

**FINANCIAL STATEMENTS WITH INDEPENDENT AUDITORS' REPORT**

**FOL MOVEMENT / LËVIZJA FOL**

For the year ended 31 December 2014

**Prishtine  
March 2015**

## **Independent Auditors' Report**

31 March 2015

To: The management of FOL Movement

We have audited the accompanying financial statements of FOL Movement in Prishtine, Kosovo ('organization'), for the year ended 31 December 2014 and a summary of significant accounting policies and other explanatory information. Financial statements have been prepared by management of FOL Movement based on the financial reporting requirements of the donor and relevant laws in Kosovo.

### **Management's Responsibility for the financial report**

Management is responsible for the preparation of financial statements in accordance with the financial reporting requirements, and for such internal control as management determines is necessary to enable the preparation of financial report that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on 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 about whether the financial report is 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 considers internal control relevant to the entity's preparation of the financial report 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.

### **Opinion**

In our opinion, the financial statements of FOL Movement, for the year ended 31 December 2014 are prepared, in all material respects, in accordance with the financial reporting requirement of donor and relevant laws in Kosovo.

Lulzim Zeka  
Statutory Auditor

Baker Tilly Kosovo



## FOL Movement

### Income Statement

For the year ended 31 December 2014


	<i>Notes</i>	<i>31-Dec-14</i>	<i>31-Dec-13</i>
<b>Income</b>			
Income from Donations	4	177,908	203,064
<b>Total Income</b>		<b>177,908</b>	<b>203,064</b>
<b>Expenses</b>			
<b>Expenses</b>	5		
Personnel		48,502	56,701
Program Specific Costs		78,822	101,058
Consultants		17,416	23,699
Travel		5,823	4,880
Supplies		2,483	2,784
Equipment		1,879	2,021
Website		5,854	1,375
Communication		2,226	3,484
Other Direct costs		14,903	7,062
<b>Total Expenses</b>		<b>177,908</b>	<b>203,064</b>
<b>Net Surplus</b>		<b>-</b>	<b>-</b>

**FOL Movement  
Balance Sheet**  
For the year ended 31 December 2014

<b>Assets</b>	<i>Notes</i>	<u>31-Dec-14</u>	<u>31-Dec-13</u>
<b>Current assets</b>			
Cash & cash equivalents	3	19,988	63,404
Prepayments		-	53
<b>Total current assets</b>			<b>63,457</b>
<b>Noncurrent assets</b>			
Office Equipment		-	-
<b>Total noncurrent assets</b>		-	-
<b>Total Assets</b>		<b>19,988</b>	<b>63,457</b>
<b>Liabilities</b>			
<b>Short term liabilities</b>			
Accounts payable		448	752
Tax and Payroll Liabilities			2,180
Deferred Revenues	4	19,540	60,525
Other liabilities		-	-
<b>Total short term liabilities</b>		<b>19,988</b>	<b>63,457</b>
<b>Total Liabilities</b>		<b>19,988</b>	<b>63,457</b>
<b>Equity</b>			
Opening Balance		-	-
Unrestricted Funds		-	-
<b>Total Equity</b>		-	-
<b>Total Liabilities and Equity</b>		<b>19,988</b>	<b>63,457</b>

These financial statements have been approved and signed on behalf of the management on 18 March 2015 by

**Petrit Zogaj, Executive Director**



**FOL Movement**  
**Cash Flow Statement**  
For the year ended 31 December 2014

	<b>2014</b>	<b>2013</b>
	EUR	EUR
<b>Cash flow from operating activities</b>		
Net surplus/(deficit) for the year	-	-
<i>Changes in operating assets and liabilities</i>		
Depreciation	-	-
(Increase)/Decrease in receivables	-	-
(Increase)/Decrease in other advances	-	(53)
Increase/(Decrease) in payables	(304)	514
Increase/(Decrease) in payroll liabilities	(2,179)	419
Increase/(Decrease) in other liabilities	(40,932)	31,696
<b>Net cash flow from operating activities</b>	<b>(43,415)</b>	<b>32,577</b>
<b>Cash flow from investing activities</b>		
Additions in fixed assets	-	-
<b>Net cash flow from investing activities</b>	<b>-</b>	<b>-</b>
<b>Net increase/(decrease)</b>	<b>(43,415)</b>	<b>32,577</b>
Cash and cash equivalents at the beginning of the year	63,404	30,827
<b>Cash and cash equivalent at the end of the year</b>	<b>19,988</b>	<b>63,404</b>

