



PRIVREDNI SAVETNIK - REVIZIJA DOO
A MEMBER OF AGN INTERNATIONAL LTD



UZICE CHILD RIGHTS CENTRE, Uzice
SERBIA

AUDITOR'S REPORT

ON ANNUAL FINANCIAL REPORT FOR THE PROJECT
"Living together" third phase / 110.3

COOPERATION AGREEMENT
WITH THE PESTALOZZI CHILDREN'S FOUNDATION, SWITZERLAND

For the period 1 January 2010 - 31 December 2010

Belgrade, April 2011

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INDEPENDENT AUDITOR'S OPINION

Uzice Child Rights Centre
Dimitrija Tucovica 60
31000 Uzice
Serbia

We have performed the audit of the accompanying Financial Report for the period 1 January 2010 - 31 December 2010, prepared by the Uzice Child Rights Centre, Dimitrija Tucovica 60, Uzice, Serbia (hereinafter: **CENTRE**) in respect of its fairness and accuracy and its compliance with the terms of the Cooperation Agreement concluded between **CENTRE** and the Pestalozzi Children's Foundation, Trogen, Switzerland.

The Agreement refers to the Grant for the realization of the Project No. 110.3, entitled "Living together" third phase with the duration 1 January 2009 to 31 December 2011. We have audited the financial report covering the period 1 January 2010 to 31 December 2010 that include the funds received from Pestalozzi Children's Foundation, Trogen, Switzerland in the amount of EUR 70.000,00 and the local cash contribution in the amount of EUR 61.006,00.

The management of **CENTRE** is responsible for the Financial Report presented on page 2. Our responsibility is to express an opinion on fairness and accuracy of the Financial Report.

In accordance with the International Standards of Auditing, our audit procedures did not comprise examination of each accounting entry but were based on such testing as we considered necessary in the light of **CENTRE'S** controls and accounting procedures. We made tests of recorded transactions, verifying that expenses are supported by invoices and receipts, letters of employment and consulting contracts.

Our tests were endeavored to obtain reasonable assurance about **CENTRE'S** compliance with the terms of the Cooperation Agreement, that, if not complied with, we believe, could have material effect on the outcome of the Grant.

We must note, that our audit was limited to the review of the project funds and amounts spent in that respect, and did not include an overall insight into the entity as a whole. Therefore, our audit may not have revealed all the control weaknesses that might exist within the entire accounting system of **CENTRE**.

In our opinion, the Financial Report for the period 1 January 2010 - 31 December 2010 referred to above presents fairly, in all material respects, the income and expenditures related to the realization of the Project No. 110.3 "Living together" third phase, in conformity with the International Accounting Standards. Furthermore, in our opinion, **CENTRE** complied, in all material respects, with the requirements of the Cooperation Agreement.

Belgrade, 06. April 2011



"Privredni savetnik-Revizija"
Miloš Petrović (Chief executive officer), CPA

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Project Financial Reporting

Name of Organisation: Uzice Child Rights Centre
Name & Number of Project: Living Together - 110.3
Exchange Rate Swiss Franc CHF to local currency CHF 100,00 = 75,6601 local currency

