



Balkan Green Foundation

Independent Auditor's Report and financial statements
for the year ended December 31, 2019

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INDEPENDENT AUDITORS' REPORT

To the Management of Balkan Green Foundation

Opinion

We have audited the accompanying financial statements of the Balkan Green Foundation (from now on referred to as BGF), which comprise the statement of financial position as at December 31, 2018 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 presented financial statements present fairly, in all material respects, the financial position of BGF as of December 31, 2018 and the results of its operation for the year then ended in conformity with International Financial Reporting Standards.

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 statements 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.

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.



Armend Oşaj – Statutory Auditor
ACA – Audit & Consulting Associates
Prishtinë, Kosovë
July, 2020

BALKAN GREEN FOUNDATION
Statement of Financial Position
For the year ended December 31, 2019

	Notes	31-Dec-19 (in EUR)	31-Dec-18 (in EUR)
ASSETS			
Current assets			
Cash and bank balances	5	487,911	61,657
Prepayments		1,543	350
Total current assets		<u>489,454</u>	<u>62,007</u>
TOTAL ASSETS		<u>489,454</u>	<u>62,007</u>
LIABILITIES AND RESERVES			
Current liabilities			
Accounts payable		-	2,198
Deferred revenues	6	489,454	59,809
Total current liabilities		<u>489,454</u>	<u>62,007</u>
TOTAL LIABILITIES AND EQUITY		<u>489,454</u>	<u>62,007</u>

The financial statements have been signed on July 2020 by:

Visar Azemi
 Executive Director

The accompanying notes from 1 to 16 form an integral part of these financial statements

BALKAN GREEN FOUNDATION
Statement of Revenue and Expenditures
For the year ended December 31, 2019

		Year ended December 31, 2019 (in EUR)	Year ended December 31, 2018 (in EUR)
	Notes		
Income			
Income	7	375,156	296,855
Total Income		375,156	296,855
Expenditure			
Administrative and office expenses	8	22,524	22,749
Salary expenses	9	120,838	87,036
Activity expenses	10	67,871	73,354
Other	11	5,398	1,228
Donations	12	158,525	112,488
Total expenditure		375,156	296,855
Excess of the income over expenses		<u><u>-</u></u>	<u><u>-</u></u>

The accompanying notes from 1 to 16 form an integral part of these financial statements

BALKAN GREEN FOUNDATION
Statement of Changes in Fund Balance
For the year ended December 31, 2019

	Retained surplus (in EUR)	Total Reserves (in EUR)
Balance as at January 1, 2018	-	-
Net deficit/surplus for the year ended December 31, 2018	-	-
Balance as at January 1, 2019	<u>-</u>	<u>-</u>
Net deficit/surplus for the year ended December 31, 2019	-	-
Balance as at December 31, 2019	<u><u>-</u></u>	<u><u>-</u></u>

The accompanying notes from 1 to 16 form an integral part of these financial statements

BALKAN GREEN FOUNDATION
Statement of Cash Flows
For the year ended December 31, 2019

	Year ended December 31, 2019 (in EUR)	Year ended December 31, 2018 (in EUR)
Cash flows from operating activities		
(Deficit)/surplus for the period	-	-
Adjustment for:		
Depreciation	-	-
Change in payables	(2,198)	(4,958)
Change in prepayment	(1,193)	(257)
Change in deferred revenues	429,645	(119,509)
Net cash from operating activities	426,254	(124,724)
Cash flows from investing activities		
Acquisition of property and equipment	-	-
Net cash used in investing activities	-	-
Net increase in cash and cash equivalents	426,254	(124,724)
Cash and cash equivalents at 1 January	61,657	186,382
Cash and cash equivalents at 31 December	487,911	61,657

The accompanying notes from 1 to 16 form an integral part of these financial statements

1. INTRODUCTION

Balkan Green Foundation (BGF) is a regional organization that promotes inclusive and equitable progress within the Western Balkans on sustainable development domain. Along with its partner organizations, BGF places a strong focus on advocating for solutions that promote development policies, which are in line with world's latest developments, global challenges and national agendas for EU integration. Regional initiatives are undertaken on an ongoing basis to further convey BGF's commitment towards regional sustainability, ensuring the strengthening and advancement of vital policies affecting key sectors, such as energy, environment, and economy.

BGF has been successfully positioned as a key strategic partner for regional and global institutions, organizations, and communities in promoting sustainable development, transforming innovative concepts into powerful solutions, and strengthening regional and global partnerships.

