

RSM Serbia d.o.o., Beograd

SRH SERBIA (IPPF MEMBER) - BELGRADE

FINANCIAL STATEMENTS FOR 2018
IN ACCORDANCE WITH IPPF GAAP
AND
INDEPENDENT AUDITOR'S REPORT

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RSM Serbia d.o.o. Beograd

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RSP 14/19

AUDITORS REPORT TO THE BOARD OF SRH SERBIA (IPPF MEMBER)

Dragana Stojanović, Executive Director
SRH Serbia (IPPF Member)
Belgrade

Dear Ms. Stojanović,

We have audited the financial statements on pages 1 to 8 which have been prepared under the historical cost convention and the accounting policies set out on page 4.

Respective responsibilities of the Board and auditors

The Association's Board is responsible for the preparation of financial statements. We report to you our opinion as to whether the financial statements give a true and fair view. We also report to you if, in our opinion the association has not kept proper accounting records or if we have not received all the information and explanations we require for our audit.

Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the Board in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Association's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the Association's affairs as at 31 December 2018 and of its income and expenditure for the year then ended.

Belgrade, May 09, 2019

A handwritten signature in black ink, appearing to read 'Srđan Simić'.The logo for RSM Serbia d.o.o., featuring the text 'RSM Serbia d.o.o. Beograd-Novit Beograd' in blue, with a stylized 'RSM' logo to the right.

Srđan Simić

Certified Auditor

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BALANCE SHEET AS AT 31 DECEMBER 2018

	Current Year				Prior Year	
	Local Currency		U.S.\$		Total	
	Unrestricted	Donor Restricted	Unrestricted	Donor Restricted	Local Currency	U.S.\$
ASSETS						
Current assets:						
Cash:	12,994,183	-	125,682	-	16,589,283	160,164
Current accounts and in hand	12,994,183	-	125,682	-	16,559,283	160,164
Interest bearing deposit	-	-	-	-	-	-
Receivables:	931,461	-	9,009	-	1,216,374	11,765
Donors	-	-	-	-	-	-
Staff loans/advances	341,681	-	3,305	-	1,087,390	10,517
Other debtors	589,780	-	5,704	-	116,235	1,124
Accrued interest	-	-	-	-	-	-
Other assets	-	-	-	-	-	-
Prepaid expenses	-	-	-	-	12,749	123
Inventories (Note 3)	-	-	-	-	-	-
Total current assets	13,925,644	-	134,691	-	17,775,637	171,929
Non-current assets:						
Fixed assets (Note 2)	1,003,187	-	9,703	-	844,044	8,164
Investments	-	-	-	-	-	-
Loan receivable due after 1 yr	-	-	-	-	-	-
Total non-current assets	1,003,187	-	9,703	-	844,044	8,164
TOTAL ASSETS	14,928,831	-	144,394	-	18,619,681	180,093
LIABILITIES AND FUND BALANCES						
LIABILITIES						
Current liabilities:						
Accounts payable (Note 4)	1,209,813	-	11,702	-	395,831	3,829
Accrued expenses (Note 5)	588,734	-	5,704	-	350,184	3,484
Provisions (Note 6)	-	-	-	-	-	-
Donors (Note 7)	-	-	-	-	-	-
Deferred income (Note 10)	-	9,883,886	-	95,597	15,908,369	153,869
Total current liabilities	1,798,548	9,883,886	17,106	95,597	16,664,385	161,181
Non-current liabilities:						
Loans not repayable within 1 year	-	-	-	-	-	-
TOTAL LIABILITIES	1,798,548	9,883,886	17,106	95,597	16,664,385	161,181
Fund Balances:						
Donor Restricted (Note 9)	-	-	-	-	-	-
Designated Funds (Note 9)	-	-	-	-	-	-
Fixed Assets Fund (Note 9)	-	-	-	-	-	-
Inventories Fund (Note 9)	3,276,597	-	31,892	-	1,958,296	18,912
General Fund (Note 9)	3,276,597	-	31,892	-	1,958,296	18,912
TOTAL FUND BALANCES	5,045,145	9,883,886	48,798	95,597	18,519,681	180,093



