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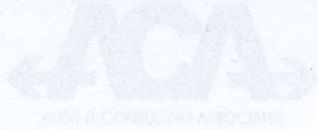


CIVIKOS PLATFORM

CIVIKOS

Independent Auditor's Report and financial statements
for the year ended December 31, 2014

PLATFORMA CIVIKOS



INDEPENDENT AUDITORS' REPORT

To the Board of Directors of CIVIKOS PLATFORM (CIVIKOS)

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An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risk of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of CIVIKOS PLATFORM as of December 31, 2014 and the results of its operation for the year then ended in conformity with accounting principals generally accepted in Kosovo.





INDEPENDENT AUDITORS' REPORT

To the Board of Directors of CIVIKOS PLATFORM (CIVIKOS)

We have audited the accompanying financial statements of CIVIKOS PLATFORM (CIVIKOS), which comprise the balance sheet as at December 31, 2014, and the statement of revenue and expenditure, statement of changes in net assets and cash flow statement for the year then ended, and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Kosovo Accounting Standards. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

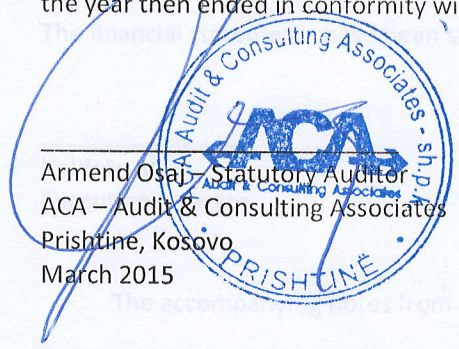
Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of CIVIKOS PLATFORM as of December 31, 2014 and the results of its operation for the year then ended in conformity with accounting principals generally accepted in Kosovo.


Armend Osaj – Statutory Auditor
ACA – Audit & Consulting Associates
Prishtine, Kosovo
March 2015

PLATFORMA CIVIKOS
Balance Sheet
For the year ended December 31, 2014

	Notes	31-Dec-14 (in EUR)	31-Dec-13 (in EUR)
ASSETS			
Non-current assets			
Property and equipment	3	-	-
Total non-current assets		-	-
Current assets			
Accounts receivable	4	21,890	-
Other receivable	4a	678	423
Cash and bank balances	5	52,813	31,792
Total current assets		75,381	32,215
TOTAL ASSETS		75,381	32,215
LIABILITIES AND RESERVES			
Current liabilities			
Accounts payable		6	500
Deferred revenues	6	75,323	31,655
Other liabilities		52	60
Total current liabilities		75,381	32,215
Non-current liabilities			
Total non-current liabilities		-	-
Equity			
Capital		-	-
Profit/Loss from the previous Year		-	-
Profit/Loss from the Year		-	-
Total equity		-	-
TOTAL LIABILITIES AND EQUITY		75,381	32,215

The financial statements have been signed on March 30, 2015 by:

Valdete Idrizi
Executive Director

The accompanying notes from 1 to 13 form an integral part of these financial statements

PLATFORMA CIVIKOS
Statement of Revenue and expenditures
For the year ended December 31, 2014

		Year ended December 31, 2014	Year ended December 31, 2013
	Notes	(in EUR)	(in EUR)
<i>Balance as at January 1, 2013</i>			
<i>Net deficit/surplus for the year ended December 31, 2013</i>			
<i>Balance as at January 1, 2014</i>			
Income			
<i>Net deficit/surplus for the year ended December 31, 2014</i>			
Grant Income	7	91,234	86,376
Total Income		91,234	86,376
Expenditure			
Administrative Expense	8	19,955	26,937
Programme Expense	9	31,392	24,233
Salaries and Benefits	10	39,887	35,206
Total expenditure		91,234	86,376
Net Surplus / (Deficit) for the year		<u><u>-</u></u>	<u><u>-</u></u>

The accompanying notes from 1 to 13 form an integral part of these financial statements

