

**FORUM FOR CIVIC INITIATIVES
(FIQ)**

**INDEPENDENT AUDITORS' REPORT
AND THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31,
2019**

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INDEPENDENT AUDITORS' REPORT

To the Management of Forum for Civic Initiatives "FIQ"

Opinion

We have audited the financial statements of Forum for Civic Initiatives (the Organization), which comprise: the statement of financial position as at December 31, 2019, the statement of earnings and expenditures, statement of changes in fund balances for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at December 31, 2019, and its financial performance and its earnings and expenditures for the year then ended in accordance with generally accepted accounting policies as set out in Note 2 to the financial statements.

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 International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. 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 and fair presentation of the financial statements in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Organization's ability to continue as a going concern, disclosing, as applicable, matters related 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 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 the 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 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.



BDO Kosova L.L.C.

Amir Dermala

Engagement Partner

June 15, 2020

Str. Ukshin Hoti, C 4/3, Hy. A, Kati II


10000 Pristina, Kosovo


BDO
BDO Kosova L.L.C.
audit, accounting and financial advisory
Pristina, Kosovo

FORUM FOR CIVIC INITIATIVES (FIQ)
Statement of Financial Position
As at December 31, 2019

	Notes	As at December 31, 2019 (in EUR)	As at December 31, 2018 (in EUR)
ASSETS			
Cash and cash equivalents	3	272,143	332,277
Advances and Prepayments		30,148	16,902
Other Receivables		6,308	6,308
TOTAL ASSETS		308,599	355,487
FUNDS AND LIABILITIES			
FUNDS			
Unspent Funds		306,515	352,662
TOTAL FUNDS		306,515	352,662
LIABILITIES			
Accounts Payable		2,084	2,825
TOTAL LIABILITIES		2,084	2,825
TOTAL FUNDS AND LIABILITIES		308,599	355,487

Authorized for issue by the management of Forum for Civic Initiatives on June 15, 2020.


Dajana Berisha
Executive Director


Sefë Govori
Finance Manager

The accompanying notes 1 to 7 form an integral part of these Financial Statements.

FORUM FOR CIVIC INITIATIVES (FIQ)
Statement of earnings and expenditures
For the year ended December 31, 2019

	Notes	Year ended December 31, 2019 (in EUR)	Year ended December 31, 2018 (in EUR)
FINANCING			
Donors Funding	4	476,651	696,289
TOTAL FINANCING		476,651	696,289
EXPENDITURE			
Personnel expenses		(137,285)	(147,167)
Program costs	5	(355,452)	(131,879)
Operating costs	6	(17,837)	(39,678)
Services	7	(24,302)	(11,171)
Civil Society House Project		-	(178,579)
Travel and car maintenance		(4,552)	(2,534)
TOTAL EXPENDITURE		(539,428)	(511,008)
Exchange gain		2,643	3,379
Surplus of funds received over expenditures		(60,134)	188,660
Cash and bank balances at beginning of the year		332,277	143,617
Cash and bank balances at the end of the year	3	272,143	332,277


Dajana Berisha
Executive Director


Serë Govori
Finance Manager

The accompanying notes 1 to 7 form an integral part of these Financial Statements.

FORUM FOR CIVIC INITIATIVES (FIQ)
Statement of changes in fund balances
For the year ended December 31, 2019

	Year ended December 31, (in EUR)
As at January 1, 2018	167,572
Funds received in current period	696,289
Exchange gain	3,379
Effect of changes in assets and liabilities	(3,570)
Funds expensed in current period	<u>(511,008)</u>
As at December 31, 2018	<u>352,662</u>
As at January 1, 2019	352,662
Funds received in current period	476,651
Exchange gain	2,643
Effect of changes in assets and liabilities	13,986
Funds expensed in current period	<u>(539,427)</u>
As at December 31, 2019	<u>306,515</u>

The accompanying notes 1 to 7 form an integral part of these Financial Statements

1 BACKGROUND AND OPERATING POLICIES

The Forum of Civic Initiatives (“FIQ”) was registered under the United Nations Interim Administration Mission in Kosovo (“UNMIK”) regulations as a non-governmental organization in 2000, section 10 on the Registration and Operation of NGO in Republic of Kosovo.