## **FOL MOVEMENT NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31 December 2014

### **1. Introduction**

FOL Movement is registered as a non-governmental and non-profit Organization under the Law No. 03/L-134 on Freedom of Associations in Non-Governmental Organizations, number 5112424-3 on 25 June 2009 with head office in Prishtina, and started to operate from 01 September 2009.

The organization is established to contribute in the transparency and accountability of the public institutions of Republic of Kosovo. To achieve these goals organization will undertake these activities:

- Debates and Trainings
- Conferences, seminars and round tables
- Publications and Research
- Avocation and technical support
- Monitoring of public institutions
- Mobilizing and networking

FOL Movement's donors for the year 2014 are:

- The Balkan Trust for Democracy
- Kosovo Foundation for Open Society
- Kosovar Civil Society Foundation / Swiss Cooperation Office Kosovo
- Foreign and Common Wealth Office - British Embassy
- Civil Rights Defenders
- Open Society Foundation
- The Charles Stewart Mott Foundation
- US Embassy Pristina
- Kosovo Democratic Institute
- BIRN Kosovo
- Debate Center



**FOL MOVEMENT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended 31 December 2014

***2. Statement of Significant Accounting Policies***

**A) General Accounting Principle**

For the purposes of financial recording, FOL Movement uses the combined accrual and cash method of accounting for reporting the receipt and disbursement of funds. Under this method of reporting of financial transactions, FOL Movement records most of its transactions on a cash basis of accounting.

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

**B) Summary of Accounting Policies**

**Reporting Currency**

The FOL Movement accounting records are maintained in EURO and all financial statements are prepared and presented in EURO

**Deferred Revenues**

Deferred Revenues are that revenues/donation for which the cash has been collected by the organization, but have not been yet spent. Consequently this liability occurs when FOL Movement payment in advance for a project to be implemented in future.

**Taxation**

FOL Movement is a NGO whose received donations in the reporting year have been implemented into humanitarian purposes. According to law L162 on Corporate Income Tax, international NGO's whose total income was used for their public benefit purposes are tax exempted.

**Cash and cash equivalents**

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



**FOL MOVEMENT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended 31 December 2014

**3. Cash and cash equivalents**

<b>Pro Credit Bank</b>	<b>2014</b>	<b>2013</b>
1110310629000107	156	5,460
1110310629010195	2,302	30
1110310629020186	-	15,001
1110310629030177	1,758	10,511
1110310629040168	-	867
1110310629050159	10,228	138
1110310629060150	4,867	46
1110310629070141	346	21,333
1110310629080132	65	9,894
Petty cash	265	123
<b>Total</b>	<b>19,988</b>	<b>63,404</b>

**4. Donations/Deferred revenues**

<b>Donor</b>	<b>Deferred revenues in 2013</b>	<b>Transferred in 2014</b>	<b>Expenses 2014</b>	<b>Returned to Donors</b>	<b>Deferred revenues for the next period</b>
The Balkan Trust for Democracy	14,964	-	14,964	-	-
Kosovo Foundation for Open Society	-	9,930	1	-	9,929
Kosovar Civil Society Foundation	4,393	-	4,393	-	-
Foreign and Common Wealth Office - British Embassy	(3,321)	29,388	37,927	-	(11,860)
FOL Movement	26	200	157	-	70
Civil Rights Defenders	-	35,950	35,950	-	-
Open Society Foundation	21,333	22,612	43,945	-	-
The Charles Stewart Mott Foundation	16,481	22,181	21,980	-	16,682
US Embassy Pristina	1,627	8,782	4,095	1,627	4,687
Kosovo Democratic Institute	(629)	7,557	6,928	-	-
BIRN Kosovo	5,327	1,950	7,277	-	-
Debate Center	325	-	292	-	33
<b>Total</b>	<b>60,525</b>	<b>138,550</b>	<b>177,908</b>	<b>1,627</b>	<b>19,540</b>