STATEMENT OF INCOME, EXPENSES AND CHANGES IN FUND BALANCES

	Current Year			Prior Year			
	Local Currency		Total	U.S.\$		Local Currency Total	U.S.\$
	Unrestricted	Donor Restricted		Unrestricted	Donor Restricted		
Grant Income:							
IPPF Cash Grant	13,291,761	2,955,345	16,247,106	129,968	28,934	158,902	13,399,480
IPPF Commodity Grant	13,291,761	2,955,345	16,247,106	129,968	28,934	158,902	13,399,480
	-	-	-	-	-	-	-
Other Income:							
Cooperating Agencies	206,580	33,283,354	33,489,934	2,022	327,976	329,998	23,405,957
Governments	-	-	-	-	-	-	373,223
Cooperating Agencies	-	-	-	-	-	-	225,378
Foundations/ Trusts / NGOs	-	33,283,354	33,283,354	-	327,976	327,976	3,595
UN Organizations	-	-	-	-	-	-	22,674,240
Clinical Services	-	-	-	-	-	-	218,414
Other services sales	-	-	-	-	-	-	-
Other Income	206,580	-	206,580	2,022	-	2,022	72,000
Local Donations	-	-	-	-	-	-	286,494
	-	-	-	-	-	-	2,675
Total Income	13,498,341	36,238,699	49,737,040	131,990	356,910	488,900	36,805,437
							353,522
Expenses by Strategic Framework:							
Outcome 1, Champion rights	2,695,912	-	2,695,912	26,394	-	26,394	1,362,385
Outcome 2, Empower communities	304,862	10,817,472	11,122,334	2,985	105,907	108,891	5,183,273
Outcome 3, Serve people	380,825	31,445,910	31,826,735	3,728	307,866	311,595	13,726,968
Outcome 4, United and perform	4,199,998	-	4,199,998	41,119	-	41,119	4,427,146
Total Goals	7,581,597	42,263,382	49,844,980	74,226	413,773	487,999	20,699,771
Supporting Strategies	4,595,443	-	4,595,443	44,991	-	44,991	1,786,927
Management and Admin (Indirect costs)	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Total Expenses	12,177,040	42,263,382	54,440,423	119,217	413,773	532,990	22,486,698
							216,607
Net incoming/(outgoing) resources before transfers	1,321,301	6,024,683	4,703,383	12,773	56,863	44,090	14,318,739
Transfers between Funds (Note 13)	-	-	-	-	-	-	-
Fund balances at beginning of year	1,955,296	15,908,369	17,863,665	19,727	160,503	180,230	3,544,926
Cumulative translation adjustments	-	-	-	5,723	7,328	13,051	-
FUND BALANCES AT END OF YEAR	3,276,597	9,883,686	13,160,283	38,223	110,967	149,190	17,863,665
							180,230

S. Stojanovic

STATEMENT OF FUNCTIONAL EXPENSES

PROGRAMMES	TOTAL 2018 (Current Year)										TOTAL 2017 (Prior Year)	
	Outcome 1: Champion rights	Outcome 2: Empower communities	Outcome 3: Serve people	Outcome 4: United and perform	Supporting Strategies	Sub-total Direct Expenses	Indirect Expenses	LOCAL CURRENCY	U.S.\$	LOCAL CURRENCY	U.S.\$	
Personnel & Benefits	1,014,237	5,071,810	11,712,141	1,800,000	-	19,598,188	3,185,733	22,783,921	223,062	10,441,453	102,228	
Professional Fees	700,000	4,508,022	15,110,482	2,389,998	-	22,718,502	-	22,718,502	222,422	5,577,736	54,808	
Travel & Per Diem	570,000	738,997	1,388,900	-	-	2,577,897	-	2,577,897	26,218	1,388,832	13,401	
Transportation	47,957	217,890	380,828	-	-	646,285	-	646,285	6,327	1,065,839	10,435	
Office Supplies & Consumables	-	-	1,946,372	-	-	1,946,372	-	1,946,372	19,056	1,294,076	12,659	
Medical/AV Supplies & Consumables	125,650	-	931,590	-	-	931,590	-	931,590	9,121	-	-	
Communications	183,819	394,300	183,819	-	-	703,769	-	703,769	6,890	606,809	4,980	
Occupancy & Utilities	236,891	188,357	191,494	-	-	616,742	1,087,966	1,704,108	16,684	1,663,726	15,288	
Depreciation	-	-	-	-	-	-	322,344	322,344	3,156	261,942	2,467	
Other expenses	1,567	2,958	1,110	-	-	5,635	-	6,635	55	316,385	3,098	
Total at Dec 31 in local currency	2,695,812	11,122,334	31,826,735	4,199,998	-	48,844,980	4,595,443	54,440,423	532,990	22,486,699	220,152	
Total at Dec 31 in US\$	26,394	108,881	311,595	41,119	-	487,989	44,991	532,980	532,990	220,152	220,152	

D. Stojanovic

1. General information

Since its foundation in 2002 SRH Serbia (IPPF Member) works towards achieving a discrimination free, gender equal and pro-choice environment in which young people will be able to develop, prosper and make informed decisions regarding various aspects of life, including sexual and reproductive health. In 2010, SRH Serbia is an Associate Member of International Planned Parenthood Federation - IPPF, a global leader in providing reproductive health and rights services.

