



Hilfe zur Selbsthilfe

**Help - Hilfe zur Selbsthilfe e.V**

**Representative Office in Kosovo**

Independent Auditor's Report and financial statements

for the year ended December 31, 2019

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## INDEPENDENT AUDITORS' REPORT

To the Board of Directors of the Help - Hilfe zur Selbsthilfe e.V Representative Office in Kosovo

### ***Opinion***

We have audited the accompanying financial statements of the HELP Hilfe zur Selbsthilfe e.V Representative Office in Kosovo (from now on referred to as HELP), which comprise the statement of financial position for the period January 1, 2019 to December 31, 2019, and the statement of profit or loss, statement of changes in fund balances and statement of cash flow for the year then ended, and other explanatory notes.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the HELP for the period January 1, 2019 to December 31, 2019, results of its operation and the cash flow for the year then ended in conformity with International Financial Reporting Standards.

### ***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 Project financial report section of our report. We are independent of the Business in accordance with International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (IESBA Code), and we have 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 and fair presentation of these financial statements in accordance with the International Financial Reporting Standard and the internal controls that the management deems necessary to enable the preparation of financial statements without material misstatement due to fraud or error. For the financial statements preparation, management is responsible for assessing the organization's ability to sustainability in the future, disclosing, as necessary, future sustainability issues and using the accounting continuity principle unless management intends to liquidate the Organization or Interrupt the operation, or there is no other possible alternative than to do it. Those charged with governance are responsible for overseeing the Organization's financial reporting process.

### ***Auditor's Responsibilities for the Audit of the 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 total, 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 the 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 the 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 a 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 our 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.

  
Armend Osaj – Statutory auditor  
ACA – Audit & Consulting Associates  
Prishtine, Kosovo  
June 2020



**Help - Hilfe zur Selbsthilfe e.V Representative Office in Kosovo**  
**Statement of Financial Position**  
**For the year ended December 31, 2019**

	Note	December 31, 2019 (in EUR)	December 31, 2018 (in EUR)
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property and equipment		-	-
Total non-current assets		-	-
<b>Current assets</b>			
Cash and bank balances	4	60,666	38,490
Total current assets		60,666	38,490
<b>TOTAL ASSETS</b>		<b>60,666</b>	<b>38,490</b>
<b>LIABILITIES AND RESERVES</b>			
<b>Current liabilities</b>			
Accounts payable and accrued expenses		-	-
Deferred Revenue		-	-
Total current liabilities		-	-
<b>Reserves</b>			
Retained surplus		38,490	45,835
Net (deficit)/surplus for the year		22,176	7,345
Total reserves		60,666	38,490
<b>TOTAL LIABILITIES AND RESERVES</b>		<b>60,666</b>	<b>38,490</b>

The financial statements have been signed in June, 2020 by:

Shqipe Breznica

Program Coordinator



Butrint Tuzi

Financial Officer

The accompanying notes from 1 to 12 form an integral part of these financial statement

**Help - Hilfe zur Selbsthilfe e.V Representative Office in Kosovo**  
**Statement of Comprehensive Income**  
**For the year ended December 31, 2019**

	Notes	End of year December 31, 2019 (in EUR)	End of year December 31, 2018 (in EUR)
<b>Income</b>			
Income	5	622,899	747,045
<b>Total income</b>		<b>622,899</b>	<b>747,045</b>
<b>Expenditure</b>			
Direct Costs	6	395,516	633,256
Personnel expenses	7	122,841	52,184
Running Costs	8	1,558	26,319
Transportation	9	40,543	34,870
Administrative expenses	10	40,265	7,761
<b>Total expenditure</b>		<b>600,722</b>	<b>754,390</b>
<b>Net (Deficit)/surplus for the year</b>		<b>22,176</b>	<b>(7,345)</b>

The accompanying notes from 1 to 12 form an integral part of these financial statement

**Help - Hilfe zur Selbsthilfe e.V Representative Office in Kosovo**  
**Statement of Changes in Equity**  
**For the year ended December 31, 2019**

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	<b>December 31, 2019 Total (in EUR)</b>
Opening balance as at January 1st, 2018	45,835
Net deficit/surplus for the year ended December 31, 2018	<u>(7,345)</u>
<b>Balance as at December 31, 2018</b>	<b><u>38,490</u></b>
Opening balance as at January 1st, 2019	38,490
Net deficit/surplus for the year ended December 31, 2019	<u>22,176</u>
<b>Balance as at December 31, 2019</b>	<b><u>60,666</u></b>

The accompanying notes from 1 to 12 form an integral part of these financial statements

**Help - Hilfe zur Selbsthilfe e.V Representative Office in Kosovo Statement of  
Statement of Cash Flows  
For the year ended December 31, 2019**