The accompanying notes from 1 to 16 form an integral part of these financial statements

2. ADOPTION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS

1.1 Standards and Interpretations effective in the current period

Below are presented the amendments to the existing standards issued by the International Accounting Standards Board and interpretations issued by the International Financial Reporting Interpretations Committee which are effective for the current period:

Standard	Description	Effective date
Amendment to IFRS 14	Regulatory Deferral Accounts	beginning on or after 1 January 2016
Amendment to IFRS 10	Consolidated Financial Statements	beginning on or after 1 January 2016
Amendment to IFRS 11	Joint Arrangements	beginning on or after 1 January 2016
Amendment to IFRS 12	Disclosure of Interests in other Entities	beginning on or after 1 January 2017
Amendment to IAS 1	Presentation of Financial Statements	beginning on or after 1 January 2016
Amendment to IAS 7	Disclosure Initiative	beginning on or after 1 January 2017
Amendment to IAS 12	Recognition of Deferred Tax Assets for Unrealised Losses	beginning on or after 1 January 2017
Amendment to IAS 16	Property, Plant and Equipment	beginning on or after 1 January 2016
Amendment to IAS 27	Separate Financial Statements	beginning on or after 1 January 2016
Amendment to IAS 28	Investments in Associates and Joint Ventures	beginning on or after 1 January 2016
Amendment to IAS 38	Intangible Assets	beginning on or after 1 January 2016
Amendment to IAS 41	Agriculture-Bearer Plants	beginning on or after 1 January 2016
Amendment to different standards	Improvements to IFRS (2012-2014 Cycle)-resulting from the annual improvement project of IFRS (IFRS 5, IFRS 7, IAS 19 and IAS 34) primarily with a view to remove inconsistencies and clarifying wording	annual periods beginning on or after January 1, 2016

The accompanying notes from 1 to 16 form an integral part of these financial statements

BALKAN GREEN FOUNDATION
Notes to the Financial Statements
For the year ended December 31, 2019

Amendment to different standards	Improvements to IFRS (2010-2012 Cycle) - The annual project resulting from improvements in quality of IFRS (IFRS 2, IFRS 3, IFRS 8, IFRS 13, IAS 16, IAS 24 and IAS 38) primarily with a view to remove inconsistencies and clarifying wording	beginning on or after 1 July 2014
Amendment to different standards	Improvements to IFRS (2011-2013 Cycle)-resulting from the annual improvement project of IFRS (IFRS 1, IFRS 3, IFRS 13 and IAS 40) primarily with a view to remove inconsistencies and clarifying wording	annual periods beginning on or after July 1, 2014

2.2 Standards and interpretations in issue not yet effective

In these financial statements the following standards, revisions and interpretations were in issue but not yet effective:

Standard	Description	Effective date
IFRS 1	Amendments resulting from <i>Annual Improvements 2014–2016 Cycle</i> (removing short-term exemptions)	beginning on or after 1 January 2018
IFRS 2	Classification and Measurement of Share-based Payment transactions	beginning on or after 1 January 2018
IFRS 3	Amendments resulting from <i>Annual Improvements 2015–2017 Cycle</i> (remeasurement of previously held interest)	beginning on or after 1 January 2019
IFRS 9	Finalized version, incorporating requirements for classification and measurement, impairment, general hedge accounting and derecognition.	beginning on or after 1 January 2018

BALKAN GREEN FOUNDATION
Notes to the Financial Statements
For the year ended December 31, 2019

IFRS 9	Amendments regarding prepayment features with negative compensation and modifications of financial liabilities	beginning on or after 1 January 2019
IFRS 11	Amendments resulting from <i>Annual Improvements 2015–2017 Cycle</i> (remeasurement of previously held interest)	beginning on or after 1 January 2019
IFRS 15	Clarifications to IFRS 15	beginning on or after 1 January 2018
IFRS 16	Leases	beginning on or after 1 January 2019
IFRS 17	Original issue	beginning on or after 1 January 2021
IAS 12	Amendments resulting from <i>Annual Improvements 2015–2017 Cycle</i> (income tax consequences of dividends)	beginning on or after 1 January 2019
IAS 19	Amendments regarding plan amendments, curtailments or settlements	beginning on or after 1 January 2019
IAS 23	Amendments resulting from <i>Annual Improvements 2015–2017 Cycle</i> (borrowing costs eligible for capitalisation)	beginning on or after 1 January 2019
IAS 28	Amendments resulting from <i>Annual Improvements 2014–2016 Cycle</i> (clarifying certain fair value measurements)	beginning on or after 1 January 2018
IAS 28	Amendments regarding long-term interests in associates and joint ventures	beginning on or after 1 January 2019
IAS 40	Amendments to clarify transfers or property to, or from, investment property	beginning on or after 1 January 2018

The organization has elected not to adopt these standards, revisions and interpretations in advance of their effective dates. The entity anticipates that the adoption of these standards, revisions and interpretations will have no material impact on the financial statements of the entity in the period of initial application.

3. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

3.1 Statement of compliance

The financial statements have been prepared in accordance with the International Financial Reporting Standards.

3.2 Basis of preparation

Financial Statements are prepared for reporting purposes in accordance with applicable International Financial Reporting Standards, and represent the entire picture that occurred in “BGF” during 2018 and 2019. Financial Statements are prepared on accrual basis, based on which revenues and expenses are recognized at the time when either received or paid. Starting from 2019 BGF has started to register its transaction in Quickbooks.

3.3 Currency of presentation

The reporting currency of BGF is the European Union currency unit Euro (“EUR”). The organization has five opened bank accounts in Raiffeisen Bank, whereas main account and three sub accounts are in EUR currency and the other in USD currency.

3.4 Significant accounting policies

A summary of the most significant accounting policies adopted in the preparation of the financial statements is presented below:

3.4.1 Cash and cash equivalents

For the purpose of the statement of cash flows, cash and cash equivalents are considered to be cash on hand and at bank and in operating accounts at bank with an original maturity of three months or less.

3.4.2 Foreign currencies

Transactions in foreign currencies are converted into EUR at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated to EUR at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognized in the statement of activities. Non-monetary assets and liabilities denominated in foreign currencies, which are stated at historical cost, are converted at the foreign exchange rate ruling at the date of the transaction.

3.4.3 Revenue recognition

Revenues from grants are recognized as income on the period when received. At the end of the year the excess amount of revenues over expenses is treated as balance carried forward to the next period.

BALKAN GREEN FOUNDATION
Notes to the Financial Statements
For the year ended December 31, 2019

3.4.4 Property and equipment

BGF presents all purchased equipments in the statement of revenue and expenditure. Therefore they are not capitalized nor are depreciated.

3.4.5 Expenses recognition

Expenses incurred for generation incomes are recognized in that period in accrual basis.

3.4.6 Taxation

BGF is established as a nongovernmental organization, therefore has responsibility and operates as an NGO under applicable Kosovo Laws.

3.4.7 Employee benefits

The organization makes no provision for and has no obligation for employee pensions over and above the contributions paid into the Kosovo Pension Savings Trust.

3.4.8 Critical judgments in applying the organization's accounting policies

In the process of applying the Organization's accounting policies, which are described in note 3 above, management has made no judgments that have significant effect on the amounts recognized in the financial statements.

4. PROPERTY AND EQUIPMENT

The organization treats every purchase of assets as expense. Therefore, they are not capitalized nor are depreciated.

5. CASH AND CASH EQUIVALENTS

The organization has five opened bank accounts in Raiffeisen Bank, whereas main account and four sub accounts are in EUR currency and the other in USD currency.

	December 31, 2019 (in EUR)	December 31, 2018 (in EUR)
Cash on hand	305	170
Cash at bank	487,606	61,487
Total Cash and Bank Balances	487,911	61,657

The accompanying notes from 1 to 16 form an integral part of these financial statements

BALKAN GREEN FOUNDATION
Notes to the Financial Statements
For the year ended December 31, 2019

6. DEFERRED REVENUES

Deferred revenue as at 31 December 2019 represents the unspent funds donated in 2018 from the Donors mentioned below.

	December 31, 2019 (in EUR)	December 31, 2018 (in EUR)
Rockefeller Brothers Fund	32,853	38,534
EU	121,734	20,371
MAP	24,391	2,873
French	-	1,000
HBS	(11)	(11)
E3G	16	(2,958)
GIZ	86,398	-
Green Cross	223,773	-
Other	300	-
Total deferred revenues	489,454	59,809

7. INCOME FROM GRANTS

Below are listed the grants that BGF has received in 2019:

	December 31, 2019 (in EUR)	December 31, 2018 (in EUR)
Income from EU	164,273	146,585
Incomes from RBF	135,085	82,453
Incomes from MAP	57,374	47,455
Incomes from HBS	14,999	13,419
Incomes from French	-	1,000
Income from E3G	-	5,943
Income from GIZ	3,425	-
Total incomes	375,156	296,855

The accompanying notes from 1 to 16 form an integral part of these financial statements

BALKAN GREEN FOUNDATION
Notes to the Financial Statements
For the year ended December 31, 201

In the table below are presented incomes that are recognized in 2019 and the unspent amount is represented as a deferred revenue.

