

# ARTPOLIS

## **Independent Auditor's Report and Financial Statements**

At and for the year ended 31 December 2025

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## INDEPENDENT AUDITORS REPORT

### To the Management of the ARTPOLIS

#### **Opinion**

We have audited financial statements of "Arpolis" (the Organization), which comprises the statement of financial position as of 31 December 2025, and the income statement, statement of changes in fund balance and cash flow statement for the years then ended, and notes to financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at December 31, 2025 and its financial performance and its cash flows for the year then ended in accordance with the basis of preparation as described in Note 2 and the requirements of Law No. 06/L-043 On Freedom of Association in Non-Governmental Organizations.

#### **Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements section of our report*. We are independent of the Organization in accordance with the ethical requirements that are relevant to our audit of the financial statements in Kosovo, and we 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 of the financial statements in accordance with the financial reporting requirements and for such controls as management determines is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Organization's ability to continue as going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Organization's financial reporting process.

#### **Auditor's Responsibilities for the Audit of 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 aggregate, 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 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 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 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 auditor's report. However, future events or conditions may cause the Organization to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statement, including the disclosures provided, and whether the financial statements present the transactions and events therein in a manner that achieves fair presentation

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.

Prishtinë,  
06.03.2026  
Audit AB

Afërdita Çarkaxhiu Gashi  
Statutory Auditor



## ARTPOLIS

### STATEMENT OF FINANCIAL POSITION

As at 31 December 2025

(All amounts in Euro)

As at 31 December		2025	2024
<b>Assets</b>	<i>Note</i>		
Cash and cash equivalents	4	84,760	101,241
Receivables	5	53,555	10,323
<b>Total Current assets</b>		<b>138,315</b>	<b>111,564</b>
Property and equipment	6	12,951	2,335
<b>Total non-current assets</b>		<b>12,951</b>	<b>2,335</b>
<b>Total Assets</b>		<b>151,266</b>	<b>113,899</b>
<b>Liabilities and fund balance</b>			
Deferred revenue		143,930	109,906
Payables	7	7,336	3,994
<b>Total current liabilities</b>		<b>151,266</b>	<b>113,899</b>
<b>Fund balance</b>			
Balance as at 01 January			
Net (deficit)/surplus for the year			
<b>Total balance fund</b>			
<b>Total liabilities and fund balance</b>		<b>151,266</b>	<b>113,899</b>

These statements were approved on 16 January 2026 by:

  
Zana Hoxha  
Executive Director

  
Donarta Limanaj  
Finance Manager



## Artpolis

### STATEMENT OF SURPLUS OR DEFICIT AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2025

(All amounts in Euro)

#### Statement of income and expenses

	Note	2025	2024
Income from grants	6	429,934	526,065
<b>Total Income</b>		<b>429,934</b>	<b>526,065</b>
Payroll expenses	7	95,250	187,423
Operation expenses	7	331,300	334,958
Depreciation expense		3,384	3,685
<b>Total Expenses</b>		<b>429,934</b>	<b>526,065</b>
Net(deficit)/surplus for the year		-	-

## ARTPOLIS

### STATEMENT OF CASH FLOW

For the year ended 31 December 2025

(All amounts in Euro)

For the year ended December 31,		2025	2024
<b>Net profit for the year before income tax</b>	<i>Notes</i>		
<i>Adjustments for:</i>			
Depreciation	6	3,384	3,685
<b>Changes in working capital</b>			
(Increase) in trade receivables	5	(43,233)	(3,538)
Increase in deferred revenues		34,026	8,570
Increase in trade and other payables	7	3,342	(2,389)
		<b>(2,481)</b>	<b>6,327</b>
Income tax paid		-	-
<b>Net cash flow used in operating activities</b>		<b>(2,481)</b>	<b>6,327</b>
<b>INVESTING ACTIVITIES</b>			
Additions in fixed assets		(14,000)	(2,919)
<b>Net cash used in investing activities</b>		<b>(14,000)</b>	<b>(2,919)</b>
<b>FINANCING ACTIVITIES</b>			
<b>Net cash used in financing activities</b>			
Net increase in cash and cash equivalents during the year		<b>(16,481)</b>	<b>3,408</b>
Cash and cash equivalents, beginning of the year	4	101,241	97,833
<b>Cash and cash equivalents, end of the year</b>	4	<b>84,760</b>	<b>101,241</b>

