

Youth Initiative for Human Rights Kosovo

FINANCIAL STATEMENTS WITH INDEPENDENT AUDITORS' REPORT

For the year ended 31 December 2016



Sejdi Kryeziu 15, Pejton
10 000 Prishtina, Kosovo

T: + 381 (0)38 60 90 60
F: + 381 (0)38 60 90 61

info@bakertillykosovo.com
www.bakertillykosovo.com

SPECIAL PURPOSE INDEPENDENT AUDITOR'S REPORT

To: YIHR management

We have audited financial statements of Youth Initiative for Human Rights Kosovo ("YIHR"), which comprises the statement of financial position as at 31 December 2016, 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 2016 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
13 June 2017

BAKER TILLY
KOSOVO
Prishtine

Youth Initiative for Human Rights Kosovo - YIHR
Statement of Financial Position
As at 31 December 2016
(All amounts in Euro)

Assets	Note	<u>31-Dec-16</u>	<u>31-Dec-15</u>
Current assets			
Cash & cash equivalents	3	23,733	15,778
Accounts receivable		-	13,000
Total current assets		<u>23,733</u>	<u>28,778</u>
Fixed Assets			
Assets	4	197	997
Total Fixed Assets		<u>197</u>	<u>997</u>
Total Assets		<u><u>23,931</u></u>	<u><u>29,775</u></u>
Liabilities			
Short term liabilities			
Accounts payable		-	5,850
Tax and Payroll Liabilities		49	-
Deferred Revenues	5	23,576	23,925
Other liabilities		306	-
Total short term liabilities		<u>23,931</u>	<u>29,775</u>
Total Liabilities		<u><u>23,931</u></u>	<u><u>29,775</u></u>
Equity			
Opening Balance		-	-
Net surplus/deficit		-	-
Total Equity		<u>-</u>	<u>-</u>
Total Liabilities and Equity		<u><u>23,931</u></u>	<u><u>29,775</u></u>

Approved by:

Teuta Hoxha, Executive Director – YIHR



Youth Initiative for Human Rights Kosovo - YIHR
Statement of Comprehensive Income
For the year ended 31 December 2016
(All amounts in Euro)

	<i>Note</i>	<u>31-Dec-16</u>	<u>31-Dec-15</u>
Income			
Income from Donations	5	92,915	87,339
Total Income		<u>92,915</u>	<u>87,339</u>
Expenses			
Expenses			
Payroll Expenses		35,842	39,512
Operating Expenses	6	56,274	46,806
Depreciation Expenses	4	800	1,021
Total Expenses		<u>92,915</u>	<u>87,339</u>
Net Surplus		<u>-</u>	<u>-</u>

Youth Initiative for Human Rights Kosovo - YIHR
Notes to the Financial Statements
For the year ended 31 December 2016
(All amounts in Euro)

1. Introduction

The organization was founded under the name Youth Initiative by 11 founders in Belgrade on 11 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 Raba Gjoshi, 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 2016
(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 2016
(All amounts in Euro)

3. Cash at bank and on hand

	<u>31-Dec-16</u>	<u>31-Dec-15</u>
Pro Credit Bank		
EUR 1189000695060108	11,809	1,014
EUR 1189000695040126	632	532
EUR 1189000695020144	5	1,418
EUR 1189000695000162	320	1,578
EUR 1189000695090178	7,116	1,420
EUR 1189000695080187	7	-
EUR 1189000695510188	10	-
EUR 1189000695500197	32	-
USD 1189000695010250	3,802	9,815
Total Bank	<u>23,733</u>	<u>15,778</u>
Petty cash		-
Total cash and bank balances	<u>23,733</u>	<u>15,778</u>

4. Tangible fixed assets

<u>Historical cost</u>	<u>IT & Furniture</u>
At January 2016	8,201
Additions	-
Disposal	-
At 31 December 2016	8,201
Accumulated depreciation at 31 december 2014	6,183
Annual charge	1,021
Disposal	-
At 31 December 2015	7,204
Annual charge	800
Disposal	-
At 31 December 2016	8,004
Net Book Value 31 December 2015	997
Net Book Value 31 December 2016	197

Youth Initiative for Human Rights Kosovo - YIHR
Notes to the Financial Statements
For the year ended 31 December 2016
(All amounts in Euro)

5. Revenues / Deferred Revenues

Donor	Deferred revenues in 2016	Transferred in 2016	Expenses 2016	Returned to Donors	Deferred revenues for the next period
CIVIL RIGHTS DEFENDERS 15	1,014	10,527	11,534		7
YOUTHLINK GRANTS	8,577	5,418	13,956		40
COLUMBIA UNIVERSITY	3,667	0	3		3,664
BALKAN TRUST FOR DEMOCRACY	566	14,285	14,661		190
YIHR-RS (EU Regional Project) 15	1,418	14,774	16,535	1,418	(1,760)
UNRESTRICTED FUNDS	536	12,780	9,752		3,564
ECMI (EU PROJECT)	-	12,480	6,417		6,063
ATRC (USAID)	-	31,067	19,258		11,809
Total	15,778	101,332	92,115		23,576

6. Operative Expenses

Operating Expenses	For the year ended 31 December 2016	For the year ended 31 December 2016
Consultants	17,522	-
Supplies	129	-
Project Activities	21,206	37,801
Operations	17,417	9,005
Total	56,274	46,806