

Institute for Advanced Studies GAP- (IASGAP)
Prishtina, Kosovo

Financial Statements
For the year ended December 31, 2023

and
Independent Auditor's Report

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INDEPENDENT AUDITOR'S REPORT

To: Management of "Institute for Advanced Studies GAP" (IASGAP)

Opinion

We have audited financial statements of "Institute for Advanced Studies GAP" (the Organization) which comprises the Statement of Financial Position as at December 31, 2023 and the Statement of Income and Statement of Cash Flows for the year ended on that date, 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 "Institute for Advanced Studies GAP" as at December 31, 2023 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) and requirements of the 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.

Other Matters

The organization's financial statements for the year ending December 31, 2022 have been audited by another auditor, report dated March 15, 2023. Our opinion remains unmodified on this matter.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of financial statements in accordance with International Financial Reporting Standards 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 Zeka
Statutory Auditor

Baker Tilly Kosovo
22 March 2024


bakertilly
Baker Tilly Kosovo L.L.C
Prishtinë

Institute for Advanced Studies GAP (IASGAP)
Statement of Financial Position
As of 31 December 2023
(all amounts are in Euro)

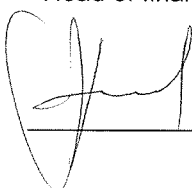
		As at 31 December 2023	As at 31 December 2022
	Notes		
ASSETS			
Current assets			
Cash and cash equivalents	3	266,655	266,033
Receivable accounts	4	23,028	32,301
Total current assets		289,684	298,334
Non-current assets			
Office equipment	5	4,011	5,093
Total non-current assets		4,011	5,093
TOTAL ASSETS		293,694	303,427
FUND BALANCE			
Fund balance		-	-
Surplus/(Deficit) for the year		-	-
Total fund balance		-	-
CURRENT LIABILITIES			
Accounts Payable	6	6,077	4,238
Deferred revenues	7	287,618	299,189
Total current liabilities		293,694	303,427
TOTAL FUND BALANCE AND LIABILITIES		293,694	303,427

These financial statements are approved and signed on 19 January 2024 on behalf of the management by:

Blendi Hasaj
Executive Director



Nita Tafarshiku
Head of finance



The accompanying notes 8 to 13 of the financial statements are an integral part of them.

Institute for Advanced Studies GAP (IASGAP)

Statement of Income

For the year ended 31 December 2023

(all amounts are in Euro)

For the year ended	Notes	As at 31 December 2023	As at 31 December 2022
Income	8	323,316	268,531
Total Income		323,316	268,531
Expenditures			
Personnel expenses	9	216,635	164,465
Operating expenses	10	106,681	104,067
Total Expenditures		323,316	268,531
Surplus/(Deficit) for the year		-	-

The accompanying notes 8 to 13 of the financial statements are an integral part of them.

Institute for Advanced Studies GAP (IASGAP)
Statement of Cash Flows
For the year ended 31 December 2023
(all amounts are in Euro)

For the year ended		As at 31 December 2023	As at 31 December 2022
	Notes		
(Deficit)/surplus for the year		-	-
Adjustment for:			
Depreciation	5	2,781	2,987
Change in accounts receivables	4	9,273	(32,301)
Change in accounts payable and other short-term liabilities	6	1,839	197
Change in deferred income	7	(11,570)	87,925
Net cash from operating activities		2,322	58,808
Cash flows from investing activities			
Acquisition of property and equipment		(1,699)	(3,486)
Net cash used in investing activities		(1,699)	(3,486)
Net increase in cash and cash equivalents		621	55,322
Cash and cash equivalents at 01 January	3	266,033	210,711
Cash and cash equivalents at period end		266,655	266,033

The accompanying notes 8 to 13 of the financial statements are an integral part of them.

Institute for Advanced Studies GAP (IASGAP)

Notes to Financial Statements

For the year ended 31 December 2023

(all amounts are in Euro)

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION

1. Introduction and background

Institute for Advanced Studies GAP is registered as a non-governmental and non-profit Organization under the Law No. 03/L-134 on Freedom of Associations in Non-Governmental Organizations, on 17 August 2007 with head office in Prishtina.

