

**GERMIN**

Independent Auditor's Report and Individual Financial Statements  
for the year ended December 31, 2023

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## INDEPENDENT AUDITOR'S REPORT

### To the Management of Germin

#### **Qualified Opinion**

We have audited the accompanying financial statements of Germin, which comprise the statement of financial position as at December 31, 2023 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, except for the paragraph mentioned below, the financial statements referred to above present fairly, in all material respects, the financial position of Germin as of December 31, 2023, results of its operation and the cash flow for the year then ended in conformity with actual laws.

#### **Basis for Qualified Opinion**

We would like to highlight that the financial statements for the previous year have been restated by an independent external financial expert due to corrections made to prior-period entries. Consequently, we have outlined the differences between the restated figures and the original audits to provide a clearer picture.

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 statement's 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.

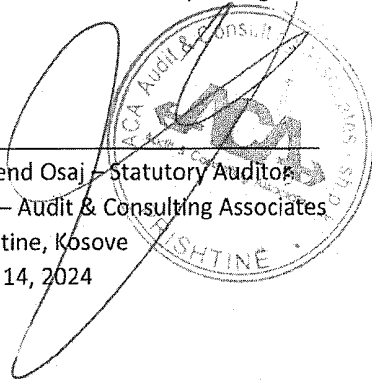
Misstatements can arise from fraud or error and are considered material if, individually or in total, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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, Kosove  
June 14, 2024



**Germin**  
**Statement of financial position**  
**As at 31 December 2023**

(All amounts are presented in EUR)

		31 December 2023	31 December 2022 Restated	31 December 2022
<b>Assets</b>	<b>Notes</b>			
<b>Current assets:</b>				
Cash and cash equivalents	3	17,724	7,888	7,216
Accounts receivables	4	15,421	19,406	22,510
Prepayment	5	755	559	-
<b>Total current assets</b>		<u>33,900</u>	<u>27,854</u>	<u>29,726</u>
<b>Non-current assets:</b>				
Equipment	6	4,005	4,426	4,426
Intangible asset	7	7,840	-	-
<b>Total non-current assets</b>		<u>11,845</u>	<u>4,426</u>	<u>4,426</u>
<b>Total assets</b>		<u>45,745</u>	<u>32,280</u>	<u>34,152</u>
<b>Liabilities, reserves and funds</b>				
<b>Short-term liabilities:</b>				
Trade, payables and accruals	8	9,096	18,763	31,098
Other liabilities	9	16,613	13,736	-
Deferred revenue	10	59,531	37,564	4,426
Borrowings		-	-	24,359
<b>Total short-term liabilities</b>		<u>85,240</u>	<u>70,063</u>	<u>59,883</u>
<b>Reserves and funds</b>				
Funds at the beginning of the year		(37,783)	(2,636)	(6,930)
Surplus/(Deficiency) for the year		(1,712)	(35,146)	(18,801)
<b>Total reserves and funds</b>		<u>(39,495)</u>	<u>(37,783)</u>	<u>(25,731)</u>
<b>Total liabilities, reserves and funds</b>		<u>45,745</u>	<u>32,280</u>	<u>34,152</u>

The financial statements prepared and approved were signed on June 14, 2024 by:

**Sihana Bejtullahu**

  
 \_\_\_\_\_  
 Executive Director

**Donjeta Krasniqi**

  
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 Finance Manager

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

# Germin

## Statement of profit or loss For the year ended 31 December 2023

(All amounts are presented in EUR)

		31 December 2023	31 December 2022 Restated	31 December 2022
	Notes			
<b>Income</b>				
Income from donation	11	468,674	304,591	300,322
<b>Total Income</b>		<b>468,674</b>	<b>304,591</b>	<b>300,322</b>
<b>Expenses</b>				
Project expenses	12	466,802	338,631	318,016
Depreciation and amortization expenses	6,7	3,584	1,107	1,107
<b>Total expenses</b>		<b>470,387</b>	<b>339,738</b>	<b>319,123</b>
<b>Net (Deficit)/surplus for the year</b>		<b>(1,712)</b>	<b>(35,146)</b>	<b>(18,801)</b>

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

**Germin**  
**Statement of changes in funds balance**  
**For the year ended 31 December 2023**

(All amounts are presented in EUR)

