

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

**During:  
January 1 2020 – December 31 2020**

**Kosovo Association of the Blind  
( K. A. B )**

**Pristina**

**Pristina; March 2021**

## Content

	<b>Page</b>
Independent Auditor's Report .....	3-5
Income Statement .....	6
Balance Sheet .....	7
Cash Flow Statement .....	8
Statement of Changes in Equity .....	9
Noted to Financial Statements .....	10-13

## **For: Management of Kosovo Association of the Blind ( K. A. B)**

### **Audit Report on the Financial Statements**

#### **Opinion**

We have audited the financial statements of the Kosovo Association of the Blind (K.A.B), which include the statement of financial position on 31<sup>st</sup> of December 2020, the statement of comprehensive income, and the cash flow statement for the year that ended on this date, as well as explanatory notes to the financial statements, including a summary of the most important accounting policies.

**In our opinion, the attached financial statements present correctly, in all material respects, the financial position of the Kosovo Association of the Blind (K.B.S) as of the 31<sup>st</sup> of December 2020, financial performance and cash flows for the year ended on this date, in accordance with IAS and applicable law.**

#### **Opinion Base**

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under these standards are described in more detail in the report section where the Auditor's Responsibilities for the Financial Statements are provided. We are independent of the Association in accordance with the Code of Ethics for Accounting Professionals of the Board of International Standards of Ethics for Accounting Professionals (BSNEPK Code) along with the ethical requirements that are applicable to auditing financial statements in the Code of Ethics for Professional Kosovo Certified Public Accountants, and we have fulfilled other ethical responsibilities in accordance with these requirements and the BSNEPK Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### **Key Audit Issues**

Key Audit Issues are those issues that, in our professional judgment, have been most important in auditing the financial statements of the current period. These issues have been addressed in the context of the audit of the financial statements as a whole and the formation of our opinion on them, so for these issues, we do not give a specific opinion.

*The Kosovo Association of the Blind (K.A.B), realizes its revenues mainly from various donations, which enable the development of its activity.*

#### **Other Information**

*The Kosovo Association of the Blind (K.A.B) has ambitious projects in the field of professional development and improving the position of the blind in Kosovo in all areas of socio-economic life in Kosovo.*

## **Responsibilities of Management and Persons in charge of Governance in relation to the Financial Statements**

Management is responsible for the preparation and fair presentation of financial statements in accordance with IFRSs, and for those internal controls that management deems necessary to enable the preparation of financial statements that do not contain material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the ability of the K.A.B to continue on an ongoing basis, providing information, if applicable, on matters relating to continuity and using the accounting principle of continuity.

Those in charge of governance are responsible for overseeing the K.A.B financial reporting process.

## **Auditor Responsibilities for Auditing Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement due to fraud or error, and to issue an audit report that includes our opinion. Reasonable assurance is a high level of assurance, but it is not a guarantee that an audit performed under ISAs will always identify a material misstatement when it exists.

Anomalies may arise as a result of error or fraud and are considered material if, individually or in combination, they are reasonably expected to influence the economic decisions of users based on these financial statements.

As part of the ISA-compliant audit, we exercise professional judgment and maintain professional skepticism during the audit. We also:

- Identify and evaluate the risks of material misstatement, whether due to fraud or error, design and perform audit procedures in response to these 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 as a result of fraud is higher than the risk, as a result of error, because fraud may involve collusion, forgery, deliberate exclusions, distorted information, and circumvention of internal controls.
- Provide an internal audit recognition related to the audit, in order to determine audit procedures that are appropriate to the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control.



- Assess the appropriateness of accounting policies used and the reasonableness of accounting estimates and related explanations made by management.

- Draw a conclusion regarding the appropriateness of using the going concern basis and based on the audit evidence obtained, if there is a material uncertainty as to the events or conditions, which may cast doubt on the Association's ability to continue the activity. If we conclude that there is an uncertainty we should draw attention to the auditor's report regarding the explanations given in the financial statements, or if these explanations are inappropriate, we should modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the Association to cease operations.

- Assess the overall presentation, structure, and content of the financial statements, including the disclosures provided, and whether the financial statements present transactions and events in them in a manner that achieves fair presentation.

We communicate with the persons in charge of governance, inter alia, about the purpose and timing of the audit and important audit findings, including any significant internal control deficiencies that we may identify during the audit.

From the issues communicated to the persons in charge of governance, we identify those issues that were most important for the audit of the financial statements of the current period and consequently the main audit issues. We describe these issues in our audit report, unless in the event that the law or regulations prohibit the disclosure of the matter or, in extremely rare cases, we decide that the matter should not be included in our report because of the adverse consequences of such communication is reasonably expected to outweigh the benefits in favor of the public interest.