**FOL MOVEMENT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended 31 December 2014

**5. Expenses**

Report of expenses for the projects implemented in 2014

<b>Kosovo Foundation for Civil Society</b>	<b>EXPENSES</b>
Publication of standards of transparency	€ 114.38
The organization of the workshop with PPRC, PRB and office of procurement (Space, Food and Drink - compensation)	€ 150.00
The organization of the workshop with procurement offices of municipalities listed (Space, Food and Drink - compensation)	€ 450.00
Publications and analysis	€ 582.00
Translation in English	€ 700.00
Expenses for communication	€ 180.00
Municipal services	€ 438.91
Internet services	€ 277.28
External evaluation	€ 1,000.00
Audit	€ 500.00
<b>TOTAL</b>	<b>€ 4,392.57</b>

<b>The Charles Stewart Mott Foundation</b>	<b>EXPENSES</b>
Executive Director	€ 1,309.14
Project Manager	€ 5,398.13
Program Manager	€ 1,309.14
Finance Manager	€ 1,064.42
Local Transportation	€ 792.85
Office Rent	€ 548.21
Furniture, computer equipment	€ 532.21
Telephone/fax	€ 320.00
Heating costs	€ 54.61
Office Supplies	€ 462.94
Office Maintenance	€ 352.49
Municipality Coordinators	€ 6,894.46
Public Lectures, Trainings, Round Tables (Refreshments for participants)	€ 450.00
Contracting a company to create and develop the online platform	€ 832.00
Organizing the Speak Out openly Forum (Rent of Sound and Translation Equipment)	€ 1,013.50
Organizing the Speak Out openly Forum (Refreshments for participants)	€ 319.40
Encourage, support and acknowledge citizen courage (Refreshments)	€ 47.80
Printing Costs	€ 278.36
<b>TOTAL</b>	<b>€ 21,979.66</b>

**FOL MOVEMENT**  
**NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31 December 2014

**5. Expenses (continued)**

<b>Balkan Trust For Democracy</b>	<b>EXPENSES</b>
Executive Director	€ 1,277.35
Project Coordinator	€ 1,569.35
Finance Manager	€ 1,094.90
Provision of technical assistance	€ 808.34
Office rent	€ 2,810.00
Office supplies	€ 238.51
Heating Cost	€ 784.30
Utilities	€ 105.00
Scratch cards for phone	€ 255.20
Expert on Research for developing of the Index of Transparency	€ 512.93
Meetings with stake holders	€ 313.15
Policy Analyst	€ 1,459.85
Printing Costs	€ 56.30
Translation in English Language	€ 760.60
Expert for the technical assistance in drafting policy guidelines	€ 1,277.35
Procurement Monitoring Officer	€ 1,277.35
Auditing Costs	€ 364.00
<b>TOTAL</b>	<b>€ 14,964.48</b>