The Institute for Advanced Studies GAP is a Kosovo Think Tank whose main purpose is to attract professionals by creating a professional research and developmental environment commonly found in similar institutions in Western countries.

This will include providing Kosovars with an opportunity to research develop and implement projects that would strengthen Kosovo society. A priority of the Institute is to mobilize professionals to address the country's pressing economic, political and social challenges. GAP's main objectives are to bridge the gap between government and people, and to bridge the gap between problems and solutions.

2. Statement of Significant Accounting Policies

2.1. General Accounting Principle

The organization maintains its accounting records on the modified cash basis of accounting. Accordingly, revenue is recorded when cash is received and expenses are recorded when paid. Modifications to the cash basis of accounting relate to the accounts receivable and payable which are recognized at the end of reporting period.

2.2. Basis of measurement

The Financial Statements have been prepared on the historical cost basis in accordance with with the requirements of the law nr. 06/L-043 on Freedom of Association in Non-Governmental Organizations.

2.3. Functional and presentation currency

The Financial Statements are presented in EUR, which is the Organization's functional currency. All amounts reported in the Statement of Financial Position and Net Changes are reported in Euro. Transactions in foreign currencies are registered according to the Ex-change Rates of the time of the Transactions. Monetary Items and Monetary Liabilities in foreign currencies are converted according to the Ex-change rate on the date of the Statement of Financial Position. Profit or Loss as a result of ex-change rates is registered in the Statement of Income.

2.4. Income Tax

The organization is a Non-Governmental organization (NGO) whose received donations in the reporting year have been implemented for the humanitarian purposes. According to law no 06/L-105 on Corporate Income Tax, NGO's whose total income was used for their public benefit purposes are tax exempted.

Institute for Advanced Studies GAP (IASGAP)

Notes to Financial Statements

For the year ended as at 31 December 2023

(all amounts are in Euro)

Statement of Significant Accounting Policies (continued)

2.5. Property, plant and equipment

The organization does not use a policy on capitalization of non-current assets but debits them through the statement of comprehensive income (annual expenses). The non-current assets organization recognizes annual expenses at the time of occurrence, but also maintains a specific donor list.

2.6. Cash and cash equivalents

Cash and cash equivalents include cash in hand and cash deposited in bank.

2.7. Foreign currency transactions

Foreign currency transactions are recorded at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the end of the reporting period. Foreign currency differences arising on retranslation are recognized in profit or loss.

2.8. Revenues

The organization's revenues represent donations received from donors. Revenues are recognized when earned rather than received and expenses are recognized when incurred rather than paid. Revenue is recognized at the level of the expenditure incurred and is treated in accordance with IAS 20. The remainder is presented as deferred revenue or held-to-equity funds for future use.

2.9. Expenses

The organization recognizes costs at the time of occurrence. Expenditures are recorded on an accrual basis. The organization's expenses consist of personnel expenses, operating and administrative expenses, program and other general expenses.

2.10. Accounts Payable

Pension contribution, payroll taxes and other accrued liabilities, have been disposed on the financial statements as accounts payable.

2.11. Deferred Income

Deferred income is an income/donation for which the cash has been collected by the organization, but have yet to be expensed. Consequently this liability occurs when 'AMC' receives payment in advance for a project to be implemented in future.

2.12. Deficit of revenues over expenses

The negative balance (deficit) is a result of donations and implemented project costs until end of the year.

2.13. Employee benefits

The Organization makes contributions for the benefit of employees to the Kosovo Pension Saving Trust (KPST). The contributions are expensed as incurred.

