

CENTER FOR COUNSELING, SOCIAL SERVICES, AND RESEARCH - (SIT)

FINANCIAL STATEMENTS WITH INDEPENDENT AUDITORS' REPORT

As at and for the year ended 31 December 2022

Contents

SPECIAL PURPOSE INDEPENDENT AUDITOR'S REPORT 3

STATEMENT OF FINANCIAL POSITION..... 5

STATEMENT OF COMPREHENSIVE INCOME..... 6

STATEMENT OF FUNDS BALANCE 7

CASH FLOW STATEMENT 8

1. Organization..... 9

2. Basis of preparation..... 9

3. Summary of significant accounting policies..... 10

4. Cash at bank and on hand 11

5. Accounts Receivable 11

6. Accounts Payable and Other..... 11

7. Grants and Donations 12

8. Program Expenses 12

9. Administrative Expenses..... 13

10. Events after the reporting date 13

[Faint, illegible text block]

[Faint, illegible text block]

[Faint, illegible text block]

[Faint, illegible text block]

[Faint, illegible text block]



Quatra Audit Int. LLC.
Str. Nëna Tereza, H. 1/2
10000 Pristina, Kosovo
T: +383 44 993 337

SPECIAL PURPOSE INDEPENDENT AUDITOR'S REPORT

To: SIT management

Opinion

We have audited financial statements of Center for Counseling, Social Services, and Research ("SIT"), which comprises the statement of financial position as at 31 December 2022, and the income statement for the year 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, 2022 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.

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.

Lulzim Krasniqi
Statutory Auditor

Quatra Audit Int. L.L.C.
06 March 2023



CENTER FOR COUNSELING, SOCIAL SERVICES, AND RESEARCH - (SIT)

STATEMENT OF FINANCIAL POSITION

As at 31 December 2022

(All amounts in Euro)

As at 31 December		<u>2022</u>	<u>2021</u>
	<i>Notes</i>		
Current assets			
Cash at bank and in hand	4	613	4,011
Receivables	5	15,994	4,177
Total		<u>16,607</u>	<u>8,188</u>
Total assets		<u>16,607</u>	<u>8,188</u>
Liabilities			
Accounts Payables and others	6	7,287	625
Deferred Funds	6	9,273	7,515
Total		<u>16,560</u>	<u>8,140</u>
Fund balance			
Total opening fund		48	48
Surplus/(deficit) for the period			0
Total		<u>48</u>	<u>48</u>
Total liabilities and fund		<u>16,607</u>	<u>8,188</u>

Approved by:

Kadri Gashi – Executive Director



The accompanying notes from 1 to 10 of the financial statements are an integral part of them.

CENTER FOR COUNSELING, SOCIAL SERVICES, AND RESEARCH - (SIT)

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2022

(All amounts in Euro)

For the year ended 31 December		2022	2021
	<i>Notes</i>		
Incomes			
Grants and Donations	7	208,986	138,806
Total incomes		208,986	138,806
Expenses			
Program expenses	8	(119,302)	(82,938)
Administrative and staff expenses	9	(89,684)	(55,868)
Total Expenses		(208,986)	(138,806)
Net Surplus of Expense over Income		-	-

The accompanying notes from 1 to 10 of the financial statements are an integral part of them.

CENTER FOR COUNSELING, SOCIAL SERVICES, AND RESEARCH - (SIT)

STATEMENT OF FUNDS BALANCE

For the year ended 31 December 2022

(All amounts in Euro)

	Fund's balance	Total
As at 31 December 2020	48	48
Surplus (deficit) of the period	-	-
As at 31 December 2021	48	48
Surplus (deficit) of the period	-	-
As at 31 December 2022	48	48

CENTER FOR COUNSELING, SOCIAL SERVICES, AND RESEARCH - (SIT)

CASH FLOW STATEMENT

For the year ended 31 December 2022

(All amounts in Euro)

For the year ended 31 December	2022	2021
Cash flow from operating activities		
Net surplus/(deficit) for the year	-	-
<i>Changes in operating assets and liabilities</i>		
Depreciation	-	-
(Increase)/Decrease in receivables	(11,817)	4,670
(Increase)/Decrease in prepayments		
Increase/(Decrease) in liabilities	6,662	(10,455)
Increase/(Decrease) in other liabilities	1,758	7,515
Net cash flow from operating activities	(3,398)	1,730
Cash flow from investment activities		
Investment in equipment	-	-
Net cash flow from investment activities	-	-
Net increase/(decrease)	(3,398)	1,730
Cash and cash equivalents at the beginning of the year	4,011	2,281
Cash and cash equivalent at the end of the year	613	4,011

CENTER FOR COUNSELING, SOCIAL SERVICES, AND RESEARCH - (SIT)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2022

(All amounts in Euro)

1. Organization

The Center for Counseling, Social Services and Research - SIT has the mission of providing professional counseling services, research in various fields, as well as the prevention of negative phenomena in order to contribute and improve health and social welfare.