**FOL MOVEMENT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended 31 December 2014

**5. Expenses (continued)**

<b>Open Society Foundation</b>	<b>EXPENSES</b>
Project Coordinator	€ 5,396.48
Executive Director	€ 2,697.75
Finance Manager	€ 2,697.75
Program Manager	€ 3,596.99
Taxes / Employer's contributions	€ 719.39
Rent	€ 2,450.00
Telephone/fax	€ 590.00
Office Supplies	€ 415.04
Service and Maintenance (Utilities)	€ 733.27
Procurement Consultant	€ 544.34
Monitoring Officer of the Ministries (12 Months x 500 \$)	€ 4,496.24
Monitoring Officer of the Ministries 2 (12 Months x 500 \$)	€ 4,496.24
Monitoring Officer of Municipalities 30% (4 monitoring officer 150 \$ x12 Months)	€ 5,395.50
Expert on drafting fair trail reports	€ 655.50
Journalist (Research on corruption cases on public procurement)	€ 736.85
In town travel (Traveling to Municipalities)	€ 951.85
Trainings and workshop (Trainer Fee, Refreshments and meals)	€ 738.66
Advocacy Campaign	€ 502.00
Printing Quarterly Reports	€ 834.44
Public Procurement Electronic Platform	€ 1,535.40
Strategic Planning	€ 2,246.90
Carrying out one public opinion poll on public procurement.	€ 876.81
Meetings with stake holders	€ 637.10
<b>TOTAL</b>	<b>€ 43,944.50</b>

**FOL MOVEMENT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended 31 December 2014

**5. Expenses (continued)**

<b>BIRN &amp; LOGOS</b>	<b>EXPENSES</b>
Project Researcher	€ 1,200.00
Lawyer	€ 1,000.00
Staff Domestic Travel	€ 353.00
Analyst for OGP national Action Plan	€ 800.00
Meetings	€ 343.30
Scratch Cards	€ 185.00
Printing Costs	€ 300.00
Translation of Brief in Serbian Language	€ 200.00
Articles from Investigative Journalist	€ 1,000.00
Statistics Expert	€ 1,000.00
Unforeseen expenses	€ 895.90
<b>TOTAL</b>	<b>€ 7,277.20</b>

<b>British Embassy - Foreign and Commonwealth Office</b>	<b>EXPENSES</b>
Project Manager	€ 2,488.87
Executive Director	€ 892.50
Monitoring Officer	€ 2,571.48
Expert on Research	€ 714.00
Round tables moderators	€ 1,298.20
Travel	€ 527.99
Scratch cards for phone	€ 660.00
Postage	€ 50.00
Bank fees	€ 15.30
Office Rent	€ 3,570.00
Utilities	€ 364.77
Maintenance	€ 191.42
Heating	€ 714.00
Finance Audit	€ 357.00
Participant from Albania	€ 482.50
Round tables	€ 50.00
Municipality Round Tables	€ 3,154.73
Press conferences	€ 67.00
Meetings with stakeholders	€ 273.85
Printing Cost	€ 250.00
Translation of the publications from Albanian to English	€ 493.95
Translation of the reports from Albanian to Serbian	€ 493.95
<b>TOTAL</b>	<b>€ 19,681.51</b>

**FOL MOVEMENT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended 31 December 2014

**5. Expenses (continued)**

<b>Civil Rights Defenders</b>	<b>EXPENSES</b>
Executive Director	€ 4,800.00
Project Manager	€ 4,400.00
Project Assistant	€ 1,800.00
Program Coordinator	€ 2,800.00
Office Rent (35%)	€ 4,000.00
Monitoring Officer	€ 4,950.00
Research Analyst	€ 5,500.00
Courts Monitor	€ 5,000.00
Developing and maintaining online platform	€ 487.20
Translating of the reports to English Language	€ 180.65
Round Table	€ 1,080.25
Study visit	€ 526.00
Bank Fee	€ 75.90
Auditing Costs	€ 350.00
<b>TOTAL</b>	<b>€ 35,950.00</b>

<b>British Embassy &amp; Commonwealth Office - Project 2</b>	<b>EXPENSES</b>
Executive Director	€ 2,210.60
Project Manager	€ 4,863.32
Finance Manager	€ 2,210.60
Tax fee @ 5% contributions from the employee	€ 464.24
Costs for general office supplies	€ 408.24
Conducting research and analyses regarding transparency and accountability in the government	€ 629.30
Project Officer	€ 3,789.60
Publishing periodical progress reports on the implementation of the Kosovo National Action Plan for membership in the OGP	€ 616.75
Updating and promoting FOL's online platform for monitoring the Wealth and Assets	€ 1,207.59
Heating Cost	€ 894.57
Utilities	€ 374.10
Technical Supplies	€