

**FORUM FOR CIVIC INITIATIVES
(FIQ)**

**INDEPENDENT AUDITORS' REPORT
AND THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31,
2014**

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INDEPENDENT AUDITORS' REPORT

To the Management of Forum for Civic Initiatives

We have audited the accompanying financial statements of Forum for Civic Initiatives (the "Organization") which comprise the statement of financial position as at December 31, 2014, statement of earnings and expenditures and statement of changes in funds for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Generally Accepted Accounting Policies as is referred to in Note 2 of the Statements. This responsibility includes: designing, implementation and the maintenance of the relevant internal control for the preparation and fair presentation of financial statements that are free from material misstatements, 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 the Statement 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 Statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Statement, 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 Statement 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 Statement.

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

Opinion

In our opinion, the Financial Statements presents fairly, in all material respects, give a true and fair view of the financial position as at December 31, 2014, and the performance of its operations for the year ended December 31, 2014 in accordance with generally accepted accounting policies as set out in Note 2 to the financial statements.

BDO KOSOVA L.L.C.

BDO Kosova L.L.C.
Prishtina, Kosova
March 13, 2015

FORUM FOR CIVIC INITIATIVES (FIQ)
Statement of Financial Position
As at December 31, 2014

	Notes	As at December 31, 2014 (in EUR)	As at December 31, 2013 (in EUR)
ASSETS			
Cash and cash equivalents	3	318,279	189,486
Advances and Prepayments		3,445	5,330
Other Receivables		2,608	16
TOTAL ASSETS		324,332	194,832
FUNDS AND LIABILITIES			
FUNDS			
Unspent Funds		323,319	193,659
TOTAL FUNDS		323,319	193,659
LIABILITIES			
Accounts Payable		1,013	1,173
TOTAL LIABILITIES		1,013	1,173
TOTAL FUNDS AND LIABILITIES		324,332	194,832

Authorized for issue by the management of Forum for Civic Initiatives on March 13, 2015.



Dajana Berisha
Executive Director



Sefë Govori
Finance Manager

The accompanying notes 1 to 8 form an integral part of these Financial Statements.

FORUM FOR CIVIC INITIATIVES (FIQ)
 Statement of earnings and expenditures
 For the year ended December 31, 2014

	Notes	Year ended December 31, 2014 (in EUR)	Year ended December 31, 2013 (in EUR)
FINANCING			
Donors Funding	4	308,084	339,977
TOTAL FINANCING		308,084	339,977
EXPENDITURE			
Personnel expenses		75,722	72,422
Program costs	5	74,817	147,530
Operational costs	6	18,902	14,949
Services	7	6,502	16,676
Travel costs	8	3,348	3,394
TOTAL EXPENDITURE		179,291	254,971
Surplus of funds received over expenditures		128,793	85,006
Cash and bank balances at beginning of the year		189,486	104,480
Cash and bank balances at the end of the year		318,279	189,486


 Dajana Berisha
 Executive Director


 Sefë Govori
 Finance Manager

The accompanying notes 1 to 8 form an integral part of these Financial Statements.

FORUM FOR CIVIC INITIATIVES (FIQ)
Statement of changes in funds
For the year ended December 31, 2014

	(in EUR)	(in EUR)
As at January 1, 2013	193,659	109,540
Funds received in current period	308,084	339,977
Effect of changes in assets and liabilities	867	(887)
Funds expensed in current period	<u>(179,291)</u>	<u>(254,971)</u>
As at December 31, 2014	<u>323,319</u>	<u>193,659</u>

The accompanying notes 1 to 8 form an integral part of these Financial Statements

1. BACKGROUND AND OPERATING POLICIES

The Forum of Civic Initiatives (“FIQ”) was registered under the United Nations Interim Administration Mission in Kosovo (“UNMIK”) regulations as a non-governmental organization in 2000, section 10 on the Registration and Operation of NGO in Republic of Kosovo.

FIQ works to increase citizen participation in decision-making processes and to create incentives that ensure political, economic and environmental sustainability through its grant giving program.