SRH Serbia (IPPF Member) aims to improve people's quality of life by providing and campaigning for sexual and reproductive health and right through comprehensive advocacy and services, with the aspect on improvement of human rights position. SRH Serbia (IPPF Member) defends the right of all people to enjoy sexual lives free from ill health, unwanted pregnancy, violence and discrimination.

SRH Serbia (IPPF Member) is committed to fulfilment of all potential as envisaged in scope of human rights and freedom, gender equality, eliminating the stigma and discrimination which threatens individual well-being and leads to the widespread violation of health and human rights, particularly among women. SRH Serbia (IPPF Member) is committed to working in partnerships with communities, governments, other organizations and donors.

Basis of preparation of financial statements

The financial statements of the SRH Serbia (IPPF Member) have been prepared in accordance with IPPF Uniform Accounting Policies. The financial statements are presented in USD, unless otherwise stated. Financial statements which are maintained in local currency were translated into US dollars.

Accounting convention

The financial statements have been prepared under the historical cost convention.

Going concern principle

The financial statements of the SRH Serbia (IPPF Member) are prepared by applying going concern principle.

Fixed assets and depreciation

Fixed assets are initially recognized at cost. Cost represents the price billed by supplier together with all directly attributable expenditures incurred to bring these assets into function.

After initial recognition, fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation of property fixed assets calculated using the straight-line method to allocate its cost over its estimated useful life. Calculation of depreciation commences in a month following the month when the asset was put in use. Depreciation rates are revised each year in order to determine depreciation that reflects actual consumption of these assets in the operations and their remaining useful life.

Cash and cash equivalents

Cash and cash equivalents include cash in hand and funds on current and foreign currency accounts.

Liabilities

Accounts payable and other liabilities are initially measured at fair value, net of transaction costs.

2. Fixed assets

Fixed Assets	Freehold Property		Leasehold Property		Office Furniture		Office Equipment		Computers & Accessories		Medical/Clinical Equipment		Vehicles		Other		Total		
	Local Currency	U.S.\$	Local Currency	U.S.\$	Local Currency	U.S.\$	Local Currency	U.S.\$	Local Currency	U.S.\$	Local Currency	U.S.\$	Local Currency	U.S.\$	Local Currency	U.S.\$	Local Currency	U.S.\$	
Cost or valuation																			
At 1 January 2018	0	0	0	0	0	0	159,270	1,607	1,403,722	14,162	0	0	316,144	3,190	0	0	1,879,136	18,959	
Exchange adjustments	0	0	0	0	0	0	0	(66)	0	(595)	0	0	0	(132)	0	0	0	(784)	
Additions	0	0	0	0	0	0	169,440	1,639	338,392	3,273	0	0	0	0	0	0	507,832	4,912	
Disposals	0	0	0	0	0	0	0	0	0	0	0	0	316,144	3,058	0	0	316,144	3,058	
At 31 December 2018	0	0	0	0	0	0	328,710	3,179	1,742,114	16,850	0	0	0	0	0	0	2,070,824	20,029	
Depreciation																			
At 1 January 2018	0	0	0	0	0	0	104,547	1,055	698,166	6,943	0	0	242,378	2,445	0	0	1,035,091	10,443	
Exchange adjustments	0	0	0	0	0	0	0	(44)	(287)	0	0	0	0	(101)	0	0	0	(432)	
Charge for the year	0	0	0	0	0	0	34,070	330	240,852	2,330	0	0	47,422	459	0	0	322,344	3,118	
Release on disposal	0	0	0	0	0	0	0	0	0	0	0	0	289,800	2,803	0	0	289,800	2,803	
At 31 December 2018	0	0	0	0	0	0	138,617	1,341	929,018	8,966	0	0	0	0	0	0	1,067,635	10,326	
Net book values																			
At 31 December 2018	0	0	0	0	0	0	190,093	1,839	813,095	7,864	0	0	0	0	0	0	1,003,188	9,703	