EUR	RBF	E3G	MAP	EU	HBS	GIZ	Green cross	Other	Total
Balance at 31 December 2018	38,534	(2,958)	2,873	20,371	(11)	-	-	-	58,809
Additions in 2019	129,404	2,974	78,892	265,636	14,999	89,823	223,773	300	805,800
Income recognized in 2019	(135,085)	-	(57,374)	(164,273)	(14,999)	(3,425)	-	-	(375,156)
Balance at 31 December 2019	32,853	16	24,391	121,734	(11)	86,398	223,773	300	489,454

The accompanying notes from 1 to 16 form an integral part of these financial statements

BALKAN GREEN FOUNDATION
Notes to the Financial Statements
For the year ended December 31, 2019

8. ADMINISTRATIVE AND OFFICE EXPENSES

	December 31, 2019 (in EUR)	December 31, 2018 (in EUR)
Representation expenses	9,967	10,506
Office supplies	2,906	4,797
Rent expenses	6,111	4,602
Communication expenses		1,504
Website maintenance	1,022	1,086
Bank charges and external audit	2,517	255
Total administrative and office expenses	22,524	22,750

9. PAYROLL EXPENSES

	December 31, 2019 (in EUR)	December 31, 2018 (in EUR)
Salaries	115,738	82,891
Pension contribution	5,100	4,145
Total salary expenses	120,838	87,036

10. ACTIVITY EXPENSES

	December 31, 2019 (in EUR)	December 31, 2018 (in EUR)
Co applicant	13,770	31,820
Annual meeting and public events	12,536	12,502
International and Regional Activities	9,887	12,300
Philantropy fo Green Ideas	19,246	10,113
Travel	12,432	4,327
Accommodation and daily allowances	-	2,293
Total activity expenses	67,871	73,355

The accompanying notes from 1 to 16 form an integral part of these financial statements

BALKAN GREEN FOUNDATION
Notes to the Financial Statements
For the year ended December 31, 2019

11. Other

	December 31, 2019 (in EUR)	December 31, 2018 (in EUR)
Utilities, office supplies, equipment and maintenance	5,398	577
Other EU	-	652
Total other expenses	5,398	1,229

12. Donations

Philanthropy for Green Ideas was a stimulation and encouragement innovation for green business ideas to generate green business ideas that utilize local resources and revitalize disappearing traditional production chains and community-based markets.

The Regional Competition will be facilitated among national winners from Albania, Kosovo, Macedonia, Montenegro, Serbia (three from each country), but starting from this year BGF will introduce green ideas from Bosnia and Herzegovina too. A prize of 10,000 USD will be given to the first three winners of the regional competition to implement their business ideas. The two-day regional competition will take place each year in one of the countries of the region, which will be decided together with the National Foundations from the all six WB countries. An independent jury body, professional experts, will be invited to assess the best ideas to be supported according to the criteria set by the program.

Selection was made based on the evaluation from the jury, those who received more points were the ones selected as winners.

28.08.2019		Payment for two prizes MKD PGI winners 2019	17,908.31
28.08.2019		Bank charge	30.54
28.08.2019		Payment for one prize Bosnia PGI winner 2019	8,954.15
28.08.2019		Bank charge	30.52
30.09.2019		Payment for one prize Greece PGI winner 2019	8,954.15
30.09.2019		Bank charge	13.43
TOTAL			35,891.11

The accompanying notes from 1 to 16 form an integral part of these financial statements

BALKAN GREEN FOUNDATION
Notes to the Financial Statements
For the year ended December 31, 2019

There are also donations financed by EU project delivered for local NGO for capacity building and categorized into small and medium grants.

Delivering the Grant for local NGO

24.06.2019	Second payment for Medium Grant(ICK)	€ 3,000.00
24.06.2019	Second payment for Medium Grant(Let's do it)	€ 2,996.53
16.07.2019	First payment for medium grant (Asociacioni I Arkitekteve te Kosoves)	€ 10,479.00
16.07.2019	First payment for medium grant (Women's Bussines Association SHE-ERA)	€ 10,402.00
16.07.2019	First payment for medium grant (GSJP)	€ 9,961.00
05.11.2019	Last payment for Medium grant (Let's do it)	€ 1,235.67
	TOTAL	€ 38,074.20

Delivering the Grants for local NGO(small grants)