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	End of year December 31, 2019 (in EUR)	End of year December 31, 2018 (in EUR)
<b>Cash flows from operating activities</b>		
(Deficit)/surplus for the period	22,176	(7,345)
Adjustment for:		
Depreciation	-	-
Change in deferred revenues	-	-
Change in receivables	-	-
Change in payables	-	-
<b>Net cash from operating activities</b>	<u>22,176</u>	<u>(7,345)</u>
<b>Cash flows from investing activities</b>		
Acquisition of property and equipment	-	-
<b>Net cash used in investing activities</b>	<u>-</u>	<u>-</u>
<b>Net increase in cash and cash equivalents</b>	22,176	(7,345)
Cash and cash equivalents at 1 January	38,490	45,835
<b>Cash and cash equivalents at 31 December</b>	<u>60,666</u>	<u>38,490</u>

The accompanying notes from 1 to 12 form an integral part of these financial statements



**Help - Hilfe zur Selbsthilfe e.V Representative Office in Kosovo Statement of  
Notes to the Financial Statements  
For the year ended December 31, 2019**

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**1. INTRODUCTION**

The Help Mission in the Republic of Kosovo began its operation during the emergency phase in Kosovo in 2000. After several years of pausing with activities in Kosovo, Help started with the project "Support to socio-economic stability through empowerment of micro business sector in Kosovo" in May 2015.

During 2019, Help implement some honorable projects to:

MAPL – Project "Support for Sustainable Economic Development at Municipal Level" Project for the period August 2018 - December 2018. The project focuses on increasing the capacity of vulnerable groups in the economic and social spheres in order to create opportunities for active participation in society.

LUXEMBOURG - Projects "Supporting and Promoting the Well-Being of Persons with Down Syndrome" starting October 15, 2018. The project focuses on supporting and promoting the well-being of people with Down syndrome.

EMPOWER - The "Empower" project includes the period July 30, 2018 - October 31, 2019. The project focuses on the promotion of entrepreneurship in special groups of people with fewer self-financing opportunities.

SOE - The HELP Office in Germany has funded the Help Office in Kosovo in the absence of funding for ongoing projects launched by this organization on March 1, 2017.

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For the year ended December 31, 2019**

**2. ADOPTION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS**

**2.1 Standards and Interpretations effective in the current period**

Below are presented the amendments to the existing standards issued by the International Accounting Standards Board and interpretations issued by the International Financial Reporting Interpretations Committee which are effective for the current period:

Standard	Description	Effective date
IFRS 1	Annual Improvements to IFRS 2014–2016 Cycle	Beginning on or after January 2018
IAS 28	Annual Improvements to IFRS 2014–2016 Cycle	Beginning on or after January 2018
IFRS 15	Revenue from Contracts with Customers	Beginning on or after January 2018
IFRS 9	Financial Instruments	Beginning on or after January 2018
IAS 40	Transfers of Investment Property (Amendments to IAS 40)	Beginning on or after January 2018
IFRS 4	Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts (Amendments to IFRS 4)	Beginning on or after January 2018
IFRS 2	Classification and Measurement of Share-based Payment Transactions (Amendments to IFRS 2)	Beginning on or after January 2018
IFRS 16	Leases	Beginning on or after January 2019
IFRS 9	Prepayment Features with Negative Compensation (Amendments to IFRS 9)	Beginning on or after January 2019
IAS 28	Long-term Interests in Associates and Joint Ventures (Amendments to IAS 28)	Beginning on or after January 2019
IAS 12, IAS 23, IFRS 3 and IFRS 11	Annual Improvements to IFRS 2015-2017 Cycle	Beginning on or after January 2019
IAS 19	Plan Amendment, Curtailment or Settlement (Amendments to IAS 19)	Beginning on or after January 2019

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Notes to the Financial Statements  
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**2.2 Standards and interpretations in issue not yet effective**

In these financial statements the following standards, revisions and interpretations were in issue but not yet effective:

<b>Standard</b>	<b>Description</b>	<b>Effective date</b>
CF	Conceptual Framework for Financial Reporting	Beginning on or after January 2020
IFRS 3	Definition of a Business (Amendments to IFRS 3)	Beginning on or after January 2020
IAS 1 and IAS 8	Definition of Material (Amendments to IAS 1 and IAS 8)	Beginning on or after January 2020
IFRS 9, IAS 39 and IFRS 7	Interest Rate Benchmark Reform	Beginning on or after January 2020
IFRS 17	Insurance Contracts	Beginning on or after January 2021
Practice Statement 2	Making Materiality Judgements	No effective date as non-mandatory guidance

The organization has elected not to adopt these standards, revisions and interpretations in advance of their effective dates. The entity anticipates that the adoption of these standards, revisions and interpretations will have no material impact on the financial statements of the entity in the period of initial application.

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Notes to the Financial Statements  
For the year ended December 31, 2019**

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**3. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES**

**3.1 Statement of compliance**

The financial statements have been prepared in accordance with the International Financial Reporting Standards.

**3.2 Basis of preparation**

The financial statements have been prepared on the historical cost basis.