3. Inventories

Inventories	Quantity (Unit)	Price	Local Currency	U.S.\$
Items				
Total as at 31 December:			0	0

4. Accounts Payable

Accounts Payable	Current Year		Prior Year	
	Local Currency	U.S.\$	Local Currency	U.S.\$
Suppliers	1,201,030	11,617	144,464	1,397
Short-term borrowings - domestic	87,853	85	251,347	2,431
Total as at 31 December:	1,209,813	11,702	395,831	3,829



5. Accrued Expenses

Accrued Expenses	Current Year		Prior Year	
	Local Currency	U.S. \$	Local Currency	U.S. \$
Phone	162,380	1,590	30,349	294
Utilities	12,354	121	12,666	123
Audit	384,000	3,759	317,170	3,088
Total as at 31 December:	558,734	5,470	360,184	3,484

6. Provisions

Provisions	Local Currency	U.S. \$
Balance at 1 January	-	-
Utilized in year	-	-
Arising in year	-	-
Total as at 31 December:	0	0

7. Receivable from donors

Receivable from donors	Local Currency	U.S. \$
Total as at 31 December:	0	0

8. Audit Fees

Audit Fees	Local Currency	U.S. \$
Audit fees	384,000	3,759
Other professional services	-	-
Total as at 31 December:	384,000	3,759

D. Stojanovic



9. Funds and reserves
a) Restricted reserves

	IPPF		IPPF		GIZ		IRC		Total	
	Project no. 1		Project no. 2		Projects		Project no. 1			
	Local Currency	U.S. \$	Local Currency	U.S. \$	Local Currency	U.S. \$	Local Currency	U.S. \$	Local Currency	U.S. \$
Fund Balance at the beginning of the year	1,925,181	19,424	-	-	13,983,188	141,080	-	-	15,908,369	160,503
Add receipts during year	-	-	2,955,345	28,934	20,896,272	204,582	12,387,082	123,394	36,238,699	356,910
Grant reimbursements	-	-	-	-	-	-	-	-	-	-
Inventories donated	-	-	-	-	-	-	-	-	-	-
Fixed Assets donated	-	-	-	-	-	-	-	-	-	-
Sub Total	-	-	2,955,345	28,934	20,896,272	204,582	12,387,082	123,394	36,238,699	356,910
Expenditure during the year	580,120	5,680	711,518	6,966	11,237,400	110,018	4,477,948	43,841	17,006,985	166,505
Personnel & Benefits	542,000	5,306	-	-	13,377,137	130,967	5,155,568	50,475	19,074,705	186,748
Professional Fees	61,954	607	9,397	92	471,673	4,618	1,129,748	11,061	1,672,773	16,377
Travel & Per Diem	-	-	-	-	646,285	6,327	-	-	646,285	6,327
Transportation	-	-	-	-	464,718	4,550	-	-	464,718	4,550
Office Supplies & Consumables	732,112	7,168	-	-	703,769	6,890	456,505	4,469	1,653,334	16,187
Medical/IV Supplies & Consumables	-	-	-	-	298,793	2,925	931,590	9,121	931,590	9,121
Communications	-	-	-	-	-	-	235,723	2,308	703,769	6,890
Occupancy & Utilities	-	-	39,427	386	-	-	-	-	573,942	5,619
Other expenses	-	-	-	-	-	-	-	-	-	-
Management and Admin. (indirect costs)	-	-	-	-	-	-	-	-	-	-
Total expenditures	1,916,186	18,761	750,341	7,444	27,199,774	266,295	12,387,081	121,274	42,263,382	413,774
Fund balance at end of year	8,995	662	2,195,004	21,480	7,679,687	79,366	0	2,120	9,883,686	103,639
Cash at bank and in hand	8,995	87	2,195,004	21,230	7,338,006	70,975	-	-	9,542,005	92,292
Advances	-	-	-	-	341,681	3,305	-	-	341,681	3,305
Other debtors	-	-	-	-	-	-	-	-	-	-
Fixed assets Cost	-	-	-	-	-	-	-	-	-	-
Less: Accumulated depreciation	-	-	-	-	-	-	-	-	-	-
Accrued expenses	-	-	-	-	-	-	-	-	-	-
Cumulative translation adjustment	-	-	-	-	-	-	-	-	-	-
Total	8,995	87	2,195,004	21,230	7,679,687	74,279	-	-	9,883,686	98,587

D. Stojanovic





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May 08, 2019

LETTER ON PRESENTED FINANCIAL STATEMENTS

This letter was composed with respect to the audit of financial statements of SRH Serbia (IPPF Member), Belgrade (hereinafter referred to as 'the Entity'), for the year ending 31st December 2018, on the basis of which you are to express the opinion whether the financial statements give fair and truthful view of the financial position of the Entity as of 31st December 2018, as well as of its operational results and cash flows for the year then ending.

