

COMMUNITY BUILDING MITROVICA

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Independent Auditor's Report and financial statements
for the year ended December 31, 2009

COMMUNITY BUILDING MITROVICA



INDEPENDENT AUDITORS' REPORT

To the Management of Community Building Mitrovica - CBM

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We have audited the accompanying financial statements of Community Building Mitrovica - CBM, which comprise the balance sheet as at December 31, 2024, and the statement of revenue and expenditure, statement of changes in net assets and cash flow statement for the year then ended, and notes to the financial statements.

AUDITORS' REPORT

BALANCE SHEET

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STATEMENT OF REVENUE AND EXPENDITURE

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STATEMENT OF CHANGES IN NET ASSETS

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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. In making these risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of CBM as of December 31, 2024 and the results of its operations for the year then ended in conformity with accounting principles generally accepted in Serbia.





INDEPENDENT AUDITORS' REPORT

To the Management of Community Building Mitrovica - CBM

We have audited the accompanying financial statements of Community Building Mitrovica - CBM, which comprise the balance sheet as at December 31, 2009, and the statement of revenue and expenditure, statement of changes in net assets and cash flow statement for the year then ended, and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Kosovo Accounting Standards. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from 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. In making those risk assessments, the auditor considers internal control relevant 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 control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of CBM as of December 31, 2009 and the results of its operation for the year then ended in conformity with accounting principals generally accepted in Kosovo.


Armend Osaj - Statutory Auditor
ACA - Audit & Consulting Associates
Prishtine, Kosovo
March 2010



COMMUNITY BUILDING MITROVICA - CBM
Balance Sheet
 For the year ended December 31, 2009

	Notes	31-Dec-09 (in EUR)	31-Dec-08 (in EUR)
ASSETS			
Non-current assets			
Property and equipment	3	14,757	18,443
Total non-current assets		14,757	18,443
Current assets			
Accounts receivable	4	4,461	1,719
Cash and bank balances	5	27,330	22,604
Total current assets		31,792	24,323
TOTAL ASSETS		46,549	42,766
LIABILITIES AND RESERVES			
Current liabilities			
Accounts payable	6	2,613	2,172
Deferred revenues	7	27,254	13,154
Total current liabilities		29,867	15,326
Non-current liabilities			
Total non-current liabilities		-	-
Reserves			
Retained surplus		27,440	55,136
Excess of the income over expenses		-10,759	-27,696
Total reserves		16,682	27,440
TOTAL LIABILITIES AND RESERVES		46,549	42,766

The financial statements have been signed on March 31, 2010 by:

Valdete Idrizi

Executive Director

The accompanying notes from 1 to 14 form an integral part of these financial statements

COMMUNITY BUILDING MITROVICA - CBM
Statement of Revenue and expenditures
 For the year ended December 31, 2009

	Notes	Year ended December 31, 2009 (in EUR)	Retained surplus (in EUR)	Year ended December 31, 2008 (in EUR)
Income				
Balance as at December 31, 2007			39,186	
Contributions	11	169,822		153,055
Other Income		-		-
Total Income		169,822		153,055
Balance as at December 31, 2008			27,442	
Expenditure				
Activity Costs		82,723		75,910
Core staff costs and benefits		43,379	10,759	44,065
Project Managers (Involved in activity)		24,290		20,242
Running Costs	9	16,940	16,682	17,876
Travel Costs	8	5,711		10,864
Depreciation		3,688		4,610
Other	10	3,850		7,184
Total expenditure		180,581		180,751
Excess of the income over expenses		-10,759		-27,696

The accompanying notes from 1 to 14 form an integral part of these financial statements

The accompanying notes from 1 to 14 form an integral part of these financial statements

COMMUNITY BUILDING MITROVICA - CBM
 Statement of Changes in Net Assets
 For the year ended December 31, 2009

	Year ended December 31, 2008	Year ended December 31, 2009
		Retained surplus (in EUR)
Cash flows from operating activities		
(Deficit)/surplus for the year		(27,696)
Adjustments:		
Depreciation		4,810
Excess of the income over expenses for the year ended December 31, 2008	-27,696	
Balance as at December 31, 2008	27,440	
Change in deferred revenue		(42,857)
Net cash		(50,444)
Excess of the income over expenses for the year ended December 31, 2009	-10,759	
Cash flow	16,682	
Acquisition of property and equipment		
Net cash used in investing activities		
Net increase in cash and cash equivalents		(50,444)
Cash and cash equivalents at 1 January		7,146
Cash and cash equivalents at 31 December		23,462

