

**FINANCIAL STATEMENTS
FUND FOR ACTIVE CITIZENSHIP NGF
DECEMBER 31, 2018**

INDEPENDENT AUDITORS' REPORT

R & P AUDITING

Auditing Financial Consulting Management Services

INDEPENDENT AUDITORS` REPORT

*TO THE FOUNDER OF NGF
FUND FOR ACTIVE CITIZENSHIP*

We have audited the accompanying financial statements NGF *FUND FOR ACTIVE CITIZENSHIP* (hereinafter fAKT) for the period from January 01, 2018 to December 31, 2018, (page 7 to 27), which comprise of the Income and Expenditure Statement, Balance Sheet and Cash Flow Statement for the year that ended and a summary of significant accounting policies and notes to the financial statements.

Management's Responsibility for the Financial Statements

fAKT management is responsible for these financial statements in accordance with the accounting regulation in Montenegro. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on accomplished audit. We conducted our audit in accordance with International Standards on Auditing and Montenegrin Law for accounting and auditing. Those standards require compliancy with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide solid basis for our audit opinion.

Opinion

In our opinion, the fAKT financial statements for the period from January 01, 2018 to December 31. 2018, present fairly and objectively, in all material respects, the Income and Expenditures connected with the Grant Agreements awarded by Donors, and its Cash Flows, in accordance with the International Accounting Practices. fAKT complied, in all material respects, with the requirements of the Grant Agreements and its total operations consist only of activities related to the realisation of the upper stated programs.

R&P AUDITING
October 31st, 2019



Radunović Vesna

Radunović Vesna, Authorized Auditor
(License No.017 issued on April 19, 2006.)

STATEMENT OF COMPREHENSIVE INCOME
(In EUR) From January 01 to December 31, 2018

	Note	2018	Corrected 2017
Income			
Income from Donors	4	270.751	283.974
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Total expenditure			
<i>Operational expenses</i>		(101.033)	(116.737)
Office costs	5	(4.101)	(5.720)
Staff costs	6	(87.737)	(100.871)
<i>Depreciation</i>	7	(9.195)	(10.147)
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<i>Program costs</i>			
Regranting	8	(156.426)	(88.879)
Organizing event	9	(19.638)	(14.426)
Marketing	10	(3.254)	(2.222)
Travel	11	(3.947)	(2.928)
Daily allowance	12	(1.716)	(4.264)
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<i>Other operating expenses</i>			
Services	13	(10.544)	(8.398)
Other expenses		(0)	(0)
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<i>Financial expenses/income, net</i>	14	25.807	(46.119)

Notes on the following pages
form an integral part of these financial statements

BALANCE SHEET

(In EUR) On December 31, 2018

	Note	2018	(U €) Corrected 2017
<u>ASSETS</u>			
Non – current assets		102.578	111.773
Equipment	15	102.578	111.773
Current assets		937.905	764.855
Receivables	16	-	900
Cash and cash equivalents	17	937.905	763.955
Total assets		1.040.483	876.628
<u>LIABILITIES</u>			
Equity and reserves		5.000	5.000
Retained earnings			
Long term liabilities		-	-
Accrued liabilities	18	1.035.483	871.628
Total liabilities		1.040.483	876.628

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CASH FLOW STATEMENT

For the period from January 01, 2018 to December 31, 2018

Position	Note	2018	Corrected 2017
Cash receipts from Donors		434.607	430.687
Inflow from interest a vista		7	8
Cash regranting		(156.426)	(88.879)
Payments to suppliers and employees		(130.937)	(138.829)
<i>Cash used in operating activities</i>		147.251	202.987
Acquisition of equipment		-	-
<i>Cash used in investing activities</i>		-	-
Other long term and short term receivables (inflow)		900	1.100
Other long term and short term receivables (outflow)		-	(2.000)
<i>Cash used in finansing activities</i>		900	(900)
Net increase in cash and cash equivalents		148.151	202.087
Cash and cash equivalents, beginning of year		763.954	607.994
Foreign exchange gains arising from cash translation		25.800	-
Foreign exchange losses arising from cash translation		-	(46.126)
Cash and cash equivalents, and of year	17	937.905	763.954

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