



PLATFORMA CIVIKOS

CIVIKOS

Independent Auditor's Report and financial statements
for the year ended December 31, 2012

PLATFORMA CIVIKOS

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of PLATFORMA CIVIKOS (CIVIKOS)

We have audited the accompanying financial statements of PLATFORMA CIVIKOS (CIVIKOS), which comprise the balance sheet as at December 31, 2012, 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 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.

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 as of December 31, 2012 and the results of its operation for the year then ended in conformity with accounting principals generally accepted in Kosovo.

We draw attention to following issue as an emphasis on the matter:

- The ending balances of year 2011 are not audited balances, since CIVIKOS did not perform any financial audit in previous years.

Armend Osaj – Statutory Auditor
ACA – Audit & Consulting Associates
Prishtine, Kosovo
April 2013



PLATFORMA CIVIKOS
Balance Sheet
For the year ended December 31, 2012

	Notes	December 31, 2012 (in EUR)	December 31, 2011 (in EUR)
ASSETS			
Non-current assets			
Property and equipment	3	-	-
Total non-current assets		-	-
Current assets			
Accounts receivable		-	-
Cash and bank balances	4	31,121	38,693
Total current assets		31,121	38,693
TOTAL ASSETS		31,121	38,693
LIABILITIES AND RESERVES			
Current liabilities			
Accounts payable		400	-
Deferred revenues	5	30,722	38,693
Total current liabilities		31,121	38,693
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		31,121	38,693

The financial statements have been signed on April 19, 2013 by:

Valdete Idrizi
Executive Director

The accompanying notes from 1 to 12 form an integral part of these financial statements

PLATFORMA CIVIKOS
Statement of Revenue and expenditures
For the year ended December 31, 2012

	Notes	Year Ended December 31, 2012 (in EUR)
Income		
Soros	6	57,572
Total Income		57,572
Expenditure		
Administrative Expense	7	10,085
Programme Expense	8	24,887
Salaries and Benefits	9	22,600
Total expenditure		57,572
Net Surplus / (Deficit) for the year		-

The accompanying notes from 1 to 12 form an integral part of these financial statements

PLATFORMA CIVIKOS
Statement of Changes in Net Assets
For the year ended December 31, 2012

	Retained surplus (in EUR)	Total Reserves (in EUR)
Balance as at January 1, 2011	-	-
Net deficit/surplus for the year ended December 31, 2011	-	
Balance as at January 1, 2012	<u>-</u>	<u>-</u>
Net deficit/surplus for the year ended December 31, 2012	-	
Balance as at December 31, 2012	<u><u>-</u></u>	<u><u>-</u></u>

The accompanying notes from 1 to 12 form an integral part of these financial statements

PLATFORMA CIVIKOS
Statement of Cash Flows
For the year ended December 31, 2012

	Year ended December 31, 2012 (in EUR)
Cash flows from operating activities	
(Deficit)/surplus for the period	-
Adjustment for:	
Depreciation	-
Change in receivables	-
Change in other receivables	-
Change in payables	400
Change in deferred revenues	(7,972)
Net cash from operating activities	<u>(7,572)</u>
Cash flows from investing activities	
Acquisition of property and equipment	-
Net cash used in investing activities	<u>-</u>
Net increase in cash and cash equivalents	(7,572)
Cash and cash equivalents at 1 January	38,693
Cash and cash equivalents at 31 December	<u>31,121</u>

The accompanying notes from 1 to 12 form an integral part of these financial statements

PLATFORMA CIVIKOS
Notes to the Financial Statements
For the year ended December 31, 2012

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 Platform CiviKos). 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.

After the governmental institutions were established after the elections of December 2010, and as a consequence of the contact and advocating from the side of the CiviKos Platform, the Government of Kosovo started to draft the Strategy for Cooperation with the civil society, a document which derives from the Memorandum of Understanding between the Government of Kosovo and CiviKos Platform. CiviKos Platform was engaged in this process from the beginning phase, being intensively engaged in the Initiative Group for drafting the strategy, together with the respective units of the Office of the Prime Minister mandated to lead this process.