change rate: 1,321700606	Financial Reporting: 2010			Currency: EUR					
	PCF			Local Ressources		Partners	Total Cash		
	Expenses	Diff. Budget	%	In Kind Expenses	Cash Expenses	Expenses	Expenses	Diff. Budget	%
Administrative Costs	22.042	-144	-1%	8.596	27.194	0	49.236	12.465	20%
Management Staff	14.037	123	1%	3.600	7.963		22.000	3.801	15%
Office rent	7.505	-267	-4%	4.996	19.230	0	26.736	8.664	24%
Office operations	0	0		0	0	0	0	0	
Bank charges	500	0	0%	0	0	0	500	0	0%
Add	0	0					0	0	
Add	0	0					0	0	
Add	0	0					0	0	
Add	0	0					0	0	
Operational Costs	42.651	-1.069	-3%	28.896	26.733	0	69.384	33.410	33%
Operational Staff	34.712	8	0%	22.493	20.453	0	55.165	27.396	33%
National meetings	4.487	-24	-1%	0	0	0	4.487	-24	-1%
Teaching materials YC	0	0		0	983	0	983	-183	-23%
Promotional materials	0	0		0	0	0	0	0	
Local actions of YC	0	0		1.542	4.791	0	4.791	9	0%
Days of Network	1.553	46	3%	4.861	0	0	1.553	5.917	79%
Cursor printing	612	188	23%	0	506	0	1.118	1.582	59%
Design of ICE Catalog	1.287	-1.287	###	0	0	0	1.287	-1.287	###
Training for Teacehrs	0	0		0	0	0	0	0	
Add	0	0					0	0	
Add	0	0					0	0	
Add	0	0					0	0	
Add	0	0					0	0	
Investment	0	0		0	0	0	0	0	
Add	0	0					0	0	
Add	0	0					0	0	
Add	0	0					0	0	
Add	0	0					0	0	
Add	0	0					0	0	
Add	0	0					0	0	
Add	0	0					0	0	
Quality Control	5.307	1.213	19%	6.106	7.079	0	12.386	5.419	30%
Capacity Building	2.439	-39	-2%	6.106	4.577	0	7.016	5.384	43%
Coordination meeting	1.143	1.377	55%	0	0	0	1.143	1.377	55%
Monitoring	0	0		0	201	0	201	199	50%
Travel	1.725	-125	-8%	0	2.301	0	4.026	-1.541	-62%
Add	0	0					0	0	
Add	0	0					0	0	
Add	0	0					0	0	
Total	70.000	0	0%	43.598	61.006	0	131.006	51.295	28%
Total in CHF	92.519	0	0%	57.623	80.631	0	173.150	67.796	28%

Approved by:
Date, signature:

CASH FLOW IN THE END OF 2010

	EUR
<u>Opening balance</u>	<u>0,00</u>
<u>Income</u>	<u>131.006,00</u>
- Pestalozzi contribution	70.000,00
- Local cash contribution	61.006,00
<u>Expenses</u>	<u>(131.006,00)</u>
Cash fund balance in the end of 2010	(00,00)

Background

Uzice Child Rights Centre, Dimitrija Tucovica 60, Uzice, Serbia (hereinafter: **CENTRE**) was founded in 1998 as a nongovernmental, non-profitable and nonpolitical organization.

Mission of the **CENTRE** is to improve the position of children within society.

All activities of the **CENTRE** are based on the principles stated in the Convention on the Rights of a Child, therefore promoting this Convention as a fundamental document on child rights. Activists of the Center are pedagogues, psychologists, teachers, professors, sociologists, physicians, lawyers and children.

Centre has concluded the Cooperation Agreement with The Pestalozzi Children's Foundation, Trogen, Switzerland on 10th February 2009, that refers to the Project No. 110.3 entitled "Living together" third phase, with the duration from 1 January 2009 to 31 December 2011. We have audited the financial report covering the period 1 January 2010 to 31 December 2010 that include the funds received from Pestalozzi Children's Foundation, Trogen, Switzerland in the amount of EUR 70.000,00 and the local cash contribution in the amount of EUR 61.006,00.

Local partners for this project were:

- Udruženje građana "Centar za kreativni razvoj", Knjaževac,
- Udruženje građana "Imam ideju", Kraljevo,
- Forum civilne akcije – Forca, Požega,
- Društvo za razvoj kreativnosti, Aleksinac,
- Društvo za zaštitu i unapređenje mentalnog zdravlja dece i mladih, Niš,
- Urban In, Novi Pazar,
- Udruženje građana "Dečja radost", Zaječar.

The overall aims of the Project are: Implementation of right to participation of children increased and Intercultural education into official education system is integrated.

Audit Objectives

Our audit objectives were:

1. To obtain reasonable assurance that presented financial statements do not contain inaccuracies that would materially affect the information conveyed;
2. To establish whether the funds received from The Pestalozzi Children's Foundation, Trogen, Switzerland were spent in compliance with the terms of the Cooperation Agreement.

Period Covered by the Audit

The period covered by our audit is 1 January 2010 - 31 December 2010.

Summary of Our Auditing Procedures

In accordance with the international auditing standards, our audit procedures did not comprise the examination of each accounting entry but were based on such testing as we considered necessary in the light of **Centre's** controls and accounting procedures.

