ORCA

organizata për rritjen e cilësisë në arsim

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 ORCA

Opinion

We have audited the accompanying financial statements of ORCA, 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 ORCA 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.

Astrit Musa – Statutory Auditor
ACA – Audit & Consulting Associates
Prishtine, Kosove
18 April, 2025

Organizata Për Rritjen e Cilësisë në Arsim
Statement of financial position
As at 31 December 2024

(All amounts are presented in EUR)

	Notes	As at: 31/12/2024	As at: 31/12/2023
Assets			
Current assets:			
Cash and cash equivalents	3	41,634	160,454
Account and other receivables	4	2,670	-
Total current assets		**44,304**	**160,454**
Total assets		**44,304**	**160,454**
Liabilities and funds			
Short-term liabilities:			
Account payables and accruals	5	1,247	-
Deferred revenue	6	43,058	160,454
Total short-term liabilities		**44,304**	**160,454**
Total liabilities and funds		**44,304**	**160,454**

The financial statements prepared and approved were signed on April 18, 2025 by:

Rron Gjinovci

Executive Director

Fellona Feta

Finance Manager

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

Organizata Për Rritjen e Cilësisë në Arsim

Statement of profit or loss

For the year ended 31 December 2024

(All amounts are presented in EUR)

	Notes	As at: 31/12/2024	As at: 31/12/2023
Income from donation	7	167,408	244,315
Total Income		**167,408**	**244,315**
Program expenses	8	34,677	67,651
Administrative expenses	9	30,153	32,717
Personnel expenses	10	87,230	113,617
Equipment expenses	11	68	5,249
Other expenses	12	15,280	25,082
Total expenses		**167,408**	**244,315**
Surplus/(Deficit) of the year		-	-

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

Organizata Për Rritjen e Cilësisë në Arsim
Statement of changes in funds balance
For the year ended 31 December 2024

(All amounts are presented in EUR)

	Accumulated Surplus/(Deficit)	Total
Balance at 01 January 2023	-	-
Surplus/(Deficit) of the year	-	-
Balance as at 31 December 2023	-	-
Balance at 01 January 2024	-	-
Surplus/(Deficit) of the year	-	-
Balance as at 31 December 2024	-	-

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

Organizata Për Rritjen e Cilësisë në Arsim

Statement of cash flow

For the year ended 31 December 2024

(All amounts are presented in EUR)

	As at: 31/12/2024	As at: 31/12/2023
Cash flows from operating activities:		
Surplus/(Deficit) of the year	-	-
Adjustments for:		
Depreciation	-	-
Operating profit before changes in working capital	**-**	**-**
(Increase)/Decrease in trade and other receivables	(2,670)	-
Increase/(Decrease) in account and other payables	1,247	122,529
Increase/(Decrease) in deferred revenue	(117,396)	11,259
Net cash from operating activities	**(118,819)**	**133,788**
Net increase/decrease in cash and cash equivalents	**(118,819)**	**133,788**
Cash and equivalents at the beginning of the year	160,454	26,666
Cash and equivalents at the end of the year	**41,634**	**160,454**

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

1. GENERAL INFORMATION

Organizata për Rritjen e Cilësisë në Arsim (ORCA), established in 2016 in Prishtina, whose mission is to contribute to increasing the quality of education in Kosovo, with the main focus on university education.

ORCA is a non-governmental organization with a focus on higher education and science that supports groups that aim to democratize educational institutions and academic integrity and that believe that education should be at the service of progress and equality among people.

ORCA is active in overseeing academic processes in higher education in Kosovo, and in coordinated responses to improve the quality of public university teaching. This goal is made possible through careful and methodological review of academic developments in collaboration with experts in various fields and deserving academics.

ORCA is also committed to revitalizing activism among students in the public university system through collaboration with student organizations and raising awareness and field response capacity of the wider student community.

In addition to increasing public and institutional pressure, ORCA will provide concrete recommendations to institutions responsible for improving the state of education in Kosovo

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 cash-based 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.

2.2.2 Accounts receivable

Accounts receivable

Accounts receivable 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 Accounts payable and accruals

Accounts 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. Trade payables denominated in foreign currency are presented in Euro currency using the exchange rate at the reporting date. Foreign exchange gains or losses are included in other income or other expenses.

2.2.4 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.

2.2.5 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.

2.2.6 Expenses

The incurred expenses are recognized in the corresponding period on a cash basis.

2.2.7 Provisions and unexpected (contingent) liabilities

Contingent liabilities have not been recognized in the financial statements. They are disclosed only if the possibility of the flow of resources involving economic benefits is remote. The contingent asset is not recognized in the financial statements but is disclosed when the flow of economic benefits is possible.

