

**ROMA CENTER FOR WOMEN
AND CHILDREN "DAJE", BELGRADE
PROJECT "GENERAL FINANCIAL SUPPORT
TO THE ORGANISATION",
CONTRACT NO. GP/102**

Report of Factual Findings

REPORT OF FACTUAL FINDINGS

To the Roma Centre for Women and Children “Daje”, Belgrade

We have performed the procedures agreed with you and enumerated below with respect to the Financial Report (showing incurred expenditures of RSD 1,885,200.00) for the project “General financial support to the organisation” (“Project”), contract no. GP/102 and annex no. AGP/102, in the period from 1 January 2023 to 31 December 2023.

Our engagement was undertaken in accordance with ISRS 4400 Engagements to perform Agreed-upon Procedures regarding Financial Information. The procedures were performed solely to assist the Reconstruction Women’s Fund, Belgrade (hereafter: the “RWF”) in evaluating whether the Roma Centre for Women and Children “Daje”, Belgrade (hereafter: “Daje”) complied with the certain requirements provided in project agreement and are summarized as follows:

1. Observation whether the financial report is structured in a way that allows for direct comparison with the latest approved budget. The budget is attached to the agreement with the RWF as an annex and any updates or reallocations should be supported by a written approval by the RWF.
2. Observation and inspection whether the financial report provides information regarding:
 - a) All incomes from the RWF for the reporting period and financial outcome per budget line for the reporting period.
 - b) When applicable, comparison if the opening fund balance (i.e., funds remaining from disbursements made during previous reporting period/s) for the reporting period matches with what was stated as closing fund balance in the previous reporting period.
 - c) A disclosure of exchange gains/losses. Observation and confirmation whether the disclosure includes the entire chain of currency exchange from the RWF’s disbursement to the handling of the project within the organisation in local currency/ies, if applicable.
 - d) Accounting principles applied for the financial report.
 - e) Amount of funds that has been forwarded to implementing partners, when applicable.

3. a) Inquiry and inspection with what frequency salary costs during the reporting period are debited to the project/programme.

Selection of a sample of three individuals for three different months and:

- b) Inquiry and inspection whether there are supporting documentation for debited salary costs. Debited salary costs should be verified by supporting documentation such as employment contracts.
 - c) Inquiry and inspection whether actual time worked is documented and verified by a manager. Inquiry and inspection within which frequency reconciliations between debited time and actual worked time is performed.
 - d) Inspection whether the implementing partner comply with applicable tax legislation with regard to personal income taxes (PAYE – Pay As You Earn) and social security fees.
4. a) Inspection and confirmation that the unspent fund balance (according to the financial report) at the end of the financial year is in line with information provided in the accounting system and/or bank account.
 - b) Inspection and confirmation whether the implementing partner has adhered to the procurement guidelines annexed to or referred to in the agreement. Selection of two different procurements in order to get an idea of if the implementing partner is adhering to relevant requirements. If implementing partner's capacity is considered to be low according to risk assessment, conduct of a procurement audit rather than increasing the sample size should be considered.
 - c) Applicable for the final year: Inspection and confirmation of the unspent fund balance (including exchange gains) in the financial report and confirmation of the amount that shall be repaid to the RWF.

We have made the following observations:

- a) Regarding point 1, we have examined whether the financial report is structured in a way that allows for direct comparison with the latest approved budget.

No factual findings have arisen from this procedure.

- b) Regarding point 2, we have examined whether the financial report provides information regarding:

- All incomes from the RWF for the reporting period and financial outcome per budget line for the reporting period.
- Comparison if the opening fund balance (i.e., funds remaining from disbursements made during previous reporting period/s) for the reporting period matches with what was stated as closing fund balance in the previous reporting period.
- A disclosure of exchange gains/losses. Inquiry and confirmation whether the disclosure includes the entire chain of currency exchange from the RWF's disbursement to the handling of the project/programme within the organisation in local currency/ies.
- Accounting principles applied for the financial report.
- Amount of funds that has been forwarded to implementing partners, when applicable.

No factual findings have arisen from this procedure.

- c) Regarding point 3a), we have examined with what frequency salary costs during the reporting period are debited to the project/programme and concluded that salary costs are debited to the project/programme on a monthly basis.

Regarding points 3b) to 3d), we selected a sample of three individuals for three different months and:

- Inquired and inspected whether there are supporting documentation for debited salary costs.
- Inquired and inspected whether actual time worked is documented and verified by a manager. We also inquired and inspected within which frequency reconciliations between debited time and actual worked time is performed.
- Inspected whether the implementing partner comply with applicable tax legislation with regard to personal income taxes (PAYE) and social security fees.

No factual findings have arisen from this procedure.

- d) Regarding point 4a) to 4c), we have examined:

- that the unspent fund balance (according to the financial report) at the end of the financial year is in line with information provided in the accounting system and/or bank account.
- that the implementing partner has adhered to the procurement guidelines annexed to or referred to in the agreement. Two different procurements were selected in order to get an idea of if the implementing partner is adhering to relevant requirements. Risk assessment of the implementing partner's capacity and conduct of procurement audit rather than increasing the sample size have been considered.
- that the unspent fund balance (including exchange gains) in the financial report and confirmation of the amount that shall be repaid to the RWF.

No factual findings have arisen from this procedure.

Because the above procedures do not constitute either an audit or a review made in accordance with International Standards on Auditing or International Standards on Review Engagements, we do not express any assurance on the abovementioned procedures.

Had we performed additional procedures or had we performed an audit or review of the financial statements in accordance with International Standards on Auditing or International Standards on Review Engagements, other matters might have come to our attention that would have been reported to you.

Our report is intended solely for the purpose stated in the first paragraph of this report and for your information, and is not to be used for any other purpose or disclosed to parties other than the RWF. The report only applies to the Financial Report specified above and does not include any of Daje's financial statements in their entirety.

Belgrade, 13 February 2024

Zoran Jovanović
Licensed Authorized Auditor
Global Audit Services d.o.o.