We made tests of recorded transactions which included the receipt of fund and occurred expenses: contract and calculation for honorariums for project manager, local coordinators, local and national consultant and other persons who have participated in the Project; invoices for accounting services; contract and calculating for office renting; invoices for services related to conference organization; bills for office supplies and other underlying documents.

Our tests were endeavored to obtain reasonable assurance about **Centre's** compliance with the terms of the Cooperation Agreement, that, if not complied with, we believe, could have material effect on the income and expenditure of the Grant.

Therefore, we must note that our audit was limited to the review of the Project funds and amounts expended in that respect, and did not include an overall insight into the entity as a whole. Therefore, our audit of internal controls may not have revealed all the control weaknesses that might exist within the entire accounting system of **Centre**.

The Accounting System and Internal Controls

Centre's accounting system is a computerized system, maintained by a specialized bookkeeper.

The computerized cost accounting records for this Grant are maintained separately, as supplementary records, and there is little possibility of their fusion with income and expenditures related to other activities of **Centre**.

The entries to the cost accounting records are made on the basis of original documents such as: contract and calculation for honorariums for project manager, local coordinators, local and national consultant and other persons who have participated in the Project; invoices for accounting services; contract and calculating for office renting; invoices for services related to conference organization; bills for office supplies and other underlying documents. Accounting records summarize payments by income and expenditure categories.

The system of internal controls is such that it can ensure proper expenditure of the granted funds within the provisions of the Cooperation Agreement. Expenses are paid only after obtaining an approval from the director.

Income

In accordance with Cooperation Agreement, **Centre** received from Pestalozzi Children's Foundation, Trogen, Switzerland, as financial support for the realization of the Project, according to the annual plan and budget, a total amount of EUR 70.000,00.

The entire amount was paid to a foreign currency bank account no. 180 50112100 2475328 opened at Alpha Bank Srbija AD, Belgrade. The entire amount was transferred to the local currency bank account no. 180 50112100 1268745, opened at Alpha Bank Srbija AD, Belgrade in the following way:

	Received amount in EUR	Transferred to local currency - RSD
First installment - March 13 th 2010	35.000,00	3.482.500,00
Second installment – August 30 th 2010	35.000,00	3.671.500,00
Total:	70.000,00	7.154.000,00

Centre and its local partners also provided additional cash funds in the amount of EUR 61.006,00.

Exchange rates

During the project period, **Centre** used two different exchange rates, calculated as presented in the table:

Period:	Installment in EUR	Amount in local currency - RSD	Exchange rate (RSD/EUR)
January 1 st 2010 – June 30 th 2010	35.000,00	3.482.500,00	99,50
July 1 st 2010 – December 31 st 2010	35.000,00	3.671.500,00	104,90
Total	70.000,00	7.154.000,00	

Those exchange rates were used for converting of expenditures from RSD into EUR.

Regranting

The granted funds have been channeled to local partners organizations in the following way:

	In RSD	In EUR
Udruženje građana "Centar za kreativni razvoj", Knjaževac	630.267,40	6.167,00
Udruženje građana "Imam ideju", Kraljevo	732.467,40	7.167,00
Forum civilne akcije – Forca, Požega	575.794,80	5.634,00
Društvo za razvoj kreativnosti, Aleksinac	575.794,80	5.634,00
Društvo za zaštitu i unapređenje mentalnog zdravlja dece i mladih, Niš	575.794,80	5.634,00
Urban In, Novi Pazar	575.794,80	5.634,00
Udruženje građana "Dečja radost", Zaječar	575.794,80	5.634,00
Total:	4.241.708,80	41.504,00

Nature, Legality, and Regularity of Expenditures

Our tests and analyses of expenditures confirmed that expenditures incurred in the period from 1 January 2010 - 31 December 2010, represent expenditures that are related and necessary for the implementation of the project No. 110.3 entitled "Living together" third phase.

Reconciliation of Expenditures with Original Documents

We have reconciled the expenditures disclosed in the Financial Report for the period 1 January 2010 - 31 December 2010, with the original documents and determined that all tested expenditures are supported by the appropriate underlying documentary evidence.