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Notes to Financial Report  
For the period 01 January 2025 – 31 December 2025  
*(All amounts in Euro)*

## **1. Background**

ARTPOLIS – Art and Community Center is a Kosovo-based non-governmental organization established in 2004 that promotes culture, gender equality, social dialogue, and multiethnic coexistence through artistic expression and community engagement. The organization uses theatre and other art forms as tools to empower women, youth, and marginalized communities and to encourage social change and civic participation.

During 2025, ARTPOLIS implemented a wide range of cultural, artistic, and educational activities in line with its mission and program priorities. The organization organized the 13th edition of the FemArt International Feminist Festival, which brought together artists, activists, and cultural professionals from different countries and included performances, discussions, conferences, and workshops addressing topics such as gender equality, mental health, and social justice.

In addition, ARTPOLIS launched the first edition of Circle Fest, a multidisciplinary regional arts festival aimed at promoting artistic collaboration, intercultural dialogue, and youth engagement in the Western Balkans.

Throughout the year, the organization also produced and presented several professional theatre performances and artistic productions, as well as workshops, public discussions, and cultural events addressing social issues and community challenges. ARTPOLIS also participated in international artistic presentations and cultural exchanges, strengthening regional cooperation and promoting dialogue through art.

Through these activities, ARTPOLIS continued to contribute to the development of the cultural sector and the promotion of social dialogue, gender equality, and community empowerment in Kosovo and the wider region

## **2. Basis for presentation**

The financial statements have been prepared in accordance with the requirements of Law no. 06/L-043 on Freedom of Association in Non-Governmental Organizations for the purpose of reporting to the NGO Regulatory Office.

Revenues from grants are recognized when earned rather than when received and expenses are recognized when incurred rather than when paid.

In addition, deferred grant liability, accrued and other payables are recorded under the accrual basis of accounting. The significant accounting policies are described below.

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(All amounts in Euro)

**3. Summary of significant accounting policies**

**3.1 Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and unrestricted cash held with banks or term deposits with maturity of less than three months.

**3.2 Revenue recognition**

Revenue is measured at the fair value of the consideration received or receivable and represents solely amount receivable from donors with regard to the payroll, operating, and other expenses incurred.

**3.3 Foreign currency transactions**

Transactions in currencies other than the functional currency (foreign currencies) are recorded at the rates of exchange prevailing on the dates of the transactions. At each reporting date, monetary items denominated in foreign currencies are retranslated at the rates prevailing on the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences arising on monetary items, are included in the profit and loss of the period in which they arise.

**3.4 Employee benefits**

The Organization makes no provision for and has no obligation for employee pensions over and above the contributions paid into the Kosovo Pension Savings Trust.

**3.5 Contingencies and provisions**

Contingent liabilities are not recognized in the financial statements. They are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. A contingent asset is not recognized in the financial statements but disclosed when an inflow of economic benefits is probable. A provision is recognized if the Organization has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and a reliable estimate can be made of the amount of the obligation.

**3.6 Critical judgments and key sources of estimation uncertainty**

In the process of applying the Organization's accounting policies, which are described above, management has made no judgments that have significant effects on the amounts recognized in the financial statements.