PLATFORMA CIVIKOS
Statement of Changes in Net Assets
For the year ended December 31, 2014

	Year ended December 31, 2014 (in EUR)	Year ended December 31, 2013 (in EUR)
Balance as at January 1, 2013	-	-
Net deficit/surplus for the year ended December 31, 2013	-	-
Balance as at January 1, 2014	-	-
Net deficit/surplus for the year ended December 31, 2014	-	-
Balance as at December 31, 2014	-	-
Change in other receivables	(1,237)	(1,237)
Change in payables	(454)	100
Change in other liabilities	(7)	60
Change in deferred revenues	43,668	31,156
Net cash from operating activities	21,021	30,892
Cash flows from investing activities		
Acquisition of property and equipment		
Net cash used in investing activities		
Net increase in cash and cash equivalents	21,021	30,892
Cash and cash equivalents at 1 January	31,792	900
Cash and cash equivalents at 31 December	52,813	31,792

The accompanying notes from 1 to 13 form an integral part of these financial statements

PLATFORMA CIVIKOS
Statement of Cash Flows
For the year ended December 31, 2014

1. INTRODUCTION

	Year ended December 31, 2014 (in EUR)	Year ended December 31, 2013 (in EUR)
Cash flows from operating activities		
(Deficit)/surplus for the period	-	-
Adjustment for:		
Depreciation	-	-
Change in receivables	-	-
Change in other receivables	(22,145)	(423)
Change in payables	(494)	100
Change in other liabilities	(7)	60
Change in deferred revenues	43,668	31,156
Net cash from operating activities	21,021	30,892
Cash flows from investing activities		
Acquisition of property and equipment	-	-
Net cash used in investing activities	-	-
Net increase in cash and cash equivalents	21,021	30,892
Cash and cash equivalents at 1 January	31,792	900
Cash and cash equivalents at 31 December	52,813	31,792

During these last two years, Civikos platform has organized a number of consultations with the civil society organizations, mostly member organization, not only for the objectives of the strategy but also have prepared a number of analysis and studies on different issues which will be incorporated in the Strategy of Cooperation, offering a professional basis of information and knowledge to draft a serious document for cooperation.

During 2013 Civikos Platform started to implement a one year project "Working Together. Towards a productive working relation between civil society and the authorities in Kosovo", an EU funded project managed by the European Union Office in Kosovo. The main objective of this project is to contribute to good governance, European integration, and a vibrant Civil Society in Kosovo through ensuring good cooperation between Civil Society and the authorities in Kosovo.

The accompanying notes from 1 to 13 form an integral part of these financial statements

PLATFORMA CIVIKOS
Notes to the Financial Statements (continued)
For the year ended December 31, 2014

1. INTRODUCTION

CiviKos Platform is an initiative of civil society organizations in Kosovo started in early 2007 and officially registered on 2 September 2007, aimed at creating an enabling environment for cooperation of formal civil society sector and the Government of Kosovo.

Supported by the Kosovo Foundation for Open Society, with the participation of many CSO members and government officials, this initiative was officially launched in July 2007. Amongst others, CiviKos platform, after a long consultation process with the participation of over 130 civil society organizations, on 9 November 2007 signed a Memorandum of Cooperation between the Government of Kosovo and civil society (represented by CiviKos Platform). This memorandum represents the first formal document that provides for a mutual commitment and institutional cooperation in genuine partnership between the Government and civil society.

After a period of limited activities, during May 2010 The Board of CiviKos Platform decided to engage in more concrete activities to strengthen the Platform with the aim to promote the Memorandum of Cooperation into a Strategy for Cooperation between the Government of Kosovo and the civil society, which would represent a core document for turning taken promises into concrete activities and results.

With this initiative, during 2010 and 2011 CiviKos Platform focused on its internal strengthening, amongst other by organizing the Assembly of the members, consolidating its documents for successful functionality of the platform and also by selecting new leadership and managerial structures.