**Bashkim Xhuxha**

  
\_\_\_\_\_  
Legal auditor

Str. Marin Barleti, p.n.  
Gjakovë



**Pristina; 26.03.2021**

**Kosovo Association of the Blind**  
**Registration number: 5102200-9 Pristina**  
**Pristina+**

**Comprehensive Income Statement**  
**During:01.01.2020 – 31.12.2020**

(In Euros)

	Notat	2020	2019
<b>A. THE REVENUE</b>			
1. Revenues from donations, gifts or grants	1	51,561	100,655
2. Revenues from personal services			
3. Deferred revenues Donation			
4. Other revenues			
<b>I. TOTAL REVENUES:(1+2+3+4)</b>	<b>1</b>	<b>51,561</b>	<b>100,655</b>
<b>B. EXPENSES</b>			
1. Program expenses	2	32,907	115,716
2. Management and administration expenses	2	6,653	22,904
3. Other expenses	2	3,617	14,089
4. Depreciation expenses	2	9,875	9,875
<b>II. TOTAL OUTLAYS(1 deri 4)</b>	<b>1</b>	<b>53,052</b>	<b>162,584</b>
<b>C. SUFICIT – DEFICIT OF REVENUE ( I min II )</b>	<b>1</b>	<b>(1,491)</b>	<b>(61,929)</b>

These financial statements have been approved from the Management :

**President of K. A. B**

**Mr. Daut Tishuki**

**Head of Accounting**

**Mrs. Emine Prekaj**

**Kosovo Association of the Blind**  
**Registration number: 5102200-9 Pristina**  
**Pristina**

**Balance Sheet**

**Date: 31.12.2020**

(In Euros)

	Notat	2020	2019
<b>I. CURRENT ASSETS</b>			
Cash (arka)	4	147	2,054
Bank Accounts	4	8,667	399
Other requirements			
<b>I. Total Current Assets</b>	<b>4</b>	<b>8,814</b>	<b>2,453</b>
<b>II. NONCURRENT ASSETS</b>			
Property, plants and equipment (net worth)	5	19,752	29,627
Accumulated depreciation			
Long-term investments (ongoing)			
Other requirements	5	2,674	-
<b>II. Total Noncurrent Assets</b>	<b>5</b>	<b>22,426</b>	<b>29,627</b>
<b>TOTAL ASSETS (I plus II)</b>		<b>31,240</b>	<b>32,080</b>
<b>LIABILITIES</b>			
<b>I. Short-term Liabilities</b>			
Deferred revenues Donation	3	3,043	
Tax liabilities and contributions			
Accounts payable	3	2,012	4,180
Withholding tax and pension savings contribution	3		224
Total noncurrent liabilities			
<b>Short-term Liabilities</b>	<b>3</b>	<b>5,055</b>	<b>4,404</b>
<b>Long-term Liabilities</b>			
<b>Total Liabilities</b>	<b>3</b>	<b>5,055</b>	<b>4,404</b>
<b>II. NGO's FUNDS</b>			
Funds transferred at the beginning of the year:	6	27,676	89,605
Net Income (refer to I/S )	6	(1,491)	(61,929)
<b>Total funds:</b>	<b>6</b>	<b>26,185</b>	<b>27,676</b>
<b>TOTAL LIABILITIES AND EQUITY (I plusII)</b>		<b>31,240</b>	<b>32,080</b>

These financial statements have been approved from the Management:

President of K. A. B

Mr. David Tishuki

Head of Accounting

Mrs. Emine Prekaj

Kosovo Association of the Blind  
Registration number: 5102200-9 Pristina  
Pristina



**Cash Flow Statements**  
**Year ended December 31 2020**

(In euros)

DESCRIPTION	2020	2019
<b>A. OPERATING ACITIVITIES</b>		
<b>I. THE REVENUE</b>	<b>51,561</b>	<b>100,655</b>
1. Revenues from grants (donations)	51,561	100,65
<b>II. OPERATING EXPENSES</b>	<b>(43,177)</b>	<b>(152,709)</b>
1. Program expenses	(32,907)	(115,716)
2. Management and administration expenses	(6,653)	(22,904)
3. Other program expenses	(3,617)	(14,089)
4. Other requirements	(2,023)	
<b>A. TOTAL OPERATING ACTIVITIES (I MIN II)</b>	<b>6,361</b>	<b>(52,054)</b>
<b>B. INVESTING ACTIVITIES</b>		
1. Non current asset movements		
<b>C. FINANCING ACTIVITIES</b>		
1. Revenues from donations		
2. Deferred revenues from donations		
3. Repayment of loans to partners		
I. Total (1 plus 2 min 3)		
<b>TOTAL CHANGES OF CASH (A+B+C)</b>	<b>6,361</b>	<b>(52,054)</b>
<b>Beginning Cash Balance</b>	<b>2,453</b>	<b>54,507</b>
<b>Ending Cash Balance</b>	<b>8,814</b>	<b>2,453</b>

These financial statements have been approved from the Management:

President of K. A. B

Mr. Daut Tishuki

Head of Accounting

Mrs. Emine Prekaj

Kosovo Association of the Blind  
 Registration number: 5102200-9 Pristina  
 Pristina



**Statement of Changes in Equity**  
**During: 01.01.2020 - 31.12.2020**

(In Euros)

	At 01.01.2020	Period turnover	At 31.12.2020
<b>Equity</b>	89,605		27,676
<b>Profit/Loss during the period</b>	(61,929)		(1,491)
<b>Total Statement of Changes in Equity</b>	<b>27,676</b>		<b>26,185</b>

