

Youth Initiative for Human Rights Kosovo

FINANCIAL STATEMENTS WITH INDEPENDENT AUDITORS' REPORT

For the year ended 31 December 2017



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SPECIAL PURPOSE INDEPENDENT AUDITOR'S REPORT

To: YIHR management

Opinion

We have audited financial statements of Youth Initiative for Human Rights Kosovo ("YIHR"), which comprises the statement of financial position as at 31 December 2017, and the income statement for the year then ended, and notes to financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements of Youth Initiative for Human Rights Kosovo, for the year ended 31 December 2017 are prepared, in all material respects, in accordance with the financial reporting requirement of organization and relevant laws in Kosovo.

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 ethical requirements that are relevant to our audit of the financial statements in Kosovo, and we 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 of the financial statements in accordance with the financial reporting requirements and for such controls as management determines is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Organization's ability to continue as going concern, disclosing, as applicable, matters relating 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 Financial Statements

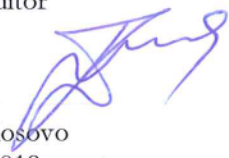
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee 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 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 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 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 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 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.

Lulzim Zeka
Statutory Auditor



Baker Tilly Kosovo
18 October 2018



Youth Initiative for Human Rights Kosovo - YIHR
Statement of Financial Position
As at 31 December 2017
(All amounts in Euro)

<i>As at:</i>	<i>Note</i>	<u><i>31-Dec-17</i></u>	<u><i>31-Dec-16</i></u>
Assets			
Current assets			
Cash & cash equivalents	3	17,317	23,733
Accounts receivable			-
Total current assets		<u>17,317</u>	<u>23,733</u>
Fixed Assets			
Assets	4	-	197
Total fixed Assets		<u>-</u>	<u>197</u>
Total Assets		<u><u>17,317</u></u>	<u><u>23,931</u></u>
Liabilities			
Short term liabilities			
Accounts payable			
Tax and Payroll Liabilities		70	49
Deferred Revenues	5	16,697	23,576
Other liabilities		550	306
Total short term liabilities		<u>17,317</u>	<u>23,931</u>
Total Liabilities		<u><u>17,317</u></u>	<u><u>23,931</u></u>
Equity			
Opening Balance		-	-
Net surplus/deficit		-	-
Total Equity		<u>-</u>	<u>-</u>
Total Liabilities and Equity		<u><u>17,317</u></u>	<u><u>23,931</u></u>

Approved by:

Marigona Shabiu, Executive Director – YIHR

Youth Initiative for Human Rights Kosovo - YIHR
Statement of Comprehensive Income
For the year ended 31 December 2017
(All amounts in Euro)

<i>For the year ended as at:</i>	<i>Note</i>	<u><i>31-Dec-17</i></u>	<u><i>31-Dec-16</i></u>
Income			
Income from Donations	5	172,454	92,915
Total Income		<u>172,453</u>	<u>92,915</u>
Expenses			
Payroll expenses		58,924	35,841
Depreciation expenses	4	197	800
Operating expenses	6	113,333	56,274
Total Expenses		<u>172,454</u>	<u>92,915</u>
Net/(loss) surplus		<u>-</u>	<u>-</u>

Youth Initiative for Human Rights Kosovo - YIHR
Statement of Comprehensive Income
For the year ended 31 December 2017
(All amounts in Euro)

<i>For the year ended as at:</i>	<u><u>31-Dec-17</u></u>	<u><u>31-Dec-16</u></u>
Cash flow from operating activities		
Net surplus/(deficit) for the year	-	-
<i>Changes in operating assets and liabilities</i>		
Depreciation	197	800
(Increase)/Decrease in receivables	-	-
Increase/(Decrease) in payables	244	(5,849)
Increase/(Decrease) in payroll liabilities	21	49
Increase/(Decrease) in other liabilities	(6,878)	(81)
Net cash flow from operating activities	<u><u>(6,416)</u></u>	<u><u>(5,081)</u></u>
Cash flow from investing activities		
Additions in fixed assets	-	-
Net cash flow from investing activities	<u><u>-</u></u>	<u><u>-</u></u>
Net increase/(decrease)		
Cash and cash equivalents at the beginning of the year	23,733	28,814
Cash and cash equivalent at the end of the year	<u><u>17,317</u></u>	<u><u>23,733</u></u>

Youth Initiative for Human Rights Kosovo - YIHR
Notes to the Financial Statements
For the year ended 31 December 2017
(All amounts in Euro)

1. Introduction

The organization was founded under the name Youth Initiative by 11 founders in Belgrade on 1 November 2003. The Youth Initiative was registered in the legal form of an association at the Serbian Ministry for Human and Ethnic Minorities' Rights on 13 November 2003. On 20 October 2004 the NGO was re-registered in Belgrade under its new name Youth Initiative for Human Rights (YIHR).

The YIHR Country Office in Prishtina was opened in November 2004. It was officially registered with the Kosovo Ministry of Public Services on 24 November 2004, under the United Nations Interim Administration Mission in Kosovo ("UNMIK") regulations as a non-governmental organisation with the registration nr. 5300445-8.

In 2009 YIHR started the process of organizational transformation, thus its structure from the regional organization was changed into a regional network of Youth Initiative for Human Rights organizations with offices in Belgrade, Prishtina, Podgorica, Sarajevo and Zagreb.

The Youth Initiative for Human Rights – Kosovo (YIHR KS) is headed by Marigona Shabiu, who is responsible for making the decisions regarding the organization's activities and project implementation and the Governing Board which is the highest decision making structure.

From 2009 according to the Kosovo regulation all the registered businesses, including NGO-s had to be supplied with a fiscal number and YIHR's fiscal number was 600262050.