04.02.2019	Second payment for Small Grant (Keep It Green)	1,498.80
04.02.2019	Second payment for Small Grant (YAHR)	1,476.00
04.02.2019	Second payment for Small Grant (IZHI)	1,498.50
04.02.2019	Second payment for Small Grant (REB)	1,497.00
04.02.2019	Second payment for Small Grant (Vizionida)	1,410.00
04.02.2019	Second payment for Small Grant (B B)	1,480.50
04.02.2019	Second payment for Small Grant (Kosova Live)	1,479.00
04.02.2019	Second payment for Small Grant (Poslovni Centa Zvecan)	1,499.40
06.02.2019	Second payment for Small Grant (JIC)	1,500.00
25.02.2019	Second payment for Small Grant (7 Arte)	1,196.21
25.02.2019	Second payment for Small Grant(Qendra Rinore Ardhmeria Kline)	1,500.00
11.06.2019	Second payment for Small Grant(3EEE)	1,410.00
11.06.2019	Second payment for Small Grant(Humani Centar Mitrovica)	1,498.50
11.06.2019	Second payment for Small Grant(Eco Z)	1,195.27
08.07.2019	Second payment for Small Grant(CEDE)	1,498.80
16.07.2019	First payment for small grant(AYA NGO)	2,800.00
16.07.2019	First payment for small grant(CCU-Lighthouse)	2,740.50
16.07.2019	First payment for small grant(Udruzenje mladih)	2,800.00
16.07.2019	First payment for small grant(Fryma e re Europiane)	2,785.30
16.07.2019	First payment for small grant(Ekolosko Udruzenje Ozon)	2,761.50
16.07.2019	First payment for small grant(Green Project)	2,733.50
16.07.2019	First payment for small grant(Medilja Centar Caglavica)	2,800.00
16.07.2019	First payment for small grant(GAIA)	2,795.80
16.07.2019	First payment for small grant(Sbuker)	2,800.00
16.07.2019	First payment for small grant(Shoqata ekologjike Ambienti)	2,800.00
16.07.2019	First payment for small grant(Environment Community Development)	2,800.00

BALKAN GREEN FOUNDATION
Notes to the Financial Statements (continued)
For the year ended December 31, 2019

16.07.2019	First payment for small grant(Endemika)	2,800.00
16.07.2019	First payment for small grant(ASHSE-SHJ)	2,800.00
16.07.2019	First payment for small grant(THY)	2,800.00
16.07.2019	First payment for small grant(Ekovizioni)	2,800.00
22.07.2019	First payment for small grant(OJQ Kopshti Shqiponja)	2,786.00
06.08.2019	First payment for small grant (Media Pulse)	2,798.60
09.12.2019	Second payment for small grant (AYA)	1,200.00
09.12.2019	Second payment for small grant (Ekovizioni)	1,200.00
09.12.2019	Second payment for small grant (Endemika)	1,200.00
09.12.2019	Second payment for small grant (GAIA)	1,198.20
09.12.2019	Second payment for small grant (Medija Centar Caglavica)	1,200.00
09.12.2019	Second payment for small grant (Media Pulse)	1,199.40
09.12.2019	Second payment for small grant (Lighthouse)	1,174.50
09.12.2019	Second payment for small grant (OZON)	1,183.50
09.12.2019	Second payment for small grant (S'bunker)	1,200.00
09.12.2019	Second payment for small grant (Shoqata Ekologjike Ambienti)	1,200.00
31.12.2019	Second payment for small grant (Fryma e re Europiane)	1,193.70
31.12.2019	Second payment for small grant (Green Project)	1,171.50
31.12.2019	Second payment for small grant(Environment Community Development)	1,200.00
	TOTAL	84,559.98

BALKAN GREEN FOUNDATION
Notes to the Financial Statements (continued)
For the year ended December 31, 2019

The accompanying notes from 1 to 16 form an integral part of these financial statements

13. RELATED PARTY DISCLOSURE

For the purposes of these financial statements, parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions as defined by IAS 24 "Related Party Disclosures". In considering each possible related party relationship, attention is directed to the substance of the relationship, not merely the legal form.

14. RISK MANAGEMENT

15.1 Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. BGF is not exposed to credit risk in respect of Grant receivable from its Donors.

15.2 Interest rate risk

The organization is not exposed to interest rate risk as they do not have any borrowings or placements.

15.3 Foreign exchange risk

BGF is exposed to foreign exchange risk as transactions are undertaken both in local and foreign currency. BGF does not speculate in or engage in the trading of derivative financial instruments.

15.4 Liquidity risk

Liquidity risk is defined as the risk when the maturity of assets and liabilities does not match. BGF is committed monitor its liquidity on a periodic basis in order to manage its obligations as and when they shall become due.

15. SUBSEQUENT EVENTS

There are no subsequent events that would require either adjustments or additional disclosures in the financial statements.