The accompanying notes from 1 to 19 form an integral part of these financial statements

COMMUNITY BUILDING MITROVICA - CBM
Statement of Cash Flows
 For the year ended December 31, 2009

2. INTRODUCTION

	Year ended December 31, 2009 (in EUR)	Year ended December 31, 2008 (in EUR)
Cash flows from operating activities		
(Deficit)/surplus for the year	-10,759	(27,696)
Adjustment for:		
Depreciation	3,688	4,610
Change in receivables	-2,742	15,408
Change in payables	441	91
Change in deferred revenue	14,100	(42,857)
Net cash from operating activities	4,728	(50,444)
Cash flows from investing activities		
Acquisition of property and equipment	-	-
Net cash used in investing activities	-	-
Net increase in cash and cash equivalents	4,728	(50,444)
Cash and cash equivalents at 1 January	22,602	73,046
Cash and cash equivalents at 31 December	27,330	22,602

The accompanying notes from 1 to 19 form an integral part of these financial statements

COMMUNITY BUILDING MITROVICA - CBM
Notes to the Financial Statements (continued)
For the year ended December 31, 2009

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

1. INTRODUCTION

2.1 Basis of preparation

Community Building Mitrovica (CBM) is a local non-governmental organization (NGO) operating in the field of peace and community building in the wider region of Mitrovica in northern Kosovo. The overall aim of CBM is to facilitate contact and dialogue between citizens in the whole of Mitrovica municipality. CBM's staff consists of devoted citizens – both Serbs and Albanians – who grew up in this region and want to restore the previous confidence and even friendship that war and politics have destroyed.

By supporting many concrete projects which address the direct needs of the local communities, CBM contributes in a modest way to this aim. The work of the past years has gained the organization a strong reputation on both sides of the Ibar/Ibar. Fields in which CBM works are: media, culture, youth, women, minorities, dialogue, and return of refugees and IDPs (Internally displaced Persons).

CBM's projects are open to members of all communities living in Mitrovica, and wider. CBM often cooperates with other NGOs, helps out with local initiatives and works with local governmental institutions and international organizations in order to initiate, to develop and to implement activities, for the benefit of the communities, in Mitrovica, and wider.

Vision of CBM

Mitrovica, a safe place where accountable institutions and strong civil society cooperate in developing a democratic society, where there is an appreciation for diversity and opportunity for citizens to make choices.

2.2 Revenue recognition

Mission of CBM

Local organization that identifies and advances joint interests of citizens through facilitation of interethnic dialogue and advocacy, as well as strengthening civil society against accountable institutions.

Expenses incurred for generation income are recognized with the fiscal year.

2.3.5 Taxation

The CBM was established as a non-profit organization with entity status under UNMIK regulations. Therefore is exempted from corporate taxation. Revenues generated and profits earned.

3. PROPERTY AND EQUIPMENT

According to the Kosovo legislation, all equipments with the purchase value less than EUR 1,000 are presented in statement of revenue and expenditure. Therefore they are not capitalized nor are depreciated.

COMMUNITY BUILDING MITROVICA - CBM
Notes to the Financial Statements (continued)
For the year ended December 31, 2009

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

Financial Statements are prepared for reporting purposes in accordance with applicable laws of Kosovo, and represent the entire picture that occurred in "CBM" during 2009.

2.2 Currency of presentation

The reporting currency of CBM is the European Union currency unit Euro ("EUR").

2.3 Significant accounting policies

A summary of the most significant accounting policies adopted in the preparation of the financial statements is presented below:

2.3.1 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 banks and in operating accounts at banks with an original maturity of three months or less.

2.3.2 Account Receivables

The account receivables are recorded in the assets side of Balance sheet in the value as they are invoices, and they represent the amount due to CBM.

2.3.3 Revenue recognition

Revenues from grants are recognized as income on a straight-line basis over the period of the operation.

2.3.4 Expenses recognition

Expenses incurred for generation incomes are recognized in that period with the historical costs.

