



## **Community Development Fund**

**Independent Auditor's Report and Individual Financial Statements**  
**for the year ended December 31, 2024**

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## INDEPENDENT AUDITOR'S REPORT

### To the Management of Community Development Fund - CDF

#### **Opinion**

We have audited the accompanying financial statements of Community Development Fund - CDF, which comprise the statement of financial position as at December 31, 2024 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 Community Development Fund - CDF as of December 31, 2024, results of its operation and the cash flow for the year then ended in conformity with actual laws.

#### **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 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 Osa – Statutory Auditor  
ACA – Audit & Consulting Associates  
Prishtine, Kosovo  
March 26, 2025



**Community Development Fund**  
**Statement of financial position**  
**As at 31 December 2024**

(All amounts are presented in EUR)

		As of December 31, 2024	As of December 31, 2023
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and bank balances	3	2,038,430	2,369,598
Accounts receivable	4	580,249	678,489
Prepayments		1,029	131
Total current assets		<u>2,619,708</u>	<u>3,048,218</u>
<b>Non-current assets</b>			
Property and equipment	5	<u>451,365</u>	<u>253,932</u>
Total non-current assets		<u>451,365</u>	<u>253,932</u>
<b>TOTAL ASSETS</b>		<u><b>3,071,073</b></u>	<u><b>3,302,150</b></u>
<b>LIABILITIES AND RESERVES</b>			
<b>Current liabilities</b>			
Accounts payable and accrued expenses	6	31,780	15,211
Project Liabilities		<u>58,199</u>	<u>48,744</u>
Total current liabilities		<u>89,979</u>	<u>63,955</u>
<b>FUNDS</b>			
Funds Balance		<u>2,981,094</u>	<u>3,238,195</u>
<b>Total Funds</b>		<u><b>2,981,094</b></u>	<u><b>3,238,195</b></u>
<b>TOTAL LIABILITIES AND RESERVES</b>		<u><b>3,071,073</b></u>	<u><b>3,302,150</b></u>

The financial statements prepared and approved were signed on March 26, 2025 by:

**Nermin Mahmuti**



**Executive Director**

**Sara Habipaj Polloshka**



**Finance And Grants Manager**

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



**Community Development Fund**  
**Statement of profit or loss**  
**For the year ended 31 December 2024**

(All amounts are presented in EUR)

		Year ended December 31, 2024	Year ended December 31, 2023
	Notes		
<b>Income</b>			
Income from Donors	7	5,408,787	4,476,711
Other Income		-	-
<b>Total income</b>		<b>5,408,787</b>	<b>4,476,711</b>
<b>Expenditure</b>			
Project Expenses	8	3,611,236	2,667,773
Staff salaries	9	901,424	786,106
Operating expenses	10	604,534	427,984
Depreciation Expenses	5	92,637	45,854
Other expenses		1,523	12,120
<b>Total expenditure</b>		<b>5,211,354</b>	<b>3,939,836</b>
<b>Net (Deficit)/surplus for the year</b>		<b>197,433</b>	<b>536,875</b>

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

**Community Development Fund**  
**Statement of changes in funds balance**  
**For the year ended 31 December 2024**

(All amounts are presented in EUR)

<b>Statements of changes in funds balance</b>	<b>Accumulated Surplus/Deficit</b>	<b>Total</b>
<b>On January 1, 2023</b>	2,701,320	2,701,320
Surplus (shortage) for the year	536,875	536,875
<b>Balance on December 31, 2023</b>	<b>3,238,195</b>	<b>3,238,195</b>
 <b>On January 1, 2024</b>	 3,238,195	 3,238,195
Decrease of deferred revenues	(454,534)	(454,534)
Surplus (shortage) for the year	197,433	197,433
<b>Balance on December 31, 2024</b>	<b>2,981,094</b>	<b>2,981,094</b>

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

**Community Development Fund**  
**Statement of cash flow**  
**For the year ended 31 December 2024**

(All amounts are presented in EUR)