CiviKos Platform has been engaged in the initiation of the dialogue with the Government of Kosovo toward structuring the cooperation between the civil society and the government sector. In this regard the main obstacle was the institutional vacuum created in Kosovo at the end of 2010 and beginning of 2011, as a consequence of the long process of elections and delays in establishment of governmental institutions. During 2011 many meetings were organized with the member organizations where the main issues to be addresses and discussed were on the cooperation with the governmental sector. A main result derived from this preparatory phase is that CiviKos Platform has drafted the Framework of the Strategy for Cooperation with the Government of Kosovo, an internal document of the platform which reflects the consolidated position of its members for different components of this cooperation.

During these last two years, CiviKos platform has organized a number of consultations with the civil society organizations, mostly member organization, not only for the objectives of the strategy but also have prepared a number of analysis and studies on different issues which will be incorporated in the Strategy of Cooperation, offering a professional basis of information and knowledge to draft a serious document for cooperation.

During 2013 CiviKos Platform started to implement a one year project "Working Together. Towards a productive working relation between civil society and the authorities in Kosovo", an EU funded project managed by the European Union Office in Kosovo. The main objective of this project is to contribute to good governance, European integration, and a vibrant Civil Society in Kosovo through ensuring good cooperation between Civil Society and the authorities in Kosovo.

PLATFORMA CIVIKOS

Notes to the Financial Statements (continued)

For the year ended December 31, 2014

Also on July 5, 2013 Kosovo Government approved its first Strategy for Cooperation with Civil Society (2013-2017). The aim of the Strategy is to establish structured cooperation mechanisms between the Government of Kosovo and the civil society sector. CiviKos Platform has been playing a vital role in the process of consulting and drafting this Strategy in close cooperation with the government. Both Office of the Prime Minister/Office for Good Governance and CiviKos will jointly coordinate the implementation of the Strategy and Action Plan.

2.2 Currency of presentation

The reporting currency of CIVIKOS is the European Union currency unit Euro ("EUR").

2.3 Significant accounting policies

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

2.3.1 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 banks and in operating accounts at banks with an original maturity of three months or less.

2.3.2 Account Receivables

The account receivables are recorded in the assets side of Balance sheet in the value as they are invoices, and they represent the amount due to CIVIKOS.

2.3.3 Property and equipment

CIVIKOS has the policy to present all purchased equipments in statement of revenue and expenditure. Therefore they are not capitalized nor are depreciated. CIVIKOS keeps and continuously updates a list of its assets.

2.3.4 Revenue recognition

Revenues from grants are recognized as income on a straight-line basis over the period of the operation.

2.3.5 Expenses recognition

Expenses incurred for generation incomes are recognized in that period with the historical costs.

2.3.6 Taxation

The CIVIKOS was established as a non-profit organization and works under Kosovo Regulations for Non Governmental Organizations no. 04/1-057, year 2011.

PLATFORMA CIVIKOS
Notes to the Financial Statements (continued)
For the year ended December 31, 2014

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

Financial Statements are prepared for reporting purposes in accordance with applicable laws of Kosovo, and represent the entire picture of economic events that occurred in "CIVIKOS" during 2014.

2.2 Currency of presentation

The reporting currency of CIVIKOS is the European Union currency unit Euro ("EUR").

2.3 Significant accounting policies

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

2.3.1 Cash and cash equivalents

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2.3.6 Taxation

The CIVIKOS was established as a non-profit organization and works under Kosovo Regulations for Non Governmental Organizations no. 04/L-057, year 2011.

PLATFORMA CIVIKOS
Notes to the Financial Statements (continued)
For the year ended December 31, 2014

3. PROPERTY AND EQUIPMENT

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

4. ACCOUNTS RECEIVABLE

Accounts receivable has to do with remaining installment for project supported from FES and the last installment for the project supported from European Commission no. 2013/317-659.

