

KOSOVAR CIVIL SOCIETY FOUNDATION - KCSF
Prishtine / Kosovo

Financial Statements and Independent Auditors' Report
For the year ended December 2017

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Abbreviations

KCSF	Kosovar Civil Society Foundation
UNMIK	The United Nations Mission in Kosovo
NGO	Non-Governmental Organization
BCSDN	The Balkan Civil Society Development Network
BTD	Balkan Trust for Democracy
CSFG	Civil Society Grant Fund
DSP	Democratic Society Promotion
EUOK	The European Union Office in Kosovo
KFOS	Kosovo Foundation for Open Society
NOR	Royal Norwegian Embassy in Kosovo
SIDA	Swedish International Development Cooperation
OSFF TTF	Open Society Foundations Think Tank Fund
TACSO	Technical Assistance to Civil Society Organizations
DANIDA	Danish International Development Agency



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INDEPENDENT AUDITORS REPORT

To: The management of Kosovar Civil Society Foundation

Opinion

We have audited financial statements of Kosovar Civil Society Foundation (the Organization) which comprises the statement of financial position as at 31 December 2017, and the income statement, statement of changes in net assets and cash flow statement for the year then ended, and notes to financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements of Kosovar Civil Society Foundation, for the year ended 31 December 2017 are prepared, in all material respects, in accordance with the financial reporting requirement of organization and relevant laws in Kosovo.

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 Financial Statements section of our report*. We are independent of the Organization in accordance with the ethical requirements that are relevant to our audit of the financial statements in Kosovo, and we 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 of the financial statements in accordance with the financial reporting requirements and for such controls as management determines is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Organization's ability to continue as going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Organization's financial reporting process.

Auditor's Responsibilities for the Audit of 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 aggregate,

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 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 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 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 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.

Lulzim Zeka
Statutory Auditor

Baker Tilly Kosovo
Prishtina Kosovo



27 March 2018


KOSOVAR CIVIL SOCIETY FOUNDATION

Statement of Financial Position As of 31 December 2017 *(all amounts are in Euro unless otherwise stated)*

As at 31 December	Notes	2017	2016
Assets			
Cash and cash equivalents	3	2,044,762	2,227,657
Accounts Receivable	4	-	8,338
Prepaid new office building	5	411,307	247,409
Advances to grantees	6	1,352,645	900,327
Fixed assets	7	39,321	21,484
Total assets		3,848,035	3,405,215
Liabilities and Funds Balance			
Accounts Payable and other short-term liabilities	8	2,550	2,268
Deferred Income	9	3,394,859	3,134,054
Total liabilities		3,397,409	3,136,322
Fund Balance			
Fund Balance as of 1 January 2017		268,892	27,232
Excess/(Deficit) (from Income statement)		181,734	241,661
Total Balance		450,626	268,892
Total liabilities and funds balance		3,848,035	3,405,215

These financial statements are approved and signed on 19 March 2018 on behalf of the management by:

Venera Hajrullahu, Executive Director



Edona Haliti, Director of
Finance and Administration



KOSOVAR CIVIL SOCIETY FOUNDATION

Income Statement

For the year ended 31 December 2017
(all amounts are in Euro unless otherwise stated)

<u>For the year ended 31 December</u>	<u>Notes</u>	<u>2017</u>	<u>2016</u>
Income			
Contribution and grants	10	2,485,290	1,239,659
Other income	11	51,121	42,730
Total Income		<u>2,536,411</u>	<u>1,282,389</u>
Expenses			
Project expenses	12	668,534	696,628
Project expenses – grant giving	12	1,588,004	380,763
Administrative expenses	12	127,158	140,344
Other expenses	12	152,715	64,654
		<u>2,536,411</u>	<u>1,282,389</u>
Adjustments for fixed assets	7	(30,965)	(14,750)
Adjustments for prepaid new office building	6	(163,898)	(247,409)
Depreciation for the period	7	13,129	20,498
Total Expenses		<u>2,354,677</u>	<u>1,040,728</u>
Net excess (deficit)		<u>181,734</u>	<u>241,661</u>