These financial statements have been approved from the Management:

**President of K.A. B.**  
**Daut Tishuki**  
**Mr. Daut Tishuki**

**Head of Accounting**

  
**Mrs. Emine Prekaj**

## **Noted to Financial Statements**

### **1 General**

#### **GOALS AND ACTIVITIES OF THE ASSOCIATION OF THE BLIND OF KOSOVO (SH.V.K):**

The goals of the Federation are: Harmonization of the special interests of its members, Protection of the interests and rights of the blind in an organized and public manner, Increasing the educational and professional level of the entire blind class, Increasing the interest of institutions, private and public sector businesses for employment based on the laws in force, integration of the blind in society, educating members in the spirit of self-confidence and organization for their dignity and personality, caring for the living conditions of the blind and mediating in the legislative and executive structures for its improvement.

The association raises local, national, international, social and official opinion for the benefit of solving the problems of the blind, provides special and general services for all blind citizens directly or through legal entities created by it.

### **2 Accounting Policies**

The following are the main accounting policies that have been adopted in the preparation of these financial statements:

#### **2.1 Basis of Preparation**

These financial statements have been prepared in accordance with Kosovo Accounting Standards. These financial statements have been recorded in accordance with historical cost. Current and comparative data presented in these financial statements is expressed in Euros. Where necessary, comparative data has been harmonized to accommodate changes in presentation for the current year.

#### **2.2 Money and cash equivalents**

Cash and cash equivalents include cash balances at the checkout and bank account.

#### **2.3 Accounts Receivable**

K. A. B in its records does not have accounts receivable.

#### **2.4 Foreign Currency Exchanges**

There are no transactions in other currencies, all transactions are in euros.

#### **2.5 Counterbalance**

Financial assets and liabilities are counterbalanced and reported in the balance sheet when the legally enforceable right to counterbalance amounts recognized and intends to be settled on a net basis, or to realize the asset and settle the liability at the same time.

## **2.6 Income recognition**

Revenue is recognized when it is probable that future economic benefits will go to the K.A.B. and that these benefits can be measured reliably.

## **2.7 Donations**

Donations are recognized only when there is reasonable assurance that:

- K.A.B. will fulfill all the conditions attached to them, and
- donations will be accepted.

Operating donations are recognized as income over the necessary period to link them to the costs for which they are intended to be reimbursed on a systematic basis.

## **2.8 Accounts payable**

Accounts payable are recognized when the amount is determined and the obligation to repay the amount exists as a result of the K.A.B's operations.

## **2.9 Expenses**

Expenses are recognized and paid when incurred.

## **2.10 Profit tax**

The K.A.B. was established as a non-profit organization and is therefore exempt from profit taxes.

The K.A.B. has not recognized any deferred tax liabilities or assets as of the 31<sup>st</sup> of December 2020 and there are no temporary changes to those dates.

# **1) Revenues**

	Year 2020	Year 2019
	( Euro)	
Revenues from donations	51,561	100,655

Program, Management, and administration expenses	53,052	162,584
<b>Net Profit</b>	<b>(1,491)</b>	<b>(61,929)</b>

## 2) Expenses

	(Euro)	
	Year 2020	Year 2019
Program Expenses	32,907	115,716
Management and administration expenses	6,653	22,904
Other expenses	3,617	14,089
<b>Total:</b>	<b>43,177</b>	<b>152,709</b>

## 3) Short-term Liabilities

	Year 2020	Year 2019
Other liabilities(Accounts payable etc.)	5,055 euro	4,180 euro
Liabilities- Withholding tax and pension savings contribution-		-
<b>Total</b>	<b>5,055 euro</b>	<b>4,180 euro</b>

## 4) Cash and cash equivalents

	Year 2020	Year 2019
	Euro	Euro
Cash (F.V.K.)	147	2,054



Cash in bank (NLB: bank acc. 125 dhe 738)	4,123	399
Cash in bank SH.V.K. Ferizaj (NLB: acc.308)	4,544	-
<b>Total:</b>	<b>8,814</b>	<b>2,453</b>

5) **Assets**

	Year 2020 Euro	Year 2019 Euro
Other requirements	2,674	-
Assets	19,752	29,627
<b>Total</b>	<b>22,426</b>	<b>29,627</b>

6) **NGO's FUNDS**

	Year 2020 Euro	Year 2019 Euro
Funds transferred at the beginning of the year:	27,676	89,605
Net income:	(1,491)	(61,929)
<b>Total Funds :</b>	<b>26,185</b>	<b>27,676</b>

**Commitments and Contingents**

**Commitments**

There are no commitments as of December 31<sup>st</sup>, 2020.

**Judicial cases**

As of December 31<sup>st</sup>, 2020, no provision has been calculated for potential losses regarding judicial cases. The K.A.B management regularly analyzes the potential risks resulting from litigation losses and possible claims against the K.A.B that may arise in the future. Although the outcome of these matters cannot always be ascertained, the management of the K.A.B believes that no material liability is likely to result.