	<b>Accumulated Surplus/Deficit</b>	<b>Total</b>
<b>At January 01, 2022</b>	<b>(6,930)</b>	<b>(6,930)</b>
Net (Deficit)/surplus for the year	<u>(18,801)</u>	<u>(18,801)</u>
<b>At December 31, 2022</b>	<b><u>(25,731)</u></b>	<b><u>(25,731)</u></b>
<b>At January 01, 2022 Restated</b>	<b>(2,636)</b>	<b>(2,636)</b>
Net (Deficit)/surplus for the year	<u>(35,146)</u>	<u>(35,146)</u>
<b>At December 31, 2022 Restated</b>	<b><u>(37,783)</u></b>	<b><u>(37,783)</u></b>
<b>At January 01, 2023</b>	<b>(37,783)</b>	<b>(37,783)</b>
Net (Deficit)/surplus for the year	<u>(1,712)</u>	<u>(1,712)</u>
<b>At December 31, 2023</b>	<b><u>(39,495)</u></b>	<b><u>(39,495)</u></b>

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

## Germin

### Statement of cash flow

For the year ended 31 December 2023

(All amounts are presented in EUR)

	31 December 2023	31 December 2022 Restated	31 December 2022
<b>Cash flow from operating activities</b>			
Deficit)/Residual for the period	(1,712)	(35,146)	(18,801)
Adjusted for:			
Depreciation	3,584	1,107	1,107
Change in receivables	3,985	(18,606)	(21,928)
Change in prepayments	(196)	(559)	-
Change in payables	(9,667)	10,750	40,527
Change in deferred revenue	21,967	27,049	4,426
Change in other obligations	2,877	(13,736)	-
<b>Net cash from operating activities</b>	<b>20,838</b>	<b>6,004</b>	<b>5,332</b>
<b>Cash flow from investing activities</b>			
Purchase of property and equipment	(11,003)	-	-
<b>Net cash used in investing activities</b>	<b>(11,003)</b>	<b>-</b>	<b>-</b>
<b>Increase in cash and cash equivalents</b>	<b>9,835</b>	<b>6,004</b>	<b>5,332</b>
Cash and cash equivalents at January 1	7,888	1,884	1,884
<b>Cash and cash equivalents at December 31</b>	<b>17,724</b>	<b>7,888</b>	<b>7,216</b>

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



# Germin

## Notes to the Financial Statements as at and for the year ended 31 December 2023

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(All amounts are presented in EUR)

### 1. GENERAL INFORMATION

Non-governmental organization Germin registered with MTI-ARBK, with registration number 5115036-8; and with fiscal number 601124671, with main address Rr. "Fringe Smajli", No. 24/48, Prishtina, Kosovo.

"Germin" is a non-governmental organization that uses technology and virtual channels to connect and engage the Diaspora in advancing the development and democratization of their countries. It started in 2011 as an informal group trying to find its way to connect with the homeland and was officially founded in 2014. "Germin" is led and supported by a group of Diaspora professionals starting from the field of public policy, finance, information, technology, law, education, security and diplomacy. "Germin" has a wide network of professionals and part-time associates, currently residing in 24 countries, including the Balkans, Western Europe and North America.

Germin is an organization established on human rights principles and committed to creating a welcoming, inclusive, and equal environment for everyone.

# Germin

## Notes to the Financial Statements as at and for the year ended 31 December 2023

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(All amounts are presented in EUR)

### 2. BASIS OF PREPARATION AND ACCOUNTING POLICIES

#### 2.1. Basis of preparation

##### 2.1.1. Statement of compliance

The financial statements have been prepared on the basis of modified base accounting for revenues and expenses. The basis of measurement is described in more detail in the accounting policies presented below.

##### 2.1.2. Basis of measurement

The financial statements for the organization are prepared on a historical cost basis. Historical cost is generally based on the fair value of the value given in exchange for the goods and services.

##### 2.1.3. Functional and presentation currency

The functional currency of the organization as well as the presentation of the financial statements is the Euro ("EUR"), which is the main currency in the Republic of Kosovo since January 1, 2002.

##### 2.1.4. The Use of estimate and judgements

The preparation of Financial Statements in conformity with actual laws requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized prospectively.

##### 2.1.5. Going concern

The Statement of financial position and Statement of Comprehensive Income have been prepared on a going concern basis, which assumes the organization will be able to realize its assets and discharge its liabilities in the normal course activity.

#### 2.2. Significant accounting policies

##### 2.2.1 Cash and cash equivalents

Cash and cash equivalents include cash on hand, bank deposits and other highly liquid short-term investments with original maturities of three months or less..

## Germin

### Notes to the Financial Statements as at and for the year ended 31 December 2023

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(All amounts are presented in EUR)

#### 2.2.2 Accounts receivables

##### *Accounts receivables*

Accounts receivables are initially recognized at fair value and are subsequently carried at cost less provisions, if any. A provision is recognized when there is objective evidence that the organization will not be able to collect all amounts due according to the initial terms of the receivables.

