



Independent Auditor's Report and Individual Financial Statements
for the year ended December 31, 2021

TABLE OF CONTENTS

PAGE

AUDITOR'S REPORT

STATEMENT OF FINANCIAL POSITION

1

STATEMENT OF PROFIT OR LOSS

2

STATEMENT OF CHANGES IN NET ASSETS

3

STATEMENT OF CASH FLOWS

4

NOTES TO THE FINANCIAL STATEMENTS

5



INDEPENDENT AUDITOR'S REPORT

To the Management of ARTPOLIS

Opinion

We have audited the accompanying financial statements of ARTPOLIS, which comprise the statement of financial position as at December 31, 2021 and the statement of profit or loss, statement of changes in fund balances and statement of cash flow for the year then ended, and other explanatory notes.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of ARTPOLIS as of December 31, 2021, results of its operation and the cash flow for the year then ended in conformity with actual laws and with individual agreements between KCSF and grantees.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (with the application of ISA 700). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Project financial report section of our report. We are independent of the Business in accordance with International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (IESBA Code), 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 these financial statements in accordance with modified cash basis principle, applicable laws and the internal controls that the management deems necessary to enable the preparation of financial statements without material misstatement due to fraud or error.

For the financial statements' preparation, management is responsible for assessing the organization's ability to sustainability in the future, disclosing, as necessary, future sustainability issues and using the accounting continuity principle unless management intends to liquidate the Organization or Interrupt the operation, or there is no other possible alternative than to do it.

Those charged with governance are responsible for overseeing the Organization'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

total, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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 Organization'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 Organization'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 Organization 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.



Armend Osaj – Statutory Auditor
ACA – Audit & Consulting Associates
Prishtine, Kosovo
February 15, 2022

ARTPOLIS
Statement of Financial Position
For the year ended December 31, 2021

	Notes	December 31, 2021 (In EUR)	December 31, 2020 (In EUR)
ASSETS			
Non-current assets			
Property and equipment	3	12,728	14,530
Total non-current assets		12,728	14,530
Current assets			
Accounts Receivable	4	5,536	6,350
Cash and bank balances	5	95,516	34,961
Total current assets		101,052	41,311
TOTAL ASSETS		113,780	55,841
LIABILITIES AND RESERVES			
Current liabilities			
Accounts payable	6	3,122	-
Deferred Revenue	7	110,658	55,841
Total current liabilities		113,780	55,841
Reserves			
Opening Balance Equity		-	-
Amount carried forward		-	-
Total reserves		-	-
TOTAL LIABILITIES AND RESERVES		113,780	55,841

The financial statements have been signed on February 15, 2022 by:

Zana Hoxha


 Executive Director

Donarta Limanaj


 Financial Manager

The accompanying notes from 1 to 10 form an integral part of these financial statements

ARTPOLIS**Statement of Profit or Loss****For the year ended December 31, 2021**

		End Year 31 December 2021 (In EUR)	End Year 31 December 2020 (In EUR)
	Note		
Incomes			
Incomes	8	336,889	285,673
Total income		336,889	285,673
Expenses			
Payroll expenses	9	211,298	177,480
Operations expenses	10	121,009	105,967
Depreciation Expense	3	4,583	2,226
Total expenses		336,889	285,673
Amount carried forward		-	-

The accompanying notes from 1 to 10 form an integral part of these financial statements

ARTPOLIS

Statement of Changes in Net Assets

For the year ended December 31, 2021

	Retained surplus (In EUR)	Net deficit/ surplus (In EUR)	Total Equity (In EUR)
Balance as at January 01, 2020			
Balance carried forward	-	-	-
Net deficit/surplus for the year	-	-	-
Balance as at December 31, 2020	<u>-</u>	<u>-</u>	<u>-</u>
Balance as at January 01, 2021			
Balance carried forward	-	-	-
Net deficit/surplus for the year	-	-	-
Balance as at December 31, 2021	<u>-</u>	<u>-</u>	<u>-</u>

The accompanying notes from 1 to 10 form an integral part of these financial statements

ARTPOLIS**Statement of Cash Flows****For the year ended December 31, 2021**

	December 31, 2021 (In EUR)	December 31, 2020 (In EUR)
Cash flows from operating activities		
(Deficit)/surplus for the year	-	-
Adjustment for:		
Depreciation	4,583	2,227
	-	-
Change in receivables	814	(1,350)
Changes in other receivables	-	-
Change in advances	-	400
Change in payables	3,122	(4,760)
Change in deferred revenue	54,817	34,731
Net cash from operating activities	63,336	31,248
Cash flows from investing activities		
Acquisition of property and equipment	(2,781)	(9,000)
Net cash used in investing activities	(2,781)	(9,000)
Net increase in cash and cash equivalents	60,555	22,248
Cash and cash equivalents at 1 January	34,961	12,714
Cash and cash equivalents at 31 December	95,516	34,961

The accompanying notes from 1 to 10 form an integral part of these financial statements

ARTPOLIS

Notes to the Financial Statements

For the year ended December 31, 2021

1. INTRODUCTION

ARTPOLIS is a registered Non-Governmental Organization established in Prishtina, Kosovo in 2004.

Through its mission it supports and protects women's rights as part of universal human rights, by conducting activities such as trainings and capacity building for women and youth from different ethnicity and addressing social issues through Theatre Based Education, activism, project managing and leadership skills.

ARTPOLIS promotes diversity through culture, arts and multi-ethnic coexistence by using theater as a tool for community empowerment.

ARTPOLIS is a community-based organization that offers all activities to community members free of charge.