2.3.5 Taxation

The CBM was established as a non-profit organization with beneficiary status under UNMIK regulations, therefore is exempted from corporate taxation on revenues generated and profits earned.

3. PROPERTY AND EQUIPMENT

According to the Kosovo legislation, all equipments with the purchasing value less than EUR 1,000 are presented in statement of revenue and expenditure. Therefore they are not capitalized nor are depreciated.

COMMUNITY BUILDING MITROVICA - CBM
Notes to the Financial Statements (continued)
For the year ended December 31, 2009

4. ACCOUNTS RECEIVABLE

	December 31, 2009 (in EUR)	December 31, 2008 (in EUR)
IKV PAX Christi NL	1775.79	-
EYID-COMM (intercultural Dialogue)-reimbursement for conference in Brussels (Director's participation as an expert)	-	939.00
Mitrovica Rock school -Musicians Without Borders NL	639.15	-
CARE International ProPeace Platform	750	-
DRC - Community stabilization on Serb community	-	780.00
OSCE project in Women's Center	996.5	-
OGI Nish/Nis Serbia- Dealing with the past- Truth telling	300	-
Total Account Receivable	4,461	1,719

These are amounts spent but not yet received by donors.

5. CASH AND BANK BALANCES

	December 31, 2009 (in EUR)	December 31, 2008 (in EUR)
Cash in hand	76	-
Cash at banks	27,254	22,604
Total Cash and Bank Balances	27,330	22,604

During this period "CBM" has five bank accounts opened in Procredit Bank Kosovo.

6. ACCOUNTS PAYABLE AND ACCRUED EXPENSES

	December 31, 2009 (in EUR)	December 31, 2008 (in EUR)
Electricity	410	543
Phone expenses	329	154
Water supply	17	18
Tax and contributions payable	1,640	1,457
Transportation	216	-
Total Account Payable	2,613	2,172

Accounts payable are related to unpaid payroll taxes. Accrued expenses present the utility expenses unpaid at the end of the year.

COMMUNITY BUILDING MITROVICA - CBM
Notes to the Financial Statements (continued)
For the year ended December 31, 2009

7. DEFERRED REVENUE

	December 31, 2009 (in EUR)	December 31, 2008 (in EUR)
IKV PAX Christi NL- website	-	700
IKV PAX CHRISTI – PSO training	-	220
Soroptimist Peace Prize 2009- Director Valdete Idrizi check 20.000 EUR	3,916	-
Mitrovica Rock school – Musicians Without Borders NL	4,301	-
USAID-AED Program, co-funding for Mitrovica Rock School	639	-
US Embassy Prishtina – Democracy Grant - Violence at schools "Zero Cool"	5,233	-
FIQ (Forum for citizens initiatives)	353	-
DRC - Community Stabilization for serb communities	-	107
Mercy Corps- Roma camps - Community Building Component	940	-
Woman in Black Haag NL-support to Prehja Skenderaj/Srbica	-	1,170
Citizens Initiative from Tuzla - BiH	-	30
OGI Nishy/Nis - Serbia - Dealing with the past- Truth stories	-	1,750
UNDP ABD - Mitrovica Breast Cancer Initiative	6,575	-
YIHR (Youth initiatives for human raights)-Media Monitoring Project	-	842
KFOS- Mitrovica Monitoring Team	-	5,327
UNIFEM- Gender Based Violence - Women's Center	5,296	-
UNDP- Youth project Human rights)	-	3,088
Total Deferred revenues	27,254	13,234

Deferred Revenues are related to the funds received from donors which are to be held in the next fiscal year.