**3.3 Currency of presentation**

The reporting currency of HELP is the European Union currency unit Euro ("EUR"). The organization has five bank accounts in ProCredit Bank.

**3.4 Significant accounting policies**

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

**3.4.1 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 bank and in operating accounts at bank with an original maturity of three months or less.

**3.4.2 Revenue recognition**

Revenues from grants are recognized as income on the period when received. At the end of the year the excess amount of revenues over expenses is treated as surplus over expenses.

**3.4.3 Property and equipment**

HELP presents all purchased equipment in the statement of revenue and expenditure. Therefore, they are not capitalized nor are depreciated.

**3.4.4 Expenses recognition**

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

**3.4.5 Taxation**

HELP is established as a non-profit local organization under Kosovo Regulations for Non-Governmental Organization no. 2009/03-L-134.

**Help - Hilfe zur Selbsthilfe e.V Representative Office in Kosovo Statement of  
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**4. CASH AND BANK BALANCES**

	December 31, 2019 (in EUR)	December 31, 2018 (in EUR)
<b>Cash and Bank Balances</b>		
Cash bank account - ProCredit 144	45,140	13,932
Cash bank account - ProCredit 117	60	12,253
Cash bank account - ProCredit 135	490	10,633
Cash bank account - ProCredit 153	2,667	1,154
Cash bank account - ProCredit 126	11,490	517
Cash in hand	819	-
<b>Total Cash and Bank Balances</b>	<b>60,666</b>	<b>38,490</b>

During this period "HELP" had five bank accounts opened in Pro Credit Bank. The bank accounts are in Euro currency.

**5. INCOME**

	December 31, 2019 (in EUR)	December 31, 2018 (in EUR)
<b>Income</b>		
Income from Bonn	364,929	475,717
Income from Municipalities	110,000	92,800
Income from Beneficiaries	41,270	70,345
Income from Ministry	42,000	67,683
Income from TKA	49,000	22,000
Income from Empower Usaid	8,200	10,000
Income from Embassy of Luxembourg	1,500	5,500
Other income	6,000	3,000
<b>Total Income</b>	<b>622,899</b>	<b>747,045</b>

**Help - Hilfe zur Selbsthilfe e.V Representative Office in Kosovo Statement of  
Notes to the Financial Statements  
For the year ended December 31, 2019**

**6. DIRECT COSTS**

	December 31, 2019 (in EUR)	December 31, 2018 (in EUR)
<b>Direct Project Cost</b>		
SOE 01	9,500	611,173
SOE 03	353,799	-
ALB 002	16,897	-
KOS 028	8,320	9,154
KOS 029	-	12,929
KOS 030	7,000	-
<b>Total Direct Project Cost</b>	<u><u>395,516</u></u>	<u><u>633,256</u></u>

**7. PERSONNEL COSTS**

	December 31, 2019 (in EUR)	December 31, 2018 (in EUR)
<b>Personnel expenses</b>		
SOE 01	-	44,887
SOE 03	103,371	-
KOS 028	19,469	7,297
<b>Total operation expenses</b>	<u><u>122,841</u></u>	<u><u>52,184</u></u>

**8. RUNNING COSTS**

	December 31, 2019 (in EUR)	December 31, 2018 (in EUR)
<b>Running Costs</b>		
SOE 01	-	22,111
SOE 03	366	-
ALB 002	176	-
KOS 029	-	2,754
KOS 026	-	523
KOS 001	-	502
KOS 028	1,016	430
<b>Total Running Costs</b>	<u><u>1,558</u></u>	<u><u>26,319</u></u>

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Notes to the Financial Statements  
For the year ended December 31, 2019**

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**9. TRANSPORTATION**

	December 31, 2019 (in EUR)	December 31, 2018 (in EUR)
<b>Transportation</b>		
SOE 01	45	31,340
SOE 03	18,897	-
ALB 002	2,054	-
KOS 029	-	2,000
KOS 026	-	728
KOS 028	3,047	602
KOS 001	16,500	200
<b>Total Transportation</b>	<u>40,543</u>	<u>34,870</u>

**10. ADMINISTRATIVE EXPENSES**

	December 31, 2019 (in EUR)	December 31, 2018 (in EUR)
<b>Administrative expenses</b>		
SOE 01	216	4,761
SOE 03	30,432	-
ALB 002	1,543	-
KOS 028	7,842	-
KOS 001	232	3,000
<b>Total Administrative expenses</b>	<u>40,265</u>	<u>7,761</u>

## **11. 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.

## **12. RISK MANAGEMENT**

### **12.1 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. HELP is not exposed to credit risk in respect of Grant receivable from its donors.

### **12.2 Interest rate risk**

HELP is not exposed to interest rate risk as they do not have any borrowings or placements.

### **12.3 Foreign exchange risk**

HELP is not exposed to foreign exchange risk as transactions are undertaken in local currency. HELP does not speculate in or engage in the trading of derivative financial instruments.

### **12.4 Liquidity risk**

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

### **12.5 Fair value of financial instruments**

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