3.CASH AND CASH EQUIVALENTS

Cash and cash equivalents	31/12/2024	31/12/2023
Cash at bank	41,574	160,285
Cash on hand	60	168
Total	**41,634**	**160,454**

4. TRADE AND OTHER RECEIVABLES

Account and other receivables	31/12/2024	31/12/2023
Account receivables	2,670	-
Total	**2,670**	**-**

5. TRADE, PAYABLES AND ACCRUALS

Account payables and accruals	31/12/2024	31/12/2023
Account payables	675	-
Withholding Tax	572	-
Total	**1,247**	**-**

6. DEFERRED REVENUE

Deferred Revenue	Deferred revenue for 2024	Income received during 2024	Expenses during 2024	Deferred revenue for 2025
KCSF:EJA II-GI-05	-	39,983	20	39,963
QAINT	2,038	-	586	1,452
NED 2021/11439	1,087	-	77	1,011
NED:NED 2023 0372	20,804	8,978	29,456	326
KCSF EJA-GI-03	1,538	-	1,408	131
ROSCAP	-	1,050	955	95
Other	64	-	-	64
Austrian development Agency - HEI2025	134,112	-	134,096	16
KITU 1				
KFOS H17/20				
KFOS H03 / 20	20	-	20	0
NED 2022/0319	338	-	338	0
NED 2020-0520	401	-	401	-
KFOS G02/19	48	-	48	-
KFOS COSEMN	2	-	2	(0)
KFOS H11/21	2	-	2	(0)
Total	**160,454**	**50,012**	**167,408**	**43,058**

7. INCOME FROM DONATIONS

Income from donation	31/12/2024	31/12/2023
Incomes from Austrian development Agency - HEI 2025	134,096	149,383
Incomes from NED	30,271	45,284
Incomes from KCSF	1,428	43,748
ROSCAP	955	-
Incomes from Austrian development Agency - QAINT	586	827
Incomes from KFOS	72	5,073
Total	**167,408**	**244,315**

8. PROGRAM EXPENSES

Program expenses	31/12/2024	31/12/2023
Austrian Development Agency: HEI 2025	23,334	44,887
National Endowment for Democracy NED 2023/0372	8,431	-
Kosovar Civil Society Foundation - KCSF EJA-GI-03	1,408	13,612
ROSCAP	955	-
National Endowment for Democracy NED 2020-0520	401	-
National Endowment for Democracy NED 2021/11439	77	-
Kosova Foundation for Open Society - KFOS G02/19	48	-
Kosova Foundation for Open Society - KFOS SCEP H17/20	20	-
Kosova Foundation for Open Society - KFOS SCEP H11/21	2	-
Kosova Foundation for Open Society - KFOS COSEMN	2	-
National Endowment for Democracy NED 2022/0319	-	5,748
Kosova Foundation for Open Society - KFOS SCEP H16/21	-	3,403
Total	**34,677**	**67,651**

9. ADMINISTRATIVE EXPENSES

Administrative expenses	31/12/2024	31/12/2023
Austrian development Agency - HEI 2025	18,716	6,695
National Endowment for Democracy NED 2023-0372	11,079	1,812
National Endowment for Democracy NED 2022-0319	338	12,135
Kosovar Civil Society Foundation - KCSF EJA-GI-03	-	12,075
Total	**30,153**	**32,717**

10. PERSONNEL EXPENSES

Personnel expenses	31/12/2024	31/12/2023
Austrian development Agency - HEI 2025	79,900	74,848
National Endowment for Democracy NED 2023-0372	7,330	13,840
Kosovar Civil Society Foundation - KCSF EJA-GI-03	-	16,200
National Endowment for Democracy NED 2022-0319	-	8,360
Kosova Foundation for Open Society - KFOS H16/21	-	368
Total	**87,230**	**113,617**

11. EQUIPMENT EXPENSES

Equipment expenses	31/12/2024	31/12/2023
Austrian development Agency - HEI 2025	68	2,366
National Endowment for Democracy NED 2022-0319	-	1,690
Kosovar Civil Society Foundation - KCSF EJA-GI-03	-	1,193
Total	**68**	**5,249**

12. OTHER EXPENSES

Other expenses	31/12/2024	31/12/2023
Austrian development Agency - HEI 2025	12,079	20,587
National Endowment for Democracy NED 2023-0372	2,615	134
Austrian development Agency - QAINT	586	827
National Endowment for Democracy NED 2022-0319	-	1,565
Kosova Foundation for Open Society - KFOS H16/21	-	1,301
Kosovar Civil Society Foundation - KCSF EJA-GI-03	-	668
Total	**15,280**	**25,082**

13. CONTINGENCIES AND COMMITMENTS

13.1. Legal issues

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

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