8. Travel Costs

	December 31, 2009 (in EUR)	December 31, 2008 (in EUR)
International travel cost (Work visits-Conferences)	2,449	7,236
Local travel costs	3,262	3,628
Total travel costs	5,711	10,864

COMMUNITY BUILDING MITROVICA - CBM
Notes to the Financial Statements (continued)
For the year ended December 31, 2009

9. Running Costs

	December 31, 2009 (in EUR)	December 31, 2008 (in EUR)
Rent	7,331.0	9822
Telecommunication	3,145.7	5007
Supplies	1,594.0	747
Utilities	2,242.9	1,952
Maintenance	2,518.5	-
Other (provision)	107.8	348
Total running costs	16,940	17,876

10. Other Costs

	December 31, 2009 (in EUR)	December 31, 2008 (in EUR)
Promotion and representation	1,330	355
Website training and maintenance	700	-
Work meetings with international partners	-	-
Capacity Building - CBM staff retreat)	220	5,229
Audit costs	1,600	1,600
Total other costs	3,850	7,184

COMMUNITY BUILDING MITROVICA - CBM
Notes to the Financial Statements (continued)
For the year ended December 31, 2009

11. GRANTS	December 31, 2009 (in EUR)	December 31, 2008 (in EUR)
IKV PAX Christi NL	40,000	59,650
IKV PAX Christi NL - website	-	1,000
IKV PAX Christi NL - reimbursement for Junior Project Officer	-	3,050
EYID-COMM (intercultural Dialogue)-reimbursement for conference in Brussels (Director's participation as an expert)	939	670
Women of Courage Award 2007 - USA	-	625
Soroptimist Peace Prize 2009- Director Valdete idrizi - check 20.000 EUR	19,965	-
Mitrovica Rock School -Musicians Without Borders NL	42,344	-
CARE International ProPeace Platform	510	-
USAID-AED Program co-funding for Mitrovica Rock School	6,372	-
US Embassy Prishtina Democracy Grant Program - Violence at school "Zero Cool"	17,226	-
Foundation for Democratic Initiative- conference on civil society	-	5,000
Foundation for Democratic Initiative (board member participation fee)	-	240
DRC- Kosovo Initiative Program-SF3	-	4,846
KIPRED- Kosovar Institute for Research and Development- round table	-	150
KCIC/UNDP campaign against arms	-	420
International Conference CSVnet Italy- participation of CBM staff	-	566
Deutsche Welle Academy- capacity building for journalists	-	1,470
FIQ (Forum for citizens initiatives)	1,445	2,045
KFOS- Mitrovica Monitoring Team MMT	10,000	-
Kosovo Ministry of Returns and Communities	4,000	-
Caritas Mitrovica	-	600
OSCE- debates	700	-
OSCE-project in Women's Center in Miner's Hill	5,576	-
M-Magazine-The Netherlands Ministry of Foreign Affairs	-	11,728
MCC-BIH support to Women's Center	-	3,010
DRC Community stabilization for serb minorities	780	7,020
Humanitarian Law Center Prishtina RECOM	-	1,000
OGI Nish/Nis Serbia- Dealing with the past- Truth telling	420	-
Mercy Corps on roma camps- community building component	1,692	-
SPARK promotion of International Mitrovica Bussiness College	842	-
Friedrich Erbert Stiftung- Mitrovica Forum	280	-
Remonstrants Brotherhood NLMitrovica Rock School	-	1,163
Women in Black Haag, NL- support to Prehja Skenderaj/Srbica	2,970	-
Citizens Initiative from Tuzla- BIH	-	250
OGI Nish/Nis -Dealing with the past - Truth telling	-	1,750
EU-IPA	50	-
UNDP-ABD Mitrovica Breast Cancer Initiative	17,604	-
Prime Minister's office-Department for gender issues- Breast Cancer Annual Walk in Mitrovica	950	-
YIHR (Youth initiative for human rights) -Media Monitoring Project	-	3,039
KFOS Mitrovica Monitoring Team (MMT)	-	9,998
UNIFEM gender Based Violence	6,878	-
UNIFEM - Women center	-	1,402
ICO-Debate on oureach	-	350
UNDP- Youth project for human rights)	-	3,088
UNDP- Conference in Bulgaria and for Junior Project officer	-	217
Syri i vizionit-board member fee	-	140
Keleserkinderen Foundation Breda NL	-	500
Internet users	-	120
Other	-	580
Total incomes / contributions	181,542	125,686

COMMUNITY BUILDING MITROVICA - CBM
Notes to the Financial Statements (continued)
For the year ended December 31, 2009