#### 2.2.3 Prepayment

The prepayments includes prepayments and other current assets. Prepayments are carried at cost less provision if any. A prepayment is classified as non-current when the goods or services related to the prepayment are expected to be received after one year.

#### 2.2.4 Property, plant and equipment

Property, equipment and plant are measured at historical cost less accumulated depreciation and any accumulated impairment losses (impairment).

Depreciation is charged by dividing the asset's cost minus its residual value over its estimated useful life, using the straight-line method. The following annual rates are used for depreciation of property, plant and equipment:

Buildings and construction structures	5 %
Impiantet and heavy machinery	10 %
Equipment, joinery, computers	20 %

If there is an indication that there has been a significant change in the depreciation rate, useful life or residual value of an asset, the impairment of that asset is revised prospectively to reflect new expectations.

#### 2.2.5 Intangible asset

Intangible assets are purchased computer software that is stated at cost less accumulated depreciation and any accumulated impairment losses. It is amortized over its estimated life of five years using the straight-line method. If there is an indication that there has been a significant change in amortization rate, useful life or residual value of an intangible asset, the amortization is revised prospectively to reflect the new expectations.

## **Germin**

### **Notes to the Financial Statements as at and for the year ended 31 December 2023**

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(All amounts are presented in EUR)

#### **2.2.6 Damage (decrease in value) of assets**

At each reporting date, property, plant and equipment, intangible assets and investments in associates are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset (or group of related assets) is estimated and compared with its carrying amount. If estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount and an impairment loss is recognized immediately in profit or loss.

The gain or loss arising on the sale or retirement of an asset is determined as the difference between the sale proceeds and the net book value of an asset and is therefore recognized as a gain or loss in the statement of comprehensive income.

#### **2.2.7 Trade, payables and accruals**

Amounts payable are measured at cost, which is the fair value of the amount to be paid in the future for the goods and services received. Trade accounts payable are obligations based on normal credit terms and do not bear interest.

#### **2.2.8 Income**

Revenues are recognized as income in the period when they are paid. At the end of the year, the excess amount of income over expenses is treated as a balance carried over to the next period.

#### **2.2.9 Grantet**

Government grants are recognized in profit or loss on a systematic basis throughout the period in which the Organization recognizes as expenses the corresponding costs for which the grants are intended for compensation. Specifically, Government grants, for which the primary condition is that the Organization must acquire, construct or recognize non-current assets as deferred income in the statement of financial position and be transferred to profit or loss on a systematic basis and rational throughout the useful life of the relevant asset.

Grants are recognized only when there is reasonable assurance that:

- The organization will fulfill all the conditions attached to them; AND
- Grants will be accepted

Operating grants are recognized as income over the period necessary to relate them to the costs, for which they are intended to be compensated, on a systematic basis. Grants marked for the acquisition of assets are deferred and recognized as income over the period of use of the respective asset.

#### **2.2.10 Expenses**

The incurred expenses are recognized in the corresponding period on a modified base.

## Germin

### Notes to the Financial Statements as at and for the year ended 31 December 2023

(All amounts are presented in EUR)

#### 3. CASH AND CASH EQUIVALENTS

	31 December 2023	31 December 2022
Cash at bank	17,302	7,888
Cash on hand	423	-
<b>Total Cash and Cash Equivalents</b>	<b>17,724</b>	<b>7,888</b>

#### 4. ACCOUNTS RECEIVABLES

	31 December 2023	31 December 2022
Irex	2,116	-
KCSF-USAID	10,225	-
NED-2022	2,323	-
Western Balkan	758	-
Other	-	19,406
<b>Total Accounts receivables</b>	<b>15,421</b>	<b>19,406</b>

#### 5. PREPAYMENT

	31 December 2023	31 December 2022
Advances given to workers	196	-
Prepayment of rent tax	559	559
<b>Total Prepayment</b>	<b>755</b>	<b>559</b>

# Germin

## Notes to the Financial Statements as at and for the year ended 31 December 2023

(All amounts are presented in EUR)

### 6. EQUIPMENT

	Equipment	Total
<b>Cost</b>		
At January 01, 2022	6,916	6,916
Additions	-	-
<b>At December 31, 2022</b>	<b>6,916</b>	<b>6,916</b>
<b>Cost</b>		
At January 01, 2023	6,916	6,916
Additions	1,203	1,203
<b>At December 31, 2023</b>	<b>8,119</b>	<b>8,119</b>
<b>Depreciation</b>		
At January 1, 2022	1,383	1,383
Depreciation charge for the year	1,107	1,107
<b>At December 31, 2022</b>	<b>2,490</b>	<b>2,490</b>
<b>Depreciation</b>		
At January 1, 2023	2,490	2,490
Depreciation charge for the year	1,624	1,624
<b>At December 31, 2023</b>	<b>4,114</b>	<b>4,114</b>
<b>Net Value</b>		
<b>At December 31, 2022</b>	<b>4,426</b>	<b>4,426</b>
<b>At December 31, 2023</b>	<b>4,005</b>	<b>4,005</b>

