expense at the moment when those were purchased for certain projects.

The statements have been prepared by respecting entire material, in accordance with the terms and conditions of grants management donated by the donors, as well as in view with the instructions and guidance of each donor separately on contractual terms.

The organization drafts a summary of expenses according to the approved project's budget lines for each project individually by preparing a statement of expenses incurred (Financial Report) pursuant with the reporting periods signed on the grant contract.

Generally, these rules and procedures, given the specification of the first paragraph of this note, are directed by the National Standards and International Financial Reporting Standards (IFRS).

2.2 Reporting Currency

For reporting period, transactions occurred in and with the NGO "EC Ma Ndryshe" are presented in Euro ("EUR").

3. Incomes for the reporting period and 6. Fund Balances

Project code	Project/Donor	Carried amounts at the beginning of 2011	Incomes during the year	Project expenses	Fund Balances at the end of the year 2012
Balkan Tale GR	Balkan Tale GR	7,684.42	7,765.23	13,138.88	2,310.77
CHWB	CHWB	0.32	4,000.00	3,781.50	218.82
DSP	DSP	0.00	20,000.00	16,541.31	3,458.69
KFOS	KFOS	7,450.00	21,815.00	22,937.61	6,327.39
Online Transparency	Online Transparency	0.00	35,270.00	19,701.93	15,568.07
Total		15,134.74	88,850.23	76,101.23	27,883.74

4. Expenses by projects

Description	Balkan Tale GR	CHWB	DSP	KFOS	Online Transparency	Total
Wage expenses	4,983.50	2,381.42	11,798.51	14,385.93	8,090.85	41,640.21
Print and publication expenses	2,094.83	400.00	141.20	4,777.72	4,179.00	11,592.75
Payments for service contractors	1,406.04	234.38	3,135.30	1,373.36	5,087.28	11,236.36
Rent expenses	1,715.38	500.00	200.00	1,200.00	1,000.00	4,615.38
Office expenses	704.55		801.70	818.30	1,126.60	3,451.15
Travel and lodging expenses	1,438.08	150.00				1,588.08
Debates & Meetings	450.00		450.00	163.70	204.50	1,268.20
Communication expenses	300.00	100.00		200.00		600.00
Banking expenses	46.50	15.70	14.60	18.60	13.70	109.10
Total Expenses	13,138.88	3,781.50	16,541.31	22,937.61	19,701.93	76,101.23

5. Cash

	31 December 2012	31 December 2011
	(in EUR)	(in EUR)
Cash on hand	136.34	0.00
Cash in current bank account	29,279.37	15,134.74
Total – Cash in account and on hand	29,415.71	15,134.74