Institute for Advanced Studies GAP (IASGAP)
Notes to Financial Statements
For the year ended as at 31 December 2023
(all amounts are in Euro)

3. Cash and cash equivalents

	As at 31 December 2023	As at 31 December 2022
Cash at bank	266,382	265,721
Petty cash	273	312
Total	266,655	266,033

4. Accounts Receivable

	As at 31 December 2023	As at 31 December 2022
Funds receivable from -SMART	1,666	
Funds receivable from GLPS- (British Embassy project)	21,362	32,301
Total (a+b)	23,028	32,301

5. Office equipments

Cost	Office equipments	Total
As at 31 december 2021	11,449	11,449
Additions	3,486	3,486
Disposals	-	-
As at 31 december 2022	14,935	14,935
Additions	1,699	1,699
Disposals	-	-
As at 31 december 2023	16,634	16,634
	-	-
Acumulated depreciation	-	-
As at 31 december 2021	(6,855)	(6,855)
Depreciation expense	(2,987)	(2,987)
Impairment adjustment for disposal	-	-
As at 31 december 2022	(9,842)	(9,842)
Depreciation expense	(2,781)	(2,781)
Impairment adjustment for disposal	-	-
As at 31 december 2023	(12,623)	(12,623)
	-	-
Net book value	-	-
As at 31 december 2022	5,093	5,093
As at 31 december 2023	4,011	4,011

Institute for Advanced Studies GAP (IASGAP)**Notes to Financial Statements**

For the year ended as at 31 December 2023

*(all amounts are in Euro)***6. Accounts Payable**

	As at 31 December 2023	As at 31 December 2022
Accounts payable / suppliers	2,987	1,346
Pension contribution (CM)	1,682	-
Withholding tax payable	1,299	2,783
Tax on rent (WR)	109	109
Total	6,077	4,238

7. Deferred Revenues

Deferred revenues at the end of the year represent funds remaining from donor funds, funds that will be used during the implementation of future projects. The balance of unearned income is presented as follows.

	As at 31 December 2023	As at 31 December 2022
Deferred Revenues	287,618	299,189
Total	287,618	299,189

8. Income

For the year ended	As at 31 December 2023	As at 31 December 2022
SIDA	67,513	82,423
Rockefeller Brothers Fund	41,497	35,957
National Endowment for Democracy	46,271	30,979
The Kosovo Glocal (EU Project) *	-	31,338
UNDP	30,527	31,053
CDF	47,978	3,918
British Embassy	61,631	45,532
Dokufest	-	-
KFOS	-	-
Manifesta	-	-
CDF-USAID	-	-
SMART	10,766	-
Main/Other	17,134	7,332
Total Income	323,316	268,531

Institute for Advanced Studies GAP (IASGAP)**Notes to Financial Statements**

For the year ended as at 31 December 2023

*(all amounts are in Euro)***9. Personnel Expenses**

For the year ended	As at 31 December 2023	As at 31 December 2022
Personnel expenses	216,635	164,465
Total	216,635	164,465

The salary expenses for 2023 is worth 216,635 Euro (2022: 164,465 Euro). The organization has withheld payroll tax and paid pension contributions based on LAW NO. 05/L -028 on Personal Income Tax.

10. Operating expenses

For the year ended	As at 31 December 2023	As at 31 December 2022
Rent & Rent Tax	14,505	14,505
Design costs	5,350	9,374
Professional fees	5,911	1,495
Media/Advertising	15,785	14,510
Office & Website Maintenance	12,073	6,726
Roundtables	230	6,550
Travel expenses	7,584	12,147
Translation services	3,443	4,031
Printing costs	2,837	3,139
Utilities	1,376	589
Communication expenses	1,746	1,875
Office Supplies	2,474	2,197
Bank charges	532	814
Project meeting services	3,910	1,802
Research Services	18,776	9,088
Training expenses	-	8,112
Depreciation expense	2,781	2,987
Other	7,369	4,126
Total	106,681	104,067

Institute for Advanced Studies GAP (IASGAP)

Notes to Financial Statements

For the year ended as at 31 December 2023

(all amounts are in Euro)

11. Contingencies and Commitments

Legal issues

For the year ended December 31, 2023 and December 31, 2022, the organization has not been involved in any legal issues.

12. Subsequent Events

There are no events after the date of authorization of the financial statements that require adjustments or disclosures in the financial statements.