## Germin

### Notes to the Financial Statements as at and for the year ended 31 December 2023

(All amounts are presented in EUR)

#### 7. INTANGIBLE ASSET

	Software	Total
<b>Cost</b>		
At January 01, 2022		
Additions	-	-
<b>At December 31, 2022</b>	<u>-</u>	<u>-</u>
<b>Cost</b>		
At January 01, 2023	-	-
Additions	9,800	9,800
<b>At December 31, 2023</b>	<u>9,800</u>	<u>9,800</u>
<b>Amortization</b>		
At January 1, 2022	-	-
Amortization charge for the year	-	-
<b>At December 31, 2022</b>	<u>-</u>	<u>-</u>
<b>Amortization</b>		
At January 1, 2023	-	-
Amortization charge for the year	1,960	1,960
<b>At December 31, 2023</b>	<u>1,960</u>	<u>1,960</u>
<b>Net Value</b>		
<b>At December 31, 2022</b>	<u>-</u>	<u>-</u>
<b>At December 31, 2023</b>	<u>7,840</u>	<u>7,840</u>

#### 8. TRADE, PAYABLES AND ACCRUALS

	31 December 2023	31 December 2022
Accounts payable	9,096	18,763
<b>Total trade, payables and accruals</b>	<u>9,096</u>	<u>18,763</u>

## Germin

### Notes to the Financial Statements as at and for the year ended 31 December 2023

(All amounts are presented in EUR)

#### 9. OTHER LIABILITIES

	31 December 2023	31 December 2022
Liabilities to net salaries	5,479	11,340
Payroll pension contributions	2,045	1,201
Payroll tax liability	1,695	895
Tax liability for non-residents	901	300
Liabilities to Germin Albanian	6,493	
<b>Total other liabilities</b>	<b>16,613</b>	<b>13,736</b>

#### 10. DEFERRED REVENUE

	31 December 2023	31 December 2022
Deferred Revenue - Donation	47,685	61,527
Deferred Revenue - Net value assets	11,846	4,427
<b>Total deferred revenue</b>	<b>59,531</b>	<b>65,954</b>

#### 11. INCOME

	31 December 2023	31 December 2022
OriginAL	121,420	98,956
CARITASI Switzerland	116,708	84,699
NED	56,175	6,534
IREX	39,728	6,563
USAID Kosovo - Competitive Activity	38,277	22,937
Other donations	30,620	664
In Kind contribution	28,749	10
KCSF-USAID	26,852	26,084
Western Balkan funds	5,920	12,542
by UNDP	4,225	9,775
UNICEF - Advancing the partnership	-	12,443
Services	-	23,385
<b>Total Income</b>	<b>468,674</b>	<b>304,591</b>



## Germin

### Notes to the Financial Statements as at and for the year ended 31 December 2023

(All amounts are presented in EUR)

#### 12. PROJECT EXPENSES

	31 December 2023	31 December 2022
OriginAI	145,111	106,747
CARITAS Switzerland 2023	69,439	-
NED	52,641	6,534
CARITAS Switzerland 2022	47,269	84,699
IREX	39,667	6,563
USAID - Competitive Activity	37,656	22,371
USAID - KCSF	26,674	26,253
Germin Kosova	12,190	6,094
Diaspora Speaks 2023	8,810	-
Smart Balkans	7,330	-
Western Balkans 2023	5,920	-
UNDP	4,225	9,472
GAF	3,690	8,893
NED 2	3,534	-
Germin Albania - Donation	2,646	1,587
Partnership program	-	6,696
ITP	-	825
UNICEF - Advancing Partnership	-	32,717
GIZ	-	6,639
Western Balkan funds	-	12,542
<b>Total project expenses</b>	<b>466,802</b>	<b>338,631</b>

#### 13 CONTINGENCIES AND COMMITMENTS

##### 13.1. Legal issues

For the year ended December 31, 2023, the organization does not have any contingent liabilities that require disclosure in its financial statements.

#### 14 EVENTS AFTER THE REPORTING PERIOD

There are no events after the reporting date that would require either adjustments or additional disclosures in the financial statements