

**FORUM FOR CIVIC INITIATIVES
(FIQ)**

**INDEPENDENT AUDITORS'
REPORT AND THE FINANCIAL
STATEMENTS FOR THE YEAR ENDED
DECEMBER 31, 2020**

CONTENTS

	PAGE
INDEPENDENT AUDITORS' REPORT	1
STATEMENT OF FINANCIAL POSITION	3
STATEMENT OF EARNINGS AND EXPENDITURES	4
STATEMENT OF CHANGES IN FUND BALANCES	5
NOTES TO THE FINANCIAL STATEMENTS	6 - 8

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, 2020, 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, 2020, 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.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represent the underlying transactions and events in a manner that achieves fair presentation.

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.

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Pristina, Kosovo

April 29, 2021



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, 2020

	Notes	As at December 31, 2020 (in EUR)	As at December 31, 2019 (in EUR)
ASSETS			
Cash and cash equivalents	3	77,998	272,143
Advances and Prepayments		-	30,148
Other Receivables		6,308	6,308
TOTAL ASSETS		84,306	308,599
FUNDS AND LIABILITIES			
FUNDS			
Unspent Funds		70,082	306,515
TOTAL FUNDS		70,082	306,515
LIABILITIES			
Accounts Payable		1,812	2,084
Payables to Grantees and Partners		12,412	-
TOTAL LIABILITIES		14,224	2,084
TOTAL FUNDS AND LIABILITIES		84,306	308,599

Authorized for issue by the management of Forum for Civic Initiatives on April 29, 2021.



Dajana Berisha
Executive Director





Sefë Govori
Finance Manager

The accompanying notes 1 to 9 form an integral part of these Financial Statements.

FORUM FOR CIVIC INITIATIVES (FIQ)
Statement of Earnings and Expenditures
For the year ended December 31, 2020

	Notes	Year ended December 31, 2020 (in EUR)	Year ended December 31, 2019 (in EUR)
FINANCING			
Donors Funding	4	123,886	476,651
TOTAL FINANCING		123,886	476,651
EXPENDITURE			
Personnel expenses		(115,337)	(137,285)
Program costs	5	(155,283)	(355,452)
Operating costs	6	(26,581)	(17,837)
Services costs	7	(12,379)	(24,302)
Travel costs		(4,596)	(4,552)
TOTAL EXPENDITURE		(314,176)	(539,428)
Exchange (loss)/gain		(3,855)	2,643
Surplus of funds received over expenditures		(194,145)	(60,134)
Cash and bank balances at beginning of the year	3	272,143	332,277
Cash and bank balances at the end of the year	3	77,998	272,143


Dajana Berisha
Executive Director


Sefë Govori
Finance Manager

The accompanying notes 1 to 9 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, 2020

	Year ended December 31, 2020 (in EUR)
As at January 1, 2019	352,662
Funds received in current period	476,651
Exchange gain/loss	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>
As at January 1, 2020	306,515
Funds received in current period	123,886
Exchange gain/loss	(3,855)
Effect of changes in assets and liabilities	(42,288)
Funds expensed in current period	<u>(314,176)</u>
As at December 31, 2020	<u>70,082</u>

The accompanying notes 1 to 9 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 2020 are as follows: European Union, Global Community Engagement and Resilience Fund, Sing net, Global Foundation, ERBD and ICEDA.

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.

FORUM FOR CIVIC INITIATIVES (FIQ)
Notes to the Financial Statements for the year ended December 31, 2020

3 CASH AND CASH EQUIVALENTS

	As at December 31, 2020 (in EUR)	As at December 31, 2019 (in EUR)
Cash at bank	77,996	271,441
Cash on hand	2	702
TOTAL	77,998	272,143

4 DONORS FUNDING

	Year ended December 31, 2020 (in EUR)	Year ended December 31, 2019 (in EUR)
Global Community Engagement and Resilience Fund	54,600	75,677
Sing Net	18,682	64,158
Global Foundation	16,705	-
European Union Office in Kosovo	13,002	279,513
Increasing Civic Engagement in the Digital Agenda	10,497	-
European Bank for Reconstruction and Development	10,400	-
Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH	-	47,522
Balkan Green Foundation	-	8,400
OSBE	-	1,381
TOTAL	123,886	476,651

5 PROGRAM COSTS

	Year ended December 31, 2020 (in EUR)	Year ended December 31, 2019 (in EUR)
Grant Giving	104,263	226,198
Support to NGOs & Institutions	21,811	65,775
Advocacy	9,855	5,630
Surveys	5,541	1,724
International Travel	3,915	11,064
Conferences and Round Tables	3,718	7,782
IT Improvement	3,298	17,762
Developing Philanthropy	1,079	2,628
Annual planning	515	230
Staff Development and Training	486	3,712
Printing and Design	237	1,267
Per Diem and Volunteers	210	976
Equipment hire	200	1,054
Campaign	157	9,650
TOTAL	155,285	355,452

6 OPERATING COSTS

	Year ended December 31, 2020 (in EUR)	Year ended December 31, 2019 (in EUR)
Office rent	16,926	11,312
Maintenance	4,000	3,016
Office supplies	3,686	338
Other operating costs	1,160	2,052
Communications	809	1,119
TOTAL	26,581	17,837

7 SERVICES COSTS

	Year ended December 31, 2020 (in EUR)	Year ended December 31, 2019 (in EUR)
Contractual Services	9,302	18,922
Audit	1,400	1,300
Bank fee's	1,089	1,325
Policy Briefs	362	2,625
Translation	226	130
TOTAL	12,379	24,302

8 COMMITMENTS AND CONTINGENCIES

Capital commitments

There are no contingencies or commitments in existence as at the balance sheet date.

9 EVENTS AFTER THE REPORTING DATE

Events after the end of the reporting year on the balance sheet which provide additional information about the Organization's position at the balance sheet date (adjusting events) are reflected in the financial statements. Events after the end of the year that has not been adjusted are disclosed in the notes when the event reflects additional material value.