



Subsidiary
Limited Liability
Private Company
Incorporated in
Singapore
Company No. 12345678
UEN No. 12345678901234567890

ADVOCACY TRAINING AND RESOURCE CENTER
Financial Statements
Period ended 31 December 2005
With Independent Auditors Report Thereon

2005-05-11

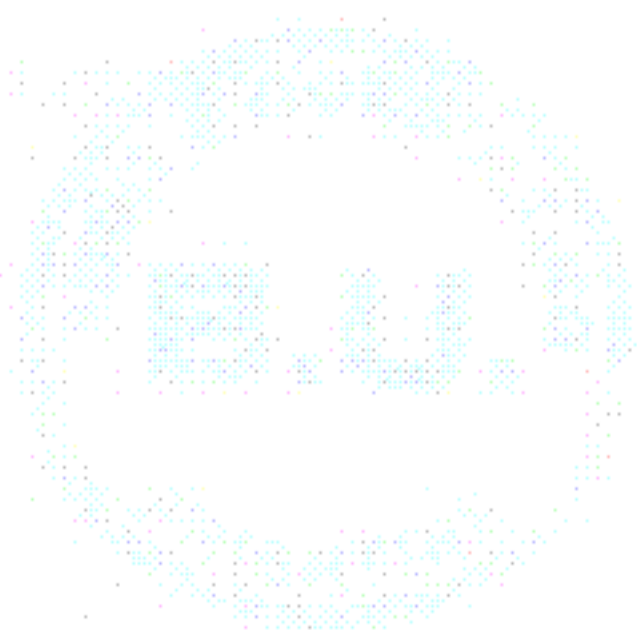
Advocacy Training and Resource Center
2005-05-11
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The financial statements of Advocacy Training and Resource Center, a private company limited by shares, for the period from 1 January 2005 to 31 December 2005, together with the independent auditors' report thereon, are set out on pages 1 to 10 of this financial statements. The financial statements are prepared in accordance with the Singapore Financial Reporting Standards (FRS) as issued by the Accounting and Corporate Regulatory Authority (ACRA) of Singapore.

The financial statements are prepared on the basis of historical cost accounting. The financial statements are prepared on the basis of the accounting policies set out in the notes to the financial statements. The financial statements are prepared on the basis of the accounting policies set out in the notes to the financial statements. The financial statements are prepared on the basis of the accounting policies set out in the notes to the financial statements.

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2005-05-11
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Bashkim Uka
Licensed Auditor
 Radovan Zogovic # 8
 Qytetza Pejton,
 Pristine
 Kosovo- UNMIK
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April 4, 2006

Attn: ATRC Board of Directors
 Rr. Agim Ramadani, 15 (2nd Floor)
 Prishtina - Kosova

We have audited the financial statements and supplementary financial data of Advocacy Training and Resource Center (ATRC) expressed in EUR, for the period January – December 31, 2005. These financial statements and supplementary financial data are the responsibility of the project’s management. Our responsibility is to express an opinion on the aforementioned financial information based on our audit.

We conducted our audit in accordance with International Standards on Auditing (ISA). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the reporting forms are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the reporting forms. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the proper accounting and reporting of the data on the financial statements. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial information present fairly, in all material respects, the financial position of ATRC as of December 31, and the results of operations in accordance with International Standards of Accounting and Kosovo Standards of Accounting.


 Bashkim Uka

Licensed Auditor



For the period ending
January - December 31, 2005

Balance Sheet

Assets	Notes		Liabilities	Notes	
		EUR			EUR
Cash	1	25,494.34	Accounts Payable		0
Accounts Receivable			Grants Payable		0
Notes receivable			Deferred Revenue		0
Inventory			Mortgages and other Notes payable		0
Investments			Other liabilities		0
Securities			Total Liabilities:		0
Other					
Land, buildings, and equipment	2	9,053.31	Fund Balance:		
Other assets	2	14,519.89			
			Fund balance as of 1 January 2005	3	74,135.75
			Excess (from income statement)		-25,068.21
			Total Balance:		49,067.54
Total Assets:		49,067.54	Total Liabilities and Fund Balance:		49,067.54

Income Statement

Revenue	Notes	EUR	Expenses	Notes	EUR
Contributions, gifts or grants	4	177,082.55	Program services	5	152,257.2
Fees and revenues from activities	4	1,560.00	Management and Administration		51,453.57
Dues			Other Expenses		
Dividends and interest					
Rents					
Other investment income			Total Expenses:		203,710.76
Sale of assets					
(less cost of sales)			Net Income from Operations:		-25,068.21
Special event revenue					
Gross sales of inventory					
(less cost of goods sold)					
Other revenue			Taxes		
Total Revenue:		178,642.55	Net Income:		-25,068.21

INTRODUCTION

1. Background

Advocacy Training and Resource Center (ATRC) is registered as a non-governmental organization under the UNMIK Regulation 1999/22, number 5200095-5 since 11 June 2000.