After the decision of the Board of YIHR about the transformation of the organisation, the YIHR's office in Prishtina was transformed into an organisation named Youth Initiative for Human Rights – Kosovo (hereafter: YIHR KS) which will continue to have the same vision and mission as the YIHR. Therefore, the Assembly and the Governing Board of the Youth Initiative for Human Rights were established and the organisation was reregistered under the Law on Freedom of Association on Non-Governmental Organisations of Republic of Kosovo (Law No.03/L-134), as there was not a legal mean within that would allow the legal transformation from the international organization into local organization. The newly registered organisation got the new number of registration 51133528 and new fiscal number 600754015.

Youth Initiative for Human Rights Kosovo - YIHR
Notes to the Financial Statements
For the year ended 31 December 2017
(All amounts in Euro)

2. Basis of preparation and summary of significant accounting policies

a. General

The financial statements have been prepared for the purpose of reporting to the donors and Ministry of public administration - NGO registration office on the activities of the YIHR.

b. Accounting Convention

The financial statements have been prepared in accordance with the Kosovo Accounting Standards (KAS) under historical cost convention as modified by the revaluation of financial assets and liabilities.

c. Use of estimates

The preparation of financial statements in conformity with KAS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the end of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

d. Reporting Currency

The YIHR accounting records are maintained in EURO and financial statements are prepared and presented in EURO.

e. Property Plant and Equipment

YIHR policy is to expense all furniture and equipment purchased for the purpose of project in Kosovo.

f. Grants related to income

Grants related to income are recognized as income based on the accrual principle in the period in which the related expenditure is incurred for which the grant is being given.

g. Cash and cash equivalents

Cash and cash equivalents comprise of cash in hand and bank balances.

h. Taxation issues

YIHR was established as a not for profit organization. Based on the laws in force in Kosovo, it is exempted from tax on profits.

Youth Initiative for Human Rights Kosovo - YIHR
Notes to the Financial Statements
For the year ended 31 December 2017
(All amounts in Euro)

3. Cash at bank and on hand

<i>As at 31 December :</i>	<u><i>31-Dec-17</i></u>	<u><i>31-Dec-16</i></u>
Pro Credit Bank		
EUR 1189000695060108	9	11,809
EUR 1189000695040126	82	632
EUR 1189000695020144	27	5
EUR 1189000695000162	125	320
EUR 1189000695090178	4,828	7,116
EUR 1189000695080187	6,852	7
EUR 1189000695510188	1,451	10
EUR 1189000695500197	811	32
USD 1189000695010250	2,437	3,802
EUR 1189000695070196	435	-
EUR 1189000695050117	121	-
Total bank balances	<u>17,177</u>	<u>23,733</u>
Petty cash	140	-
Total cash and bank balances	<u>17,317</u>	<u>23,733</u>

*The USD bank account (*USD 1189000695010250*) reported in the statement of financial and notes of financial statements is translated using the exchange rate of Oanda on December 31, 2017.

Youth Initiative for Human Rights Kosovo - YIHR
Notes to the Financial Statements
For the year ended 31 December 2017
(All amounts in Euro)

4. Tangible fixed assets

Historical cost	IT & Furniture
As at 31 December 2016	8,201
Additions	-
Disposal	-
As at 31 December 2017	8,201
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Accumulated depreciation at 31 December 2015	7,204
Annual charge	800
Disposal	-
As at 31 December 2016	8,004
Annual charge	197
Disposal	-
As at 31 December 2017	8,201
<hr/>	
Net Book Value as at 31 December 2016	197
Net Book Value as at 31 December 2017	-

Assets received in the form of a grant are dealt with under IAS 20. IAS 20 “Accounting for Government Grants and Disclosure of Government Assistance” outlines how to account for government grants and other assistance. This type of grants are recognized in profit or loss on a systematic basis over the periods in which the entity recognized expenses for the related costs for which the grants are intended to compensate, which in the case of grants related to assets requires setting up the grant as deferred income or deducting it from the carrying amount of the asset

5. Revenues / Deferred Revenues

Donor	Deferred revenue 2016	Transferred in 2017	Expenses 2017	Returned to donors	Deferred revenues for the next period
CIVIL RIGHTS DEFENDERS 15	7	10,175	10,598	-	(416)
YOUTHLINK GRANTS	40	-	-	-	40
COLUMBIA UNIVERSITY	3,664	-	38	-	3,626
BALKAN TRUST FOR DEMOCRACY	190	730	833	-	87
YIHR-RS (EU Regional Project) 15	(1,760)	18,920	20,804	-	(3,644)
UNRESTRICTED FUNDS	3,564	-	1,041	-	2,523
ECMI (EU PROJECT)	6,063	8,160	7,004	(190)	7,029
ATRC (USAID)	11,809	33,040	47,579	-	(2,730)
DNV	-	1,125	1,041	-	84
KCSF 2017	-	24,505	17,661	-	6,844
NCSC	-	48,199	44,800	(1,985)	1,414
Plus East	-	1,563	1,563	-	-
PYN	-	1,178	148	-	1,030
RECOM	-	5,854	5,854	-	-
TTE	-	14,300	13,490	-	810
Total	23,576	167,749	172,454	(2,175)	16,697

Youth Initiative for Human Rights Kosovo - YIHR
Notes to the Financial Statements
For the year ended 31 December 2017
(All amounts in Euro)

6. Operative Expenses

Operating Expenses	For the year ended 31 December 2017	For the year ended 31 December 2016
Consultants	16,521	17,522
Supplies	-	129
Project Activities	57,186	21,206
Operations	39,626	17,417
Total	113,333	56,274