FIQ’s current geographical orientation has been the Balkan, with main focus in Kosovo, where FIQ have over the years contributed to social and political change. FIQ has had an active role on security issues where FIQ has held and taken part in several regional conferences. This has helped FIQ to create strategic and influential partners in the region, local as international.

Major donors supporting the activities of the FIQ during the year 2014 are as follows: Rockefeller Brothers Fund (RBF), National Endowment for Democracy (NED), Balkan Trust for Democracy (BTD), Trag Foundation, the European Union, Safer World, Embassy of the United States.

2. BASIS OF PREPARATION OF THE STATEMENT AND ACCOUNTING CONVENTIONS

2.1. Accounting convention

The Financial Statements have been prepared in accordance with generally accepted accounting policies (mixed or modified basis of accounting which combines cash and accrual accounting principles).

2.2. Reporting currency

The Statement has been prepared in European Union Currency Unit (EUR).

2.3. Corresponding figures

In order to conform to the current year presentation, comparative figures have been restated and reclassified.

2.4. Foreign currency transactions

Foreign currency transactions are translated into reporting currency using the exchange rates prevailing at the date of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the Statement of Earnings and Expenditures.

3. CASH AND CASH EQUIVALENTS

	As at December 31, 2014 (in EUR)	As at December 31, 2013 (in EUR)
Cash at bank	317,350	188,889
Cash on hand	929	597
TOTAL CASH AND BANK BALANCE	318,279	189,486

FORUM FOR CIVIC INITIATIVES (FIQ)
Notes to the financial statement
For the year ended December 31, 2014

4. DONORS FUNDING

	Year ended December 31, 2014 (in EUR)	Year ended December 31, 2013 (in EUR)
Rockefeller Brothers Fund	178,686	167,553
European Union	81,017	-
SHM Productions Ltd.	-	56,449
Safer World	11,021	56,374
National Endowment for Democracy	19,315	19,194
Trag Foundation	2,966	17,595
Balkan Trust for Democracy	-	16,663
Deutsche Gesellschaft fur International	4,240	2,500
Raiffeisen Bank Kosovo J.S.C.	-	2,500
Embassy of United States	6,655	-
INDP	2,550	-
Other	1,634	1,149
TOTAL DONORS FUNDING	308,084	339,977

5. PROGRAM COSTS

	Year ended December 31, 2014 (in EUR)	Year ended December 31, 2013 (in EUR)
Grant Giving	24,833	81,772
Support to NGOs & Institutions	13,122	12,571
Developing Philanthropy	9,804	9,540
Conferences and Round Tables	5,289	8,940
International Travel	3,404	7,511
Marketing and PR	912	7,493
Printing and Design	1,634	6,466
Staff Development and Training	3,685	3,290
Advocacy	2,278	3,095
Per Diem and Volunteers	1,289	2,984
Exchange Visits	479	2,103
Accommodation	1,603	725
Equipment hire	100	400
Annual planning	260	341
Campaign	1,504	179
IT Improvement	1,043	120
Surveys	3,578	-
TOTAL PROGRAM COSTS	74,817	147,530

6. OPERATING COSTS

	Year ended December 31, 2014 (in EUR)	Year ended December 31, 2013 (in EUR)
Office Rent	9,731	8,522
Communications	2,422	2,195
Office Supplies	1,415	2,067
Maintenance	2,715	1,829
Other Operational Costs	2,619	336
TOTAL OPERATIONS COSTS	18,902	14,949

7. SERVICES

	Year ended December 31, 2014 (in EUR)	Year ended December 31, 2013 (in EUR)
Policy Briefs	900	7,380
Translation	1,233	4,083
Contractual Services	-	1,224
Audit	1,160	1,200
Bank fee's	1,285	1,123
Website Maintenance	1,697	514
Other services cost	227	1,152
TOTAL SERVICES COSTS	6,502	16,676

8. TRAVEL AND MAINTENANCE COSTS

	Year ended December 31, 2014 (in EUR)	Year ended December 31, 2013 (in EUR)
Fuel and Travel	234	1,823
Travel-Other	2,435	1,194
Car Maintenance and Insurance	679	377
TOTAL SERVICES COSTS	3,348	3,394