2. Specific Activities and Field Examination

ATRC is an advocacy center that promotes issues confronting Kosovo's development. ATRC works in the field of freedom of information. ATRC administers specialized trainings to increase the capacity of NGOs and civil society to influence governing structures through democratic means. ATRC publishes advocacy-related periodicals, organizes meetings with government on pertinent issues. ATRC generates income from its resource center that is composed of training hall, training equipment and a library. ATRC is a member organization of several local and international networks.

ATRC in 2005 was supported by the United States Agency for International Development, East West Management Institute and Foundation for Democratic Initiatives from 1 January 2005 – 31 May 2005 and from 1 June 2005 (ongoing) was supported by Subgrant Agreement of the International Research & Exchanges Board (IREX).

3. List of Documents Confirmed and Audited

- Internal Regulation
- Financial Statements
- Vouchers for the period January – December 2005
- Inventory and Asset List
- Bank Statements 2005
- Tax Files
- Rental Agreement
- Reports 05
- Employee Follow Up
- Income Tax/ Pension Fund
- Personnel Files
- Reports from the Seminars and Workshops
- ATRC Contracts for:
 - i. Presenters
 - ii. Translators

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Preparation

For the purposes of financial recording, ATRC uses modified cash method of accounting for reporting the receipt and disbursement of ATRC funds. Under this method of reporting of financial transactions, ATRC records the actual receipts and disbursements occurring in a given period. Departing from cash method, ATRC does not records purchase of fixed assets as expense but it depreciates fixed assets.

(b) Summary of Accounting Policies

The financial statements are presented in EUR, the functional currency within the Territory of Kosovo.

Receivables

Advances to employees, when permitted by donors are recorded in the Balance Sheet at amounts due. Claims from the insurance companies for the stolen equipment are shown at net value of assets.

Land, Building and equipment

Tangible fixed assets are shown at historical cost or valuation. Tangible assets are depreciated on the straight-line method over their estimated useful lives. The average estimated useful lives of assets are 5 years. Estimated useful life of the project's vehicle is 6 years.

Cash and cash equivalents

Cash and cash equivalent comprises cash balances and call deposits.

Revenue

Revenue from renting out the resource center, training equipment and other related services are recognized in the income statement over the course of the activity. Revenue is recognized when it is probable that the economic benefits associated with the transaction will flow to the organization and the amount of the revenue can be measured reliably.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

	Page
1	Cash and cash equivalents
2	Land, building and equipment
3	Other assets
4	Funds balance
5	Contributions, gifts or grants
6	Fees and revenues from activities
7	Program Services

	In EUR
1. Cash and cash equivalents	
ATRC Prog. Income Bank Account	4,661.84
ATRC - Other Prog. Bank Account	986.17
Petty Cash - A 19/FOI	101.00
ATRC - KCSP - Petty Cash	356.25
ATRC -KCSP Bank Account	19,389.08
	<u>25,494.34</u>

Cash and cash equivalents comprise cash balances of the Bank Accounts and Cash Boxes.

ATRC has three bank accounts in Procredit Bank in Prishtina. ATRC keeps receipts from IREX in separate bank account to that of self-generated revenues from resource center and rendering of training services.

As requested by donors, funds from donor grants, Article 19/Media Project, BTD funds and IDEA (2005), for the activities prior to separation from IREX are kept in separate bank account.

2. Land, Building and Equipment	Accumulated depreciation at December 05	
Computer equipment	-3,313.21	5,152.42
Office equipment	-6,484.58	3,900.89
Vehicle	-16,177.52	14,519.89
	-25,975.31	23,573.20

3. Fund balance as of January 2005	
Opening Bal Equity	15,973.75
Retained Earnings	58,162.00
	<u>74,135.75</u>

4. Contributions, gifts or grants	
KCSP Income	89,959.23
KNAP Income	65,158.04
Article 19/Media Project	1,735.20
BTB Fund	15,510.00
IDEA	4,720.08
Program Income	1,560.00
Total Income	<u>178,642.55</u>

5. Expenses	
Depreciation Expenses	9,096.16
Salaries	51,453.57
Audit	2,500.00
Per Diem	87.00
International Per Diem	70.00
Misc. Travel Exp.	368.00
Office Rent	21,600.00
Water	320.00
Electricity	2,593.13
Office Supplies	1,749.96
Advertising/Printing	7,608.00
Equipment Furniture and Repair & Main.	2,349.05
Office Maintenance - Income	1,675.00
Vehicle Expenses	6,012.00
Gener./Fuel & Mainten.	382.00
Heating	970.96
Transportation	86.33

Telephone & Fax	4,990.84
Internet/E-mail Service	260.00
Pension Contributions	4,754.76
Bank Charges	375.50
Bank Charges - Income	13.00
Office Security	1,800.00
Trainings	9,691.81
Meetings & Conferences	11,421.13
AvoKo	15,617.60
Non-Consumable Supplies	9,355.11
Article 19/FOI	14,282.76
BTD Fund	15,510.00
Article 19/Media Project	1,997.00
IDEA	4,720.08
Total Expenses	<u>203,710.76</u>