Pestalozzi Children's Foundation, Trogen, Switzerland approved the reallocation of 1.260 EUR from budget line – Coordination meetings to budget line – Design of ICE Catalogue.

Physical Location of Original Documents

All cost accounting records, third party documents and other original documents are located in the offices of the **Centre**, Dimitrija Tucovica Sreet No. 60 in Uzice, Serbia.

Entity - Wide Audit

Centre has never undergone an entity-wide financial audit, since, according to the local Serbian regulations, audits are compulsory, for the time being, only for the large and medium companies, financial institutions and banks and insurance companies.

Conclusion

In our opinion, the Financial Reports for the period 1 January 2010 - 31 December 2010 referred to above presents fairly, in all material respects, the income and expenditures related to the Cooperation Agreement for Grant related to Project No. 110.3 entitled "Living together" third phase in conformity with the requirements of the Co-operation Agreement.



Република Србија
МИНИСТАРСТВО
ФИНАНСИЈА
Број:023-02-00091/2008-16
Београд, 27.05.2008. године

На основу члана 23. став 2. Закона о државној управи („Службени гласник РС”, бр. 79/05 и 101/05), а у вези са чл. 41. и 75. Закона о рачуноводству и ревизији („Службени гласник РС”, број 46/06) и члана 192. Закона о општем управном поступку („Службени лист СРЈ”, бр. 33/97 и 31/01), решавајући по Захтеву за издавање дозволе за обављање послова ревизије, Привредног друштва за ревизију „ПРИВРЕДНИ САВЕТНИК-РЕВИЗИЈА” д.о.о., из Београда, доносим

РЕШЕЊЕ

1. Издаје се дозвола за обављање послова ревизије, Привредном друштву за ревизију „ПРИВРЕДНИ САВЕТНИК-РЕВИЗИЈА” д.о.о., Београд, Кнегиње Зорке 96, ПИБ 100290705, матични број 17200569, које је уписано у Регистар предузећа за ревизију код овог Министарства, под редним бројем 003.

2. Привредно друштво за ревизију „ПРИВРЕДНИ САВЕТНИК-РЕВИЗИЈА” д.о.о., Београд, дужно је, да у складу са чланом 8. Правилника о Регистру предузећа за ревизију („Службени гласник РС”, број 18/07 и 106/07), Министарству финансија пријави сваку промену података који се уписују у Регистар, у року од осам дана од дана настанка промене.

Образложење

Привредно друштво за ревизију „ПРИВРЕДНИ САВЕТНИК-РЕВИЗИЈА” д.о.о., Београд, у поступку усклађивања пословања са одредбама Закона о рачуноводству и ревизији („Службени гласник РС”, број 46/06, у даљем тексту: Закон), поднело је Министарству финансија Захтев за издавање дозволе за обављање послова ревизије број 023-02-00091/2008-16 од 04.03.2008. године и допуну овог Захтева од 19.05.2008. године и уз исте, према члану 42. став 2. Закона, поднело је следеће доказе и документацију:

1) Оснивачки акт – Уговор о организовању а.д. „ПРИВРЕДНИ САВЕТНИК-РЕВИЗИЈА”, Београд, као друштва са ограниченом одговорношћу, ради усклађивања са Законом о привредним друштвима, који представља оснивачки акт друштва број 77/2006 од 27.11.2006. године, Одлуке о измени и допуни Уговора број 83 од 27.11.2006. године, број 54-6 од 28.06.2007. године, број 8 од 21.02.2008. године и број 31 од 17.03.2008. године и Одлуку о измени и допуни Пословника о

раду Скупштине чланова друштва с ограниченом одговорношћу број 32 од 17.03.2008. године;

2) Интерни акт – Правилник о основама методологије Привредног саветника -Ревизија д.о.о., Београд, за пружање услуга ревизије годишњих финансијских извештаја број 10/2007 од 12.03.2007. године;

3) Податке о лицима која ће обављати ревизију финансијских извештаја са доказима о раду на неодређено време са пуним радним временом, доказима о професионалном звању овлашћени ревизор и лиценцама за обављање послова ревизије финансијских извештаја;

4) Податке о оснивачима Привредног друштва за ревизију „ПРИВРЕДНИ САВЕТНИК-РЕВИЗИЈА” д.о.о., Београд, Привредном друштву издавачке делатности „ПРИВРЕДНИ САВЕТНИК” д.о.о., Београд, са већинским власништвом капитала и мањинским управљачким правом, овлашћеним ревизорима са мањинским власништвом капитала и већинским управљачким правом и Извод о регистрацији привредног субјекта Агенције за привредне регистре од 26.02.2008. године.