	Year ended December 31, 2024	Year ended December 31, 2023
<b>Cash flows from operating activities</b>		
(Deficit)/surplus for the period	197,433	536,875
Adjustment for:		
Depreciation	92,637	45,854
Other Adjustments (last years profit)		
Changes in receivable	98,240	268,248
Changes in prepayments	(898)	(131)
Change in deferred revenues	(445,078)	11,837
Change in payables	16,569	3,016
Change in other current liabilities		
<b>Net cash from operating activities</b>	<b>(41,098)</b>	<b>865,698</b>
<b>Cash flows from investing activities</b>		
Acquisition of property and equipment	(290,070)	(166,372)
<b>Net cash used in investing activities</b>	<b>(290,070)</b>	<b>(166,372)</b>
<b>Net increase in cash and cash equivalents</b>	<b>- 331,168</b>	<b>699,326</b>
<b>Cash flows from financial activities</b>		
Cash and cash equivalents at 1 January	2,369,598	1,670,272
<b>Cash and cash equivalents at 31 December</b>	<b>2,038,430</b>	<b>2,369,598</b>

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



# Community Development Fund

## Notes to the Financial Statements as at and for the year ended 31 December 2024

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(All amounts are presented in EUR)

### 1. GENERAL INFORMATION

The Community Development Fund (CDF) commenced its activities in November 1999, when it was established in partnership with the Soros Foundation/Open Society Institute. CDF operates as a non-governmental organization with Public Benefit Status, since November 2000 to carry out community development projects through small-scale community investments. It was established as an appropriate tool for offering improvements of living standards in a participatory manner. Currently, CDF employs 41 staff members, and it has a list of over 200 consultants on stand-by, ready to be engaged at very short notice.

Over the past nineteen years, CDF has established solid partnerships with local NGOs, development agencies and a number of external donors. It has implemented a program of activities which has earned a high level of recognition as a development agency among the key stakeholders including the government, for its visible impact in achieving its prime goal of poverty reduction and improving living conditions.

Through its projects, CDF aims at building the capacities of self-development within the communities, so as to be able to articulate and fulfill their development needs as a community in its whole, or as a certain group within one community.

Until now, CDF has managed a budget of over 70 million \$US financed by different donor organizations such as the World Bank, USAID, The Global Fund, EU, GCERF, Swiss Government, Dutch Government, British Government, Canadian Government, Austrian Development Agency, Kosovo Government, UNICEF, UNDP, SOROS, and Oxfam Novib.

## **Community Development Fund**

### **Notes to the Financial Statements as at and for the year ended 31 December 2024**

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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 an accrual basis 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 Company 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..

### **2.2.2 Account Receivables**

#### *Account Receivables*

Account 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.

At the end of each reporting period, the carrying amounts of account and other receivables are reviewed to determine whether there is any objective evidence that the amounts are not recoverable.

## **Community Development Fund**

### **Notes to the Financial Statements as at and for the year ended 31 December 2024**

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(All amounts are presented in EUR)

#### ***2.2.3 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.

#### ***2.2.4 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.

#### ***2.2.5 Account 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. Accounts payable are obligations based on normal credit terms and do not bear interest.

#### ***2.2.6 Income***

Revenues are recognized as income on the accrual basis. At the end of the year, the excess amount of income over expenses is treated as a balance carried over to the next period.

## **Community Development Fund**

### **Notes to the Financial Statements as at and for the year ended 31 December 2024**

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(All amounts are presented in EUR)

#### **2.2.7 Grants**

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.

#### **2.2.8 Expenses**

The incurred expenses are recognized in the corresponding period on an accrual basis.

## Community Development Fund

### Notes to the Financial Statements as at and for the year ended 31 December 2024

(All amounts are presented in EUR)

#### 3. CASH AND CASH EQUIVALENTS

	December 31, 2024	December 31, 2023
Cash at bank	2,038,258	2,369,376
Cash on hand	172	222
<b>Total Cash and Cash Equivalents</b>	<b>2,038,430</b>	<b>2,369,598</b>

#### 4. ACCOUNT RECEIVABLE

	December 31, 2024	December 31, 2023
SIDA's Sub-Grantees	575,672	678,489
Other receivable	4,578	-
<b>Total Accounts Receivable</b>	<b>580,249</b>	<b>678,489</b>