From the beginning it has focused on research and capacity building of teachers and other actors, from 2018, it has changed and expanded its objectives and now works in three areas, providing professional services, counseling perpetrators of violence, promotion of human rights, gender equality, healthy living, prevention of violence and prevention of negative phenomena in the community.

The organization aims to serve and be in three areas:

- Counseling center;
- Social services and;
- Research.

Some of the activities implemented during 2022 are:

- Counseling sessions with perpetrators and those who had a predisposition to be violent;
- Promotion of human rights through the F4Y project, in high schools and in public and private universities;
- Lecture on gender equality through workshops in high schools, universities and various events;
- Organizing various campaigns to prevent any kind of violence in the community;
- Promoting positive parenting and the inclusion of boys and men in gender equality by organizing various events, as well as debates to prove parental leave and healthy cohabitation;
- Promotion of sexual and reproductive rights through the network of local organizations in Kosovo;
- Promoting mental health and sexual health;
- Piloting the program for prevention of extremism and violent radicalization among young people, through workshops, activities and organization of summer camps;
- Various researches related to social and economic fields;

2. Basis of preparation

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

CENTER FOR COUNSELING, SOCIAL SERVICES, AND RESEARCH - (SIT)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2022

(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.

CENTER FOR COUNSELING, SOCIAL SERVICES, AND RESEARCH - (SIT)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2022

(All amounts in Euro)

4. Cash at bank and on hand

As at 31 December	2022	2021
Cash at bank	25.06	2,988
Cash in hand	588	1,023
Total	613	4,011

5. Accounts Receivable

As at 31 December	2022	2021
Prepayments	59	40
Receivable from donors	15,858	4,059
Travel Reimbursement	78	78
Total	15,994	4,177

6. Accounts Payable and Other

As at 31 December	2022	2021
Accounts Payable	7,287	625
Sub-total (I)	7,287	625
<i>Other</i>		
Borrowings	-	-
Deferred Funds	9,273	7,515
Sub-total (II)	9,273	7,515
Total (I+II)	16,560	8,140

CENTER FOR COUNSELING, SOCIAL SERVICES, AND RESEARCH - (SIT)**NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31 December 2022

*(All amounts in Euro)***7. Grants and Donations**

For the year ended 31 December	2022	2021
Deferred from previous years		
D4D	-	-
ABGJ	-	14,500
DRC	-	-
KCSF - Youth for	-	-
Kosovo 2.0 - Gazetaria Transfor	-	-
MBPZHR	8,750	8,750
UNMIK	10,607	-
YMI - CARE	27,535	37,788
DRC	53,995	33,084
IPPF - YVYC	32,698	27,767
UNFPA - Counseling for Prevention	21,252	19,857
WWP - STOPP	1,310	2,574
Municipality of Prishtina	-	-
	39,023	-
	13,443	-
Other	2,132	2,000
Sub-total (I)	210,744	146,321
<i>Other</i>		
Deferred Funds	(1,758)	(7,515)
Receivable Funds		
Sub-total (II)	(1,758)	(7,515)
Total (I+II)	208,986	138,806

8. Program Expenses

For the year ending December 31, 2022 staff costs are worth 119,302 Euros and for the year ending December 31, 2021 are worth 82,938 Euros. The organization withholds payroll tax and pays pension contributions based on personal income law.

CENTER FOR COUNSELING, SOCIAL SERVICES, AND RESEARCH - (SIT)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2022

(All amounts in Euro)

9. Administrative Expenses

For the year ended 31 December	2022	2021
Supply Expenses	12,070	13,720
Catering and hospitality	22,388	6,727
Course and Documentary Expenses	-	5,840
Renting of premises	5,549	5,275
Platform Expenses	-	5,129
Printing and promotion	7,560	4,159
Travel costs	6,399	3,112
Conference Expenses	15,425	2,948
Office machines and comp. maintenance	325	1,600
Office running costs	2,015	1,424
Translation Expenses	1,660	1,354
Telephone expenses	730	1,137
Consultancy	3,000	1,109
Bank charges	654	412
Training	792	-
Membership expenses	617	172
Activities	10,499	-
Other	-	1,750
Total	89,684	55,868

10. Events after the reporting date

There are no events subsequent to the reporting date that require disclosure in the financial statements of Organization.