FIQ works to increase citizen participation in decision-making processes and to create incentives that ensure political, economic and environmental sustainability through its grant giving program.

FIQ’s current geographical orientation has been the Balkan, with main focus in Kosovo, where FIQ have over the years contributed to social and political change. FIQ has had an active role on security issues where FIQ has held and taken part in several regional conferences. This has helped FIQ to create strategic and influential partners in the region, local as international.

Major donors supporting the activities of the FIQ during the year 2019 are as follows: European Union, Global Community Engagement and Resilience Fund, Sing net, GIZ, Balkan Green Foundation, etc.

2 BASIS OF PREPARATION OF THE STATEMENT AND ACCOUNTING CONVENTIONS

2.1 Accounting convention

The Financial Statements have been prepared in accordance with generally accepted accounting policies (mixed or modified basis of accounting which combines cash and accrual accounting principles).

2.2 Reporting currency

The Statement has been prepared in European Union Currency Unit (EUR).

2.3 Foreign currency transactions

Foreign currency transactions are translated into reporting currency using the exchange rates prevailing at the date of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the Statement of Earnings and Expenditures.

3. CASH AND CASH EQUIVALENTS

	As at December 31, 2019 (in EUR)	As at December 31, 2018 (in EUR)
Cash at bank	271,441	332,274
Cash on hand	702	3
TOTAL CASH AND BANK BALANCE	272,143	332,277

4. DONORS FUNDING

	Year ended December 31, 2019 (in EUR)	Year ended December 31, 2018 (in EUR)
European Union Office In Kosovo	279,513	82,397
Global Community Engagement and Resilience Fund	75,677	74,822
Sing Net	64,158	0
Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH	47,522	7,764
Balkan Green Foundation	8,400	21,108
OSBE	1,381	5,878
Rockefeller Brothers Fund	-	409,266
Trag Foundation	-	48,853
C.S. Mott Foundation	-	20,345
Global Foundation	-	12,200
Other	-	13,656
TOTAL DONORS FUNDING	476,651	696,289

5. PROGRAM COSTS

	Year ended December 31, 2019 (in EUR)	Year ended December 31, 2018 (in EUR)
Grant Giving	226,198	44,108
Support to NGOs & Institutions	65,775	46,847
International Travel	11,064	3,790
IT Improvement	17,762	0
Campaign	9,650	7,183
Developing Philanthropy	2,628	7,380
Conferences and Round Tables	7,782	5,328
Advocacy	5,630	221
Staff Development and Training	3,712	502
Printing and Design	1,267	3,994
Equipment hire	1,054	2,975
Surveys	1,724	5,872
Per Diem and Volunteers	976	730
Annual planning	230	1,398
Sustainability Development	-	1,551
TOTAL PROGRAM COSTS	355,452	131,879

6. OPERATING COSTS

	Year ended December 31, 2019 (in EUR)	Year ended December 31, 2018 (in EUR)
Office rent	11,312	15,371
Maintenance	3,016	3,362
Communications	1,119	1,171
Other operating costs	2,052	1,114
Office supplies	338	3,410
Purchasing a car	-	15,250
TOTAL OPERATIONG COSTS	17,837	39,678

7. SERVICES

	Year ended December 31, 2019 (in EUR)	Year ended December 31, 2018 (in EUR)
Contractual Services	18,922	3,702
Policy Briefs	2,625	-
Audit	1,300	1,200
Bank fee's	1,325	1,934
Website Maintenance	-	3,626
Translation	130	709
TOTAL SERVICES COSTS	24,302	11,171