	December 31, 2014 (in EUR)	December 31, 2013 (in EUR)
FES	1,362	-
European Commission 2013/317-659	20,528	-
Total Receivables	21,890	-

Deferred Revenues in 2014 are related to funds received during 2014, which were to be held in the next fiscal year. A breakdown of deferred revenues per project is presented below:

4a. OTHER RECEIVABLES

Has to do with VAT collected from purchases made for the European Commission supported project. The VAT is expected to be reimbursed on 2015.

EUR	Soros C06/12	Soros C14/13	Soros C1/18	European Commission 2013/317-659	European Commission 2014/332-637	FES 2404	TACSO	Total
Balance at 31 December 2013	6,665	2,092	-	22,258	-	-	-	31,015
5. CASH AND BANK BALANCES								
Additions in 2014	-	-	5,500	20,631	104,130	2,082	2,500	134,902
Income recognized in 2014	(6,665)	(3,192)	(5,476)	(42,485)	(28,930)	(1,362)	(2,500)	(91,200)
Balance at 31 December 2014	-	(900)	-	78,176	75,100	100	-	75,323

	December 31, 2014 (in EUR)	December 31, 2013 (in EUR)
Cash in hand	125	242
Cash at banks	52,688	31,550
Total Cash and Bank Balances	52,813	31,792

During this period CIVIKOS had two bank accounts opened in ProCredit Bank Kosovo.

PLATFORMA CIVIKOS
Notes to the Financial Statements (continued)
For the year ended December 31, 2014

6. DEFERRED REVENUE

	December 31, 2014 (in EUR)	December 31, 2013 (in EUR)
Soros C06/12	-	6,665
Soros C14/13	-	2,692
Soros C1/14	24	-
FES	100	-
European Commission 2014/352-637	75,199	-
European Commission 2013/317-659	-	22,298
Total Deferred Revenues	75,323	31,655

Deferred Revenues in 2014 are related to funds received during 2014, which were to be held in the next fiscal year. A breakdown of deferred revenues per project is presented below:

EUR	Soros C06/12	Soros C14/13	Soros C1/14	European Commission 2013/317-659	European Commission 2014/352-637	FES 2464	TACSO	Total
Balance at 31 December 2013	6,665	2,692	-	22,298	-	-	-	31,655
Additions in 2014	-	-	5,500	20,691	104,130	2,082	2,500	134,902
Income recognized in 2014	(6,665)	(3,192)	(5,476)	(42,488)	(28,930)	(1,982)	(2,500)	(91,234)
Balance at 31 December 2014	-	(500)	24	500	75,199	100	-	75,323

PLATFORMA CIVIKOS
Notes to the Financial Statements (continued)
For the year ended December 31, 2014

9. PROGRAM EXPENSES

7. INCOMES

CIVIKOS Platforma has signed contract with European Commission on November 13, 2014 for the project no. 2014/352-637, the CIVIKOS partner in this project is NGG CNVO from Slovenia. First installment for the project partner, CIVIKOS has paid 104,130 EUR. The evaluation and auditing cost has happened for this project with no. 2013/317-659 financed from European Commission which was finished on September 2014.

	December 31, 2014 (in EUR)	December 31, 2013 (in EUR)
Soros 012/11	-	4,168
Soros 420/11	-	-
Soros C06/12	6,665	26,494
Soros C14/13	3,192	9,852
Soros C1/14	5,500	-
FES	2,082	-
TACSO	2,500	-
European Commission 2014/352-637	104,130	-
European Commission 2013/317-659	42,488	77,518
Deferred Revenues	(75,323)	(31,655)
Total Income	91,234	86,376

8. ADMINISTRATIVE EXPENSES

	December 31, 2014 (in EUR)	December 31, 2013 (in EUR)
Communication (internet, telephone)	914	1,999
Fuel	278	934
Rent, Utilities	11,180	9,600
Office Supplies	579	1,223
Equipment	667	3,680
Board meeting	2,464	92
IT maintenance	447	-
Vehicle costs	1,163	-
Bank charge	904	108
Other	1,358	9,300
Total administrative expenses	19,955	26,937

