

SBUNKER

FINANCIAL STATEMENTS WITH INDEPENDENT AUDITORS' REPORT

As at and for the year ended 31 December 2023

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 Payable..... 11

6. Deferred Revenues..... 11

7. Administrative and Operative Expenses..... 12

8. Events after the reporting date..... 12



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

SPECIAL PURPOSE INDEPENDENT AUDITOR'S REPORT

To: SBunker management

Opinion

We have audited financial statements of SBunker ("Organization"), which comprises the statement of financial position as at 31 December 2023, 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, 2023 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.
20 June 2024



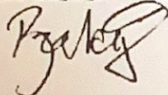
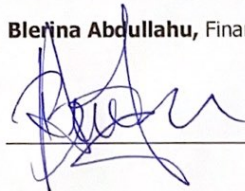
SBUNKER**STATEMENT OF FINANCIAL POSITION**

As at 31 December 2023

(All amounts in Euro)

As at 31 December	<u>2023</u>	<u>2022</u>
	<i>Notes</i>	
I. Non-current assets		
Property Plant and Equipment	-	-
I. Total	-	-
II. Current assets		
Cash at bank and in hand	4 40,242	38,560
Receivables		
II. Total	<u>40,242</u>	<u>38,560</u>
Total assets (I+II)	<u>40,242</u>	<u>38,560</u>
III. Liabilities		
Current liabilities	5 73	2,814
Deferred revenue	6, PNF 40,169	35,746
III. Total Liabilities	<u>40,242</u>	<u>38,560</u>
IV. Fund balance		
Total opening fund	-	-
Surplus/(deficit) for the period	-	-
IV. Total Fund balance	-	-
Total liabilities and fund (III+IV)	<u>40,242</u>	<u>38,560</u>

Approved by:

Bardhi Bajkija – CEO**Blerina Abdullahu, Finance manager***The accompanying notes from 1 to 8 of the financial statements are an integral part of them.*

SBUNKER**STATEMENT OF COMPREHENSIVE INCOME**

For the year ended 31 December 2023

(All amounts in Euro)

For the year ended 31 December		2022	2021
	<i>Notes</i>		
Incomes			
Grants	6	141,603	138,834
Total incomes		141,603	138,834
Expenses			
Contracted services		(37,222)	(51,874)
Rent and utility expenses		(3,889)	(4,289)
Payroll expenses		(79,362)	(68,475)
Operative expenses		(4,075)	(3,071)
Travel expenses		(4,447)	(7,132)
Other expenses		(12,609)	(3,992)
Total Expenses	7	(141,603)	(138,834)
Net Surplus of Expense over Income		-	-

The accompanying notes from 1 to 8 of the financial statements are an integral part of them.

SBUNKER

STATEMENT OF FUNDS BALANCE

For the year ended 31 December 2023
(All amounts in Euro)

For the year ended 31 December	2023	2022
Opening balance of deferred revenue	35,746	68,870
Income from Grants during the year	146,826	109,118
Expenses during the year	(141,603)	(138,834)
Funds returned to donors	(800)	(3,408)
Closing balance of deferred income	40,169	35,746

SBUNKER**CASH FLOW STATEMENT**

For the year ended 31 December 2023
(All amounts in Euro)

For the year ended 31 December	2023	2022
Cash flow from operating activities		
Net surplus/(deficit) for the year	-	-
<i>Changes in operating assets and liabilities</i>		
Depreciation	-	-
(Increase)/Decrease in receivables	-	-
(Increase)/Decrease in prepayments	-	-
Increase/(Decrease) in liabilities	(2,741)	1,017
Increase/(Decrease) in deferred revenue	4,423	(33,125)
Net cash flow from operating activities	1,682	(32,105)
Cash flow from investment activities		
Investment in equipment	-	-
Net cash flow from investment activities	-	-
Net increase/(decrease)	1,682	(32,105)
Cash and cash equivalents at the beginning of the year	38,560	70,665
Cash and cash equivalent at the end of the year	40,242	38,560

SBUNKER

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2023

(All amounts in Euro)

1. Organization

Sbunker is registered as a non-governmental and non-profit organization under Law No. 03/L-043 on Freedom of Association in Non-Governmental Organizations of the Republic of Kosovo, with its headquarters in Pristina. Registration number: 5200340-7, registered on January 19, 2016, with a focus on: Democratization.

Purpose of the NGO: The organization was established with the aim of promoting and developing critical thinking based on progressive and liberal values.

Founders:

- Agon Maliqi
- Genc Salihu
- Krenar Gashi
- Petrit Zogaj

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

SBUNKER

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2023

(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.

SBUNKER**NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31 December 2023

*(All amounts in Euro)***4. Cash at bank and on hand**

As at 31 December	2023	2022
Cash at bank	40,221	38,544
Cash in hand	22	16
Total	40,242	38,560

5. Accounts Payable

Accounts Payable consists of trade payables and unpaid taxes/contributions for December 2023 amounting to 73 Euros, and for the year 2022 amounting to 2,814 Euros. These amounts are legally due by the following year, up to January 15.

6. Deferred Revenues

As at 31 December	2023	2022
US Embassy	2,769	-
12/2021 EFB5	-	400
10/2020 RBF	31,484	32,527
11/20 NED	-	14,485
06/2020 Respublica	660	300
12/2021 Metmorphosis	59,545	40,000
11/22 NED	45,387	20,006
02/2022 D4D	-	100
07/22 SEK	300	-
10/2022 ZFD	811	-
10/2023 Heartefact	5,370	-
Returns to donors	(800)	(3,408)
Others	500	1,300
Total	146,026	105,710
Deferred revenue 01 January	35,746	68,870
Deferred revenue 31 December	(40,169)	(35,746)
Total incomes recognize in Income Statement during the year	141,603	138,834

SBUNKER**NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31 December 2023

*(All amounts in Euro)***7. Administrative and Operative Expenses**

For the year ended 31 December	2023	2022
Contracted services	36,640	51,318
Payroll expenses	79,362	45,675
Journalist/Researcher	-	13,560
Media Monitoring Specialist	-	9,240
Conference, Convention, Meeting	3,676	6,349
Rent, parking and utility expenses	3,739	3,989
Web design and development	4,063	1,304
Supplies	2,310	1,200
Telephone, telecommunication	1,371	1,100
Video recording expenses	6,535	872
Audit expenses	900	850
Travel expenses	771	783
Printing expenses	220	772
Advertising expenses	446	602
Accounting expenses	582	556
Other expenses	664	365
Property insurance	150	300
Books, Subscriptions, references	174	-
Total	141,603	138,834

8. Events after the reporting date

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