



**CIVIKOS PLATFORM
CIVIKOS**

Independent Auditor's Report and financial statements
for the year ended December 31, 2017

PLATFORMA CIVIKOS

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of Platforma Civikos - Civikos

Opinion

We have audited the accompanying financial statements of NGO Civikos Platform - Civikos which comprise the statement of financial position as at December 31, 2017, and 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 financial statements, except what is referred below, present fairly, in all material respects, the financial position of NGO Civikos as of December 31, 2017, results of its operation and the cash flow for the year then ended in conformity with International Financial Reporting Standards

Basis for Opinion

We have 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 Project financial report: section of our report. We are independent of the Business in accordance with 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. 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 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 company'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 Company or Interrupt the operation, or there is no other possible alternative than to do it. Those charged with governance are responsible for overseeing the Company'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 Company'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 Company'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 Company 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.

Audit & Consulting Associates
ACA – Audit & Consulting Associates
Prishtine, Kosovo
March 2018



PLATFORMA CIVIKOS
Balance Sheet
For the year ended December 31, 2017

	Notes	31-Dec-17 (in EUR)	31-Dec-16 (in EUR)
ASSETS			
Non-current assets			
Property and equipment	3	-	-
Total non-current assets			
Current assets			
Prepayments			
Accounts receivable	4	30	13,622
Other receivable		-	-
Cash and bank balances	5	59,154	13,221
Total current assets		59,184	26,843
TOTAL ASSETS		59,184	26,843
LIABILITIES AND RESERVES			
Current liabilities			
Accounts payable	6	1,317	5,811
Deferred revenues	7	56,199	19,491
Tax liabilities	8	1,668	1,481
Other liabilities		-	60
Total current liabilities		59,184	26,843
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		59,184	26,843

The financial statements have been signed on March 30, 2018 by:


Dardan Kryeziu
Executive Director



The accompanying notes from 1 to 15 form an integral part of these financial statements

PLATFORMA CIVIKOS
Statement of Revenue and expenditures
For the year ended December 31, 2017

	Notes	Year ended December 31, 2017 (in EUR)	Year ended December 31, 2016 (in EUR)
Income			
Grant Income	9	147,404	95,825
Total Income		147,404	95,825
Expenditure			
Administrative Expense	10	15,273	24,848
Programme Expense	11	90,847	25,215
Salaries and Benefits	12	41,384	45,763
Total expenditure		147,404	95,825
Net Surplus / (Deficit) for the year		-	-

The accompanying notes from 1 to 15 form an integral part of these financial statements

PLATFORMA CIVIKOS
Statement of Changes in Net Assets
For the year ended December 31, 2017

Balance as at January 1, 2016	-	-
Net deficit/surplus for the year ended December 31, 2016	-	-
Balance as at December 31, 2016	<u>-</u>	<u>-</u>
Net deficit/surplus for the year ended December 31, 2017	-	-
Balance as at December 31, 2017	<u><u>-</u></u>	<u><u>-</u></u>

The accompanying notes from 1 to 15 form an integral part of these financial statements

PLATFORMA CIVIKOS
Statement of Cash Flows
For the year ended December 31., 2017

	Year ended December 31, 2017 (in EUR)	Year ended December 31, 2016 (in EUR)
Cash flows from operating activities		
(Deficit)/surplus for the period	-	-
Adjustment for:		
Depreciation	-	-
Change in receivables	13,592	(13,622)
Change in other receivables	-	598
Change in payables	(4,494)	2,940
Change in other liabilities	(60)	-
Change in tax liabilities	187	609
Change in deferred revenues	36,707	(38,635)
Net cash from operating activities	45,933	(48,110)
Cash flows from investing activities:		
Acquisition of property and equipment	-	-
Net cash used in investing activities	-	-
Net increase in cash and cash equivalents	45,933	(48,110)
Cash and cash equivalents at 1 January	13,221	61,331
Cash and cash equivalents at 31 December	59,154	13,221

The accompanying notes from 1 to 15 form an integral part of these financial statements

PLATFORMA CIVIKOS
Notes to the Financial Statements
For the year ended December 31, 2016

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, 2017

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.