**3.7 Office equipment**

Artpolis uses straight line depreciation, where the cost of a fixed asset is spread in equal amounts over its estimated useful life. The rates of amortization are as below:

	<b>Rates</b>
Vehicles	10% and 20%
Office equipment	20%
Software	20%

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(All amounts in Euro)

**4. Cash and cash equivalents**

	<b>As at December 31, 2025</b>	As at December 31, 2024
Cash at bank	80,030	100,394
Cash on hand	4,730	847
<b>Total</b>	<b>84,760</b>	<b>101,241</b>

**5. Receivables**

	<b>As at December 31, 2025</b>	As at December 31, 2024
Account receivables	53,555	10,323
<b>Total</b>	<b>53,555</b>	<b>10,323</b>

**6. Vehicles and office equipment**

	Vehicles	Office equipment	Total
<i>Cost</i>			
<b>Balance as of January 01, 2024</b>	<b>15,500</b>		<b>15,500</b>
<i>Additions</i>		2,919	-
<b>Balance as of December 31, 2024</b>	<b>15,500</b>	<b>2,919</b>	<b>18,420</b>
<i>Accumulated depreciation</i>			
<b>Balance as of January 01, 2024</b>	<b>12,399</b>		<b>18,051</b>
Charge for the period	3,101	584	<b>3,685</b>
<b>Balance as of December 31, 2024</b>	<b>15,500</b>	<b>584</b>	<b>21,736</b>
<b>Net book value as of December 31, 2024</b>	<b>0</b>	<b>2,334</b>	<b>2,334</b>
<i>Additions</i>	14,000		14,000
<b>Balance as of December 31, 2025</b>	<b>14,000</b>	<b>2,334</b>	<b>16,334</b>
<b>Accumulated depreciation</b>		584	584
Charge for the period	2,800	584	3,384
Balance as of December 31, 2025	2,800	1,168	3,968
Net book value as of December 31, 2025	-	2,334	2,334
<b>Net book value as of December 31, 2025</b>	<b>11,200</b>	<b>1,751</b>	<b>12,951</b>

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**7. Accounts payable**

	As at December 31, 2025	As at December 31, 2024
	-	
Payables taxes pension rent	7,336	3,994
<b>Total accounts payable</b>	<b>7,336</b>	<b>3,994</b>

**8. Income**

	2025	2,024
44002 · Frieda	90,600	85,092
44005 · KTK	63,603	53,256
44007 · UNFPA	43,015	51,637
44021 · AGC	269	
44010 · U.S Embassy of America		35,317
44011 · Komuna e Prishtines		10,000
44012 · Others	36,611	44,942
44013 · CDF	600	45,000
44016 · Urgent Action Fund For Women's		4,705
44017 · MKRS	78,000	75,000
44024 · Membership income	30	60
44025 · Ambasada Franceze - FemArt	4,000	5,000
44026 · Global Albanians Foundation	13,585	-
44029 · Embassy of Luxembourg	10,000	10,000
44032 · EU Helsink	51,353	49,583
44033 · KBFUS		22,930
44034 · Zyra e Presidentes		5,000
44035 · SWISS PEACE SNIS	4,725	6,300
44036 · Dah Theatre	30158	11,486
44037 · Hedwig Stauffer Stiftung		9,922
	426,550	525,230

	2025	2024
Funds received during 2025	463,958	534,634
Deferred revenues from previous years	109,906	101,337
Total funds available as of 31.12.2025	573,864	635,971
Deferred revenues for future years	(143,930)	(109,906)
Recognized revenues for the year	429,934	526,065

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(All amounts in Euro)

**9. Program and Administrative Expenses**

	31-Dec-25	31-Dec-24
Salary expenses	95,250	187,423
Administrative expenses	331,300	334,958
Depreciation expenses	3,384	3,685
	429,934	526,065

	2025	2024
Program Expenses	292,124	189,010
Other operational expenses	15,400	27,808
Administrative expenses	95,250	34,611
Travel Expenses	2,875	35,470
Rent	10,200	25,486
Refreshments	4,250	13,044
Office expenses	3,845	2,082
Utilities	1,800	2,985
Maintenance expenses	560	3,301
Communication expenses	246	1,161
	426,550	334,958

**10. Events after the reporting date**

There are no significant events after the reporting date that would require disclosure in the company's financial statements.

# *Audit AB*

*Auditing, Accounting, Consulting*

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