It is known to us that the audit was performed in compliance with generally accepted international auditing standards as defined in Section A4 of the External Audit Manual issued by IPPF, which involve examination of accounting systems, systems of internal control and data, in the scope that is considered necessary in given circumstances, as well as that the purpose of audit is not, or it is not expected, to identify and disclose of all possible embezzlements, shortfalls, errors and existence of other irregularities.

Certain presentations in this letter are limited to materially significant information and issues. Materially significant information and issues, regardless of their scope and amount, are information and issues whose omitting or erroneous presentation could influence sensible judgment of the persons relying on that information or issue.

With respect to the above-stated, according to our best knowledge and belief, I hereby confirm the following:

Financial statements, records and comparative data

1. I, in the capacity of legal representative, confirm my responsibility for fair and truthful presentation of financial statements. I consider that the financial statements present a fair and truthful financial position, operational results in accordance with IPPF accounting policies and that they do not contain materially significant erroneous statements. The financial statements were approved by the management.
2. Significant accounting policies applied in drawing up of financial statements are adequately described in financial statements.
3. Every item within financial statements is adequately classified, described and disclosed according to relevant regulations, and the financial statements were drawn up according to going concern principle.
4. I consider that the system of internal control is organised in a manner that enables drawing up of financial statements in compliance with the IPPF regulations.
5. There are no significant items, that we are aware of, which would require adjustment of comparative data in financial statements.

5. There are no significant items, that we are aware of, which would require adjustment of comparative data in financial statements.

Errors and embezzlements

6. I confirm my responsibility for the design and implementation of the systems of internal control, which enable prevention of occurrence of errors and embezzlement and their timely noticing.
7. I consider that the financial statements do not contain materially significant erroneous statements, resulting from embezzlement.
8. I am not aware of the existence of embezzlement, nor I doubt that embezzlement has been committed by the management or someone among employees, occupying an important role within the system of internal control or having impact on financial statements.

Compliance with the laws and other regulations

9. There were no non-compliances with the requirements of the regulatory authorities, which could have materially significant impact on financial statements, in case of non-compliance with the above stated requirements.
10. Business operations of the Entity for the year ending 31st December 2018 were not the subject of control by the state authorities or other form of external controls.

Information completeness and relevance

11. For the purposes of the audit, I place at your disposal all accounting records, on the basis of which the financial reports were drawn up, noting that they present an accurate reflection of operational changes occurred in the course of the examined accounting period. All other records and relevant information that can influence truthfulness and fairness, or necessary clarifications of annual account, including minutes from the meetings of managing board or managing authorities or other relevant authorities, I place at your disposal and there is no information that is unavailable to you.
12. There are no significant transactions, which present the basis for drawing up of financial statements, that are not adequately included in the accounting records.

Recognition, valuation and disclosure

13. I confirm that significant assumptions, applied in valuation of items in the amount of their fair value, and disclosures used in drawing up of financial statements, are adequate, taking into consideration the current operational conditions. These assumptions reflect our intention and capability to further continue our business operations.
14. There are no future plans or intentions that could have materially significant impact on accounting value or classification of assets and liabilities, presented in financial reports as of 31st December 2018.

Real and potential liabilities

15. We posted or, in an appropriate manner disclosed all liabilities.
16. There are no other potential liabilities of the entity, based on surety or guarantees to third parties.
17. There are no current disputes in which we are a defendant party.



SRH Serbia
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<http://ljudskaprava.org/index.php/sr-yu/>
Serbian Association for Sexual and
Reproductive Health

18. I am not aware of violations or possible violations of legal regulations whose effects should be disclosed in financial statements or for which provisions should be made against possible losses, or existence of other liabilities or potential liabilities/losses for which it is necessary to conduct posting of potential losses.

Events after balance sheet date

19. There were no events occurred after balance sheet date which could require disclosure in financial statements or adjustment of financial statements.


Dragana Stojanović, Executive Director