12. List of projects	December 31, 2009 (in EUR)	December 31, 2008 (in EUR)
IKV PAX Christi NL	41,934	59,650
IKV PAX Christi-website	-	300
IKV PAX Christi NL-reimbursement for Lindsey Goossens (Junior project officer)	-	3,050
IKV PAX Christi NL-reimbursement for conferences (Director's participation) and PSO training	-	450
Women of Courage Award 2007 - USA	-	625
Soroptimist Prize Prize Director Valdete Idrizi- check	16,049	-
Mitrovica Rock School -Musicians Without Borders	38,043	-
CARE International	1,260	-
USAID-AED program, co-funder of Mitrovica Rock School	5,733	-
US Embassy Democracy Grants program - Violence at schools "Zero Cool"	11,992	-
Foundation for Democratic Initiative - Initiative on civil society support	-	5,000
Foundation for Democratic Initiative (board member participation)	-	240
DRC (Danish Refugee Council) Kosovo Initiative Program-SF3	-	598
KIPRED (Kosovo Institute for Research and Development)- round table	-	150
KCIC/UNDP- campaign agains arms	-	420
International Conference CSVnet- Italy- participation of CBM staff	-	566
Deutsche Welle Academy - capacity building program for journalists	-	1,470
FIQ (Forum for citizens initiatives)	1,092	2,045
KFOS -Mitrovica Monitoring Team (MMT)	15,327	-
Kosovo Ministry of Returns and Communities	4,000	-
Caritas France	-	-
OSCE debates	700	-
OSCE project in Women's Center in Miner's Hill	6,573	-
M-Magazine - The Netherlands Ministry of Foreign Affairs	-	34,522
MCC-BIH- support to Women's center	-	3,010
DRC-Community stabilization for serb minorities	-	6,913
Humanitarian Law Center Prishtina- RECOM	-	1,000
OGI Nis/Nish - Serbia- Dealing with the past -Truth telling	720	-
Mercy Corps on roma camps- community building component	752	-
SPARK promotion of International Mitrovica Bussiness College	842	-
FES(Friedrich Erbert Stiftung) support the Mitrovica Forum	280	-
Remonstrant Brotherhood NL- Mitrovica Rock school	-	1,163
Woman in Black Haag NL - support to Prehja Skenderaj/Srbica	4,140	-
Citizens Initiative from Tuzla - BIH- dealing with the past	30	250
OGI Nis/Nish Serbia- Dealing with the past - Truth telling	1,750	-
EU-IPA	50	-
UNDP ABD Program -Mitrovica Breast Cancer Initiative	11,029	-
Kosovo Prime Minister's office-Department for gender issues- Breast Cancer Awareness Walk in Mitrovica	950	-
YIHR (Youth initiative for human rights)- Media Monitoring Project	842	2,197
KFOS Mitrovica Monitoring Team (MMT)	-	4,671
UNIFEM gender based violence	1,582	-
UNIFEM - Women center	-	5,180
ICO-Debate on outreach	-	350
UNDP- Youth project on human rights	3,088	0
UNDP- (Conference in Bulgaria and for junior project officer)	-	217
Syri I Vizionit -Board member fee	-	140
Keieserkinderen Foundation Breda- NL	-	500
Internet users	-	120
Reserve fund	6,417	24,197
Reimbursement	1,719	16,567
Other	-	580
Total projects costs	176,893	176,140

COMMUNITY BUILDING MITROVICA - CBM
Notes to the Financial Statements (continued)
For the year ended December 31, 2009

13. RELATED PARTY DISCLOSURE

For the purposes of these financial statements, parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions as defined by IAS 24 "Related Party Disclosures". In considering each possible related party relationship, attention is directed to the substance of the relationship, not merely the legal form.

14. RISK MANAGEMENT

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. CBM is exposed to credit risk in respect of Grant receivable from its Donors.

Interest rate risk

The CBM currently is not exposed to the interest rate risk.

Foreign exchange risk

The CBM is exposed to foreign exchange risk as transactions are undertaken both in local and foreign currency. Management monitors and sets limits on the level of such exposure by currency and in total. The CBM does not speculate in or engage in the trading of derivative financial instruments.

Liquidity risk

Liquidity risk is defined as the risk when the maturity of assets and liabilities does not match. The CBM is committed monitor its liquidity on a periodic basis in order to manage its obligations as and when they shall become due.

Fair value of financial instruments

The carrying value of all financial assets and liabilities reflected in the financial statements approximate their fair values.