## Community Development Fund

### Notes to the Financial Statements as at and for the year ended 31 December 2024

(All amounts are presented in EUR)

#### 5. PPROPERTY PPLANT AND EQUIPMENT

	Office equipment	Vehicles	Total
<b>COST</b>			
As at 01 January 2023	86,668	101,841	188,509
Additions/Disposals for the year	992	165,380	166,372
At 31 December 2023	87,661	267,221	354,882
As at 01 January 2024	87,661	267,221	354,882
Additions/Disposals for the year	199,352	111,577	310,929
At 31 December 2024	287,013	378,798	665,811
<b>ACUMULATED DEPRECIATION</b>			
As at 01 January 2023	12,919	42,177	55,096
Additions/Disposals for the year	29,316	16,538	45,854
At 31 December 2023	42,235	58,715	100,950
As at 01 January 2024	42,235	58,715	100,950
Additions/Disposals for the year	57,478	56,018	113,496
At 31 December 2024	99,713	114,733	214,446
<b>Net carrying amount</b>			
As at 31 December 2023	45,425	208,506	253,932
As at 31 December 2024	187,300	264,065	451,365

#### 6. ACCOUNTS PAYABLE

	December 31, 2024	December 31, 2023
Trade payables	12,255	-
Tax on salaries	8,465	6,821
Pension Contributions	10,192	8,055
Health Insurance and other	7	24
Tax for non-residents	325	-
Tax on rent	535	310
<b>Total Accounts Payable</b>	<b>31,780</b>	<b>15,211</b>

# Community Development Fund

## Notes to the Financial Statements as at and for the year ended 31 December 2024

(All amounts are presented in EUR)

### 7. INCOME FROM DONORS

	December 31, 2024	December 31, 2023
HIV & TB	1,515,559	1,414,530
SIDA	1,307,173	1,653,291
M4Y	154,220	250,696
RRPK	120,243	326,727
CDF Main	24,969	44,600
IEEA	1,573,803	642,103
Just React	40,542	69,834
MSH	30	36
Prospero	235,301	-
EECSOK	333,350	-
HumanRightivism	770	-
Time Travel	102,828	71,473
Environmental	-	3,423
<b>Total Incomes from Donors</b>	<b>5,408,787</b>	<b>4,476,711</b>

### 8. PROJECT EXPENSES

	December 31, 2024	December 31, 2023
Global Fund - HIV & Global Fund - TB	1,009,810	717,121
SIDA	1,101,061	1,443,680
M4Y	92,350	62,946
RRPK	101,869	183,111
CDF Main	5,655	42
IEEA	1,158,727	334,546
Just React	2,000	49,530
MSH	30	36
Prospero	155,216	-
EECSOK	206,894	-
Time Travel	67,694	43,134
Assets	(290,070)	(166,372)
<b>Total Project Expenses</b>	<b>3,611,236</b>	<b>2,667,773</b>



## Community Development Fund

### Notes to the Financial Statements as at and for the year ended 31 December 2024

(All amounts are presented in EUR)

#### 9. STAFF SALARIES AND BENEFITS

	December 31, 2024	December 31, 2023
Staff Salaries	901,424	786,106
<b>Total Staff Salaries and Benefits</b>	<b>901,424</b>	<b>786,106</b>

#### 10. OPERATING EXPENSES

	December 31, 2024	December 31, 2023
Global Fund - HIV & TB	268,809	225,813
SIDA	41,457	37,388
RRPK	2,566	14,060
M4Y	33,317	39,630
CDF MAIN	7,400	3,376
IEEA	186,393	96,129
HumanRightivism	770	-
Just React	6,122	4,845
Prospero	9,397	-
EECSOK	39,813	-
Environmental	-	877
Time Travel	8,490	5,866
<b>Total Operating Expenses</b>	<b>604,534</b>	<b>427,984</b>

#### 11 CONTINGENCIES AND COMMITMENTS

##### 11.1. Legal issues

For the year ended December 31, 2024, the organization does not have any contingent liabilities that require disclosure in its financial statements.

#### 12. 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