PLATFORMA CIVIKOS

Notes to the Financial Statements (continued)

For the year ended December 31, 2014

9. PROGRAM EXPENSES

CIVIKOS Platform has signed contract with European Commission on November 13, 2014 for the project no. 2014/352-637, the CIVIKOS partner in this project is NGO CNVO from Slovenia. First installment for the project partner, CIVIKOS has paid on December, 2014.

The evaluation and auditing cost has happened for the evaluation and audit of the project with no. 2013/317-659 financed from European Commission which has finished on September, 2014.

	December 31, 2014 (in EUR)	December 31, 2013 (in EUR)
Personel	1,286	11,484
Office Supplies	163	378
Equipment	-	-
Translation	894	890
Printing	1,977	1,337
Telephone	771	586
Fuel	1,292	-
Policy papers costs	3,000	2,000
Training costs	908	-
Representation costs	418	336
Website maintenance	771	-
Travel	1,676	3,219
Accommodation	1,396	1,224
Workshops	523	1,463
Policy expert/consultation CNVO	10,670	-
Survey	2,000	-
Evaluation	1,724	-
Audit	1,724	1,312
Bank Charge	-	5
Maintenance	199	-
Total Programme expenses	31,392	24,233

PLATFORMA CIVIKOS
Notes to the Financial Statements (continued)
For the year ended December 31, 2014

10. SALARIES AND BENEFITS

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 influence or control over the other party in making financial or operational decisions as defined by IAS 24. In considering each possible related party relationship, attention shall be given to the substance of the relationship, not merely the legal form.

	December 31, 2014 (in EUR)	December 31, 2013 (in EUR)
Executive Director	10,203	10,807
Project Coordinator	9,375	8,755
Finance Manager	6,248	8,117
Communication and Info Manager	6,600	3,600
Monitoring and Evaluation	6,600	3,000
Interns	861	928
Total salaries and benefits	39,887	35,206

11. TOTAL INCOME AND EXPENDITURE BY PROJECTS

Transactions are undertaken all in local currency. Management monitors and sets limits on the level of such exposure by currency and in total. The CIVIKOS does not speculate in or engage in the trading of derivative financial instruments.

	SOROS C14/13	SOROS C06/12	SOROS C1/14	European Commission 2013/317-659	European Commission 2014/352-637	FES	TACSO	Total
Grant Income	3,192	6,665	5,476	42,488	28,930	1,982	2,500	91,234
Total Income	3,192	6,665	5,476	42,488	28,930	1,982	2,500	91,234
Expenditure								
Administrative Expense	219	2,448	1,413	9,300	6,565	10	-	19,955
Programme Expense	-	3,617	3,463	8,099	14,741	1,472	-	31,392
Salaries and Benefits	2,973	600	600	25,090	7,624	500	2,500	39,887
Total expenditure	3,192	6,665	5,476	42,488	28,930	1,982	2,500	91,234
Net Surplus / (Deficit) for the year	-	-	-	-	-	-	-	-

PLATFORMA CIVIKOS
Notes to the Financial Statements (continued)
For the year ended December 31, 2014

12. 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.

13. RISK MANAGEMENT

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. CIVIKOS is not exposed to any credit risk during 2014.

Interest rate risk

The CIVIKOS currently is not exposed to the interest rate risk.

Foreign exchange risk

The CIVIKOS is not exposed to foreign exchange risk as transactions are undertaken all in local currency. Management monitors and sets limits on the level of such exposure by currency and in total. The CIVIKOS does not speculate in or engage in the trading of derivative financial instruments.

Liquidity risk

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

Fair value of financial instruments

The carrying value of all financial assets and liabilities reflected in the financial statements approximate their fair values.