Поред наведеног, Привредно друштво за ревизију „ПРИВРЕДНИ САВЕТНИК-РЕВИЗИЈА” д.о.о., Београд, је доставило документацију и доказе о испуњености посебних услова из члана 40. став 2. Закона.

Министарство финансија је размотрило поднети Захтев са приложеним доказима и утврдило да је Привредно друштво за ревизију „ПРИВРЕДНИ САВЕТНИК-РЕВИЗИЈА” д.о.о., Београд, ускладило своје пословање у смислу одредби члана 75. Закона, односно да су испуњени услови из члана 40. став 2. и члана 42. Закона, за издавање дозволе за обављање послова ревизије, Привредном друштву за ревизију „ПРИВРЕДНИ САВЕТНИК-РЕВИЗИЈА” д.о.о., Београд, Кнегиње Зорке 96.

Привредно друштво за ревизију „ПРИВРЕДНИ САВЕТНИК-РЕВИЗИЈА” д.о.о., Београд, дужно је да, у складу са чланом 46. став 1. Закона, Министарству финансија пријави свако смањење броја лиценцираних овлашћених ревизора испод броја прописаног овим законом, у року од 8 дана од дана настанка промене, као и да обавести о променама које се односе на члан 40. став 2. и члан 42. Закона.

Такса за ово решење наплаћена је у износу од 21.110,00 динара, према тарифном броју 90. Тарифе републичких административних такси, која је саставни део Закона о републичким административним таксама („Службени гласник РС”, бр. 43/03, 51/03, 53/04, 42/05, 61/05, 101/05, 42/06 и 47/07).

На основу изнетог донето је решење као у диспозитиву.

Упутство о правном средству: Ово решење је коначно у управном поступку и против истог се може покренути управни спор у року од 30 дана од дана пријема Решења.

МИНИСТАР
др Мирко Цветковић





1996-2006

Ref 7748/NCB/LS

July 17, 2006

To Whom It May Concern

This is to confirm that **Privredni Savetnik-Revizija** has been a full member of AGN International, a worldwide association of separate and independent accounting and consulting firms, since June 1, 2005.

I can also confirm that all of our accounting member firms worldwide are registered with their respective country legal accounting professional bodies and that these bodies themselves are members of the International Federation of Accountants (IFAC).

A handwritten signature in dark ink, appearing to read 'N C Blake', written in a cursive style.

N C Blake
Chief Executive Officer



КОМОРА ОВЛАШЋЕНИХ РЕВИЗОРА

На основу члана 39. став 1. Закона о рачуноводству и ревизији („Службени гласник РС“ бр. 46/06) и члана 7. став 1. Правилника о условима за стицање, продужавање и одузимање лиценци овлашћеним ревизорима

Секретаријат Коморе овлашћених ревизора

ПОТВРЂУЈЕ

да је Одлуком Савета Коморе овлашћених ревизора
број: 346/09, од 26.10.2009. године,

ОВЛАШЋЕНОМ РЕВИЗОРУ

МИЛОШУ ПЕТРОВИЋУ

лични број – ЈМБГ: 3005955710153,

продужена

ЛИЦЕНЦА

за обављање послова
ревизије финансијских извештаја

Лиценца се продужава на период од две године,
и важи до 26.10.2011. године.

Именовани је уписан у Регистар издатих лиценци овлашћеним
ревизорима за обављање послова ревизије финансијских извештаја
код Коморе овлашћених ревизора 08.10.2007. године,
под редним бројем уписа: 23.

Република Србија
Београд, 26.10.2009. године
Број: 346/09



ГЕНЕРАЛНИ СЕКРЕТАР

Бошко Видаковић