PLATFORMA CIVIKOS**Notes to the Financial Statements (continued)**

For the year ended December 31, 2017

2. ADOPTION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS**2.1 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
IFRS 5	Non-current Assets Held for Sale and Discontinued Operations-Changes in methods of disposal	beginning on or after 1 January 2016
IFRS 7	Financial Instruments: Disclosures-Servicing Contracts and Applicability of the offsetting disclosures to condensed interim financial statements	beginning on or after 1 January 2016
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 2016
Amendment to IAS 1	Presentation of Financial Statements	beginning on or after 1 January 2016
Amendment to IAS 16	Property, Plant and Equipment	beginning on or after 1 January 2016
Amendments to IAS 19	Employee Benefits	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
IAS 34	Interim Financial reporting-Disclosure of Information elsewhere in the interim	beginning on or after 1 January 2016

PLATFORMA CIVIKOS
Notes to the Financial Statements (continued)
For the year ended December 31, 2017

	financial report	
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
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 2	Classification and Measurement of Share-based Payment transactions	beginning on or after 1 January 2018
IFRS 9	Financial Instruments	beginning on or after 1 January 2018

PLATFORMA CIVIKOS
Notes to the Financial Statements (continued)
For the year ended December 31, 2017

IFRS 15	Revenue from Contracts with Customers	beginning on or after 1 January 2017
IFRS 16	Leases	beginning on or after 1 January 2019
Amendment IAS 12	Recognition of Deferred Tax Assets for Unrealised Losses	beginning on or after 1 January 2017
Amendment IAS 7	Disclosure Initiative	beginning on or after 1 January 2017

The entity 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.

PLATFORMA CIVIKOS
Notes to the Financial Statements (continued)
For the year ended December 31, 2017

3. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

3.1 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 2017.

3.2 Currency of presentation

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

3.3 Significant accounting policies

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

3.3.1 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.

3.3.2 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.

3.3.3 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.

3.3.4 Revenue recognition

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

3.3.5 Expenses recognition

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

3.3.6 Taxation

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

PLATFORMA CIVIKOS
Notes to the Financial Statements (continued)
For the year ended December 31, 2017

3. PROPERTY AND EQUIPMENT

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

4. ACCOUNTS RECEIVABLE

	December 31, 2017 (in EUR)	December 31, 2016 (in EUR)
European Commission 2013/317-659	-	13,589
Other	30	-
Total Receivables	30	13,589

5. CASH AND BANK BALANCES

	December 31, 2017 (in EUR)	December 31, 2016 (in EUR)
Cash in hand	56	25
Cash at banks	59,098	13,196
Total Cash and Bank Balances	59,154	13,221

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

PLATFORMA CIVIKOS
Notes to the Financial Statements (continued)
For the year ended December 31, 2017

6. ACCOUNTS PAYABLE

Accounts payable are related with the supplies that will be paid on 2018 and the remaining payments to be paid to the NGO's in accordance with the contractual agreements.

	December 31, 2017 (in EUR)	December 31, 2016 (in EUR)
Auditing	-	2,000
Payables to individuals	-	2,833
Partner organizations	870	-
Taxi	157	-
Other	290	977
Total accounts payable	1,317	5,811

7. DEFERRED REVENUE

	December 31, 2017 (in EUR)	December 31, 2016 (in EUR)
DSP	20,586	12,849
UNDP	-	2,674
Membership	126	1,350
Team project	5,475	-
Embassy of Netherlands	30,012	-
European Commission 2014/352-637	-	904
Tasco	-	1,714
Total Deferred Revenues	56,199	19,491

Deferred Revenues in 2017 are related to funds received during 2017, which were to be held in the next fiscal year. A breakdown of deferred revenues per project is presented below:

EUR	Embassy of Netherland	DAI	UNMIK	UNDP	DSP	European Commission 2014/352-637	Membership	TACSO	Other	Total
Balance at 31 December 2016	-	-	-	2,674	12,849	904	1,350	1,714	-	19,491
Additions in 2017	52,416	60,884	13,690	9,215	39,444	-	325	7,000	1,137	184,112
Income recognised in 2017	(22,404)	(55,409)	(13,690)	(11,889)	(31,707)	(904)	(1,549)	(8,714)	(1,137)	(147,404)
Balance at 31 December 2017	30,012	5,475	(1)	-	20,586	-	126	-	-	56,199

PLATFORMA CIVIKOS
Notes to the Financial Statements (continued)
For the year ended December 31, 2017

8. TAX LIABILITIES

Tax liabilities are related to the withholding tax and pension contributions of December salaries to be paid in 2017.

	December 31, 2017 (in EUR)	December 31, 2016 (in EUR)
Withheld tax	773	1,481
Pension Contribution	896	-
Total Income	1,668	1,481

9. INCOMES

	December 31, 2017 (in EUR)	December 31, 2016 (in EUR)
DSP	52,293	19,700
FES	-	-
TACSO	8,714	16,450
European Commission 2014/352-637	904	71,764
Membership	1,675	1,350
UNDP	11,889	6,053
UNMIK	13,690	-
DAI	60,884	-
Embassy of Netherlands	52,416	-
Other Income	1,137	-
Deferred Revenues	(56,199)	(19,491)
Total Income	147,404	95,825

PLATFORMA CIVIKOS
Notes to the Financial Statements (continued)
For the year ended December 31, 2017

10. ADMINISTRATIVE EXPENSES

	December 31, 2017 (in EUR)	December 31, 2016 (in EUR)
Communication (internet, telephone)	1,064	1,571
Fuel	2,803	2,421
Rent, Utilities	8,361	7,844
Office Supplies	897	2,598
Vehicle costs	981	3,163
Audit	1,000	4,000
Local travel	-	1,647
Other	68	1,605
Total administrative expenses	15,173	24,848

11. PROGRAM EXPENSES

	December 31, 2017 (in EUR)	December 31, 2016 (in EUR)
Personnel	5,142	5,051
Translation	1,516	-
Printing	946	-
Telephone	464	-
Training costs	18,186	620
Representation costs	-	2,000
Website maintenance	1,050	112
Travel	2,708	-
Accommodation	5,009	2,580
Workshops	4,660	7,936
Research	24,802	-
Other NGO expense	4,150	4,000
Program Expenses	18,888	-
Policy expert/consultation CNVO	2,896	2,700
Other	430	216
Total Program Expenses	90,847	25,215

PLATFORMA CIVIKOS
Notes to the Financial Statements (continued)
For the year ended December 31, 2017

12. SALARIES AND BENEFITS

	December 31, 2017 (in EUR)	December 31, 2016 (in EUR)
Personnel	41,384	45,763
Total salaries and benefits	41,384	45,763

13. TOTAL INCOME AND EXPENDITURE BY PROJECTS

	Embassy of Netherlands	Civikos	DAI	European Commission 2014/352-637	DSP	UNDP	UNMIK	TACSO	Other	Total
Grant Income	22,404	1,549	55,409	904	31,707	11,889	13,690	8,714	1,137	147,404
Total Income	22,404	1,549	55,409	904	31,707	11,889	13,690	8,714	1,137	147,404
Expenditure										
Administrative Expense	105	259	-	-	13,975	-	-	-	835	15,173
Programme Expense	10,959	1,290	41,624	-	3,293	11,889	12,775	8,714	303	90,847
Salaries and Benefits	11,340	-	13,786	904	14,440	-	915	-	-	41,384
Total expenditure	22,404	1,549	55,409	904	31,707	11,889	13,690	8,714	1,137	147,404
Net Surplus/(Deficit) for the year	-	-	-	-	-	-	-	-	-	-

PLATFORMA CIVIKOS
Notes to the Financial Statements (continued)
For the year ended December 31, 2017

14. 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.

15. 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 2015.

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.