ARTPOLIS

Notes to the Financial Statements

For the year ended December 31, 2021

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

Financial Statements are prepared for reporting purposes in accordance with applicable International Standards on Auditing (with the application of ISA 700), and represent the entire picture that occurred in Artpolis during 2021. Financial Statements are prepared on modified cash basis principle. The organization uses QuickBooks for preparation of financial statements.

2.2 Currency of presentation

The reporting currency of Artpolis is the European Union currency unit Euro ("EUR"). The organization has ten bank accounts in Pro Credit Bank.

2.3 Foreign currency exchange

The organization does not perform transactions in foreign currencies.

2.4 Property, plant and equipment

Artpolis presents all purchased made in 2021 as equipment expenses in the statement of financial position.

2.5 Cash and cash equivalents

For the purpose of the statement of cash flows, cash and cash equivalents are considered to be cash on hand and at bank and in operating accounts at bank with an original maturity of three months or less.

2.6 Taxes

Artpolis is established as a nongovernmental organization, therefore has responsibility and operates as an NGO under applicable Kosovo Laws.

2.7 Revenue recognition

Revenues from grants are recognized as income on the period when received. At the end of the year the excess amount of revenues over expenses is treated as balance carried forward to the next period.

ARTPOLIS

Notes to the Financial Statements

For the year ended December 31, 2021

2.8 Financial costs

Financial costs include bank charges, charged for banking transactions and the cost charged for the guarantee received as well as interest expense on borrowings.

2.9 Employee benefits

The Organization, in the normal course of business, makes payments to the State budget of on behalf of its employees. The majority of the Organization's employees are members of the State pension plan. All such contributions to the mandatory government pension schemes are expensed when incurred. The Organization does not operate any other pension scheme or postretirement benefit plan and, consequently, has no obligation in respect of pensions.

In addition, the Organization has no material obligations to provide further benefits to current and former employees.

ARTPOLIS**Notes to the Financial Statements**
For the year ended December 31, 2021**3. PROPERTY, PLANT AND EQUIPMENT**

	<u>Vehicle</u>	<u>Computers and Equipment</u>	<u>Total</u>
Cost			
At 1 January 2020	6,500	4,633	11,133
Additions	9,000	-	9,000
At 31 December 2020	15,500	4,633	20,133
At 1 January 2021	15,500	4,633	20,133
Additions	-	2,781	2,781
Disposals	-	-	-
At 31 December 2021	15,500	7,414	22,914
Accumulated depreciation			
At 1 January 2020	1,799	1,577	3,376
Depreciation charge for the year	1,300	927	2,227
	-	-	-
At 31 December 2020	3,099	2,504	5,602
At 1 January 2021	3,099	2,504	5,602
Depreciation charge for the year	3,100	1,483	4,583
At 31 December 2021	6,199	3,986	10,185
At 31 December 2021	9,301	3,427	12,728
At 31 December 2020	12,401	2,129	14,530

4. ACCOUNTS RECEIVABLE

	<u>December 31, 2021 (In EUR)</u>	<u>December 31, 2020 (In EUR)</u>
CFD	5,000	5,000
GIZ	-	699
UNFPA	536	651
Total Accounts Receivable	5,536	6,350

ARTPOLIS**Notes to the Financial Statements****For the year ended December 31, 2021**

5. CASH AND CASH EQUIVALENTS

	December 31, 2020 (In EUR)	December 31, 2020 (In EUR)
Cash on Hand	508	153
Cash on Bank	95,007	34,808
Total Cash and Cash Equivalents	95,516	34,961

6. ACCOUNTS PAYABLE

	December 31, 2021 (In EUR)	December 31, 2020 (In EUR)
Taxes and pensions payable	3,122	-
Total Accounts Payable	3,122	-

7. DEFERRED REVENUE

	December 31, 2021 (In EUR)	December 31, 2020 (In EUR)
Deferred income	110,658	55,841
Total Deferred Revenue	110,658	55,841

ARTPOLIS**Notes to the Financial Statements****For the year ended December 31, 2021****8. GRANT INCOME**

	December 31, 2021 (In EUR)	December 31, 2020 (In EUR)
KTK	49,839	41,496
FEMART	-	150
UNFPA	22,101	28,239
CDF	44,600	43,021
CFD	64,800	62,000
KMOP	-	2,607
KCSF	38,300	-
GIZ	35,490	43,328
Ministria e Kultures	26,000	8,000
Komuna	7,000	7,000
Urgent Action Fund For Women's	-	24,966
AGC	4,213	-
SDC	21,000	-
US Embassy	-	10,851
EU HLC	43,037	42,257
ABGJ	10,000	-
Austrian Embassy	4,000	-
Presidenca	5,000	-
YIHR	8,093	-
KIPRED	-	4,254
Other	8,233	2,235
Incomes from previous year	55,841	21,110
Deferred revenue	(110,658)	(55,841)
Total grant income	336,889	285,673

ARTPOLIS**Notes to the Financial Statements****For the year ended December 31, 2021**

9. PAYROLL EXPENSES

	December 31, 2021 (In EUR)	December 31, 2020 (In EUR)
Salaries and remuneration	195,697	173,092
Per diem	6,087	2,955
Pension contribution	9,514	1,432
Total payroll expenses	211,298	177,480

10. OPERATIONS EXPENSES

	December 31, 2021 (In EUR)	December 31, 2020 (In EUR)
Rent expenses	17,355	14,879
Program expenses	52,924	48,746
Refreshments	21,663	18,398
Other operations expenses	9,823	6,432
Maintenance expenses	4,146	7,013
Travel expenses	13,188	7,602
Communication expenses	1,911	2,896
Total operations expenses	121,009	105,967