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.

2013 is expected to be the year when the governmental Strategy for Cooperation with civil society will be adopted, and also the initiation of its implementation. The engagement of the CiviKos Platform in the drafting phase and the implementation will be crucial to ensure a right representation of the interest and contribution of civil society in this process.

PLATFORMA CIVIKOS
Notes to the Financial Statements (continued)
For the year ended December 31, 2012

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 2012.

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 with beneficiary status under Kosovo Regulations for Non Governmental Organizations no. 2009/03-L-134.

PLATFORMA CIVIKOS
Notes to the Financial Statements (continued)
For the year ended December 31, 2012

3. PROPERTY AND EQUIPMENT

According to the Kosovo legislation, all equipments with the purchasing value less than EUR 1,000 are presented in statement of revenue and expenditure. Therefore they are not capitalized nor are depreciated.

CIVIKOS did not have any major purchase that would need to be capitalized in financial statements.

4. CASH AND BANK BALANCES

	December 31, 2012 (in EUR)
Cash in hand	1
Cash at banks	31,120
Total Cash and Bank Balances	31,121

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

5. DEFERRED REVENUE

	December 31, 2012 (in EUR)
Soros 012/11	4,227
Soros C06/12	26,494
Total Deferred Revenues	30,722

Deferred Revenues in 2012 are related to funds received in 2011 and 2012, which were to be held in the next fiscal year. A breakdown of deferred revenues per project is presented below:

EUR	Soros 012/11	Soros 420/11	Soros C06/12	Total
Balance at 31 December 2011	18,997	19,696	-	38,693
Additions in 2012	-	-	49,600	49,600
Income recognized in 2012	(14,769)	(19,696)	(23,106)	(57,572)
Balance at 31 December 2012	4,227	0	26,494	30,722

PLATFORMA CIVIKOS
Notes to the Financial Statements (continued)
For the year ended December 31, 2012

6. INCOMES

	December 31, 2012 (in EUR)
Soros 012/11	18,997
Soros 420/11	19,696
Soros C06/12	49,600
Deferred Revenues	(30,722)
Total incomes	57,572

7. ADMINISTRATIVE EXPENSES

	December 31, 2012 (in EUR)
Communication (internet, telephone)	610
Fuel	338
Rent, Utilities	4,000
Office Supplies	3,033
Equipment	973
Board meeting	958
Bank charge	173
Other	-
Total administrative expenses	10,085

PLATFORMA CIVIKOS
Notes to the Financial Statements (continued)
For the year ended December 31, 2012

8. PROGRAM EXPENSES

	December 31, 2012 (in EUR)
Personnel	1,947
Office Supplies	236
Equipment	958
Translation	656
Printing	274
Telephone	149
Policy papers costs	9,944
Training costs	1,032
Representation costs	647
Website maintenance	550
Travel	3,535
Accommodation	4,000
Workshops	956
Maintenance	4
Total Programme expenses	24,887

9. SALARIES AND BENEFITS

	December 31, 2012 (in EUR)
Executive Director	11,400
Project Coordinator	7,200
Finance Manager	4,000
Total salaries and benefits	22,600

PLATFORMA CIVIKOS
Notes to the Financial Statements (continued)
For the year ended December 31, 2012

10. TOTAL INCOME AND EXPENDITURE BY PROJECTS

	SOROS 012/11	SOROS 420/11	SOROS C06/12	Total
Income	14,769	19,696	23,106	57,572
Total Income	14,769	19,696	23,106	57,572
Expenditure				
Administrative Expense	650	2,654	6,781	10,085
Programme Expense	14,119	7,743	3,025	24,887
Salaries and Benefits	-	9,300	13,300	22,600
Total expenditure	14,769	19,696	23,106	57,572
Net Surplus / (Deficit) for the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

11. 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.

12. 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 2012.

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.

PLATFORMA CIVIKOS
Notes to the Financial Statements (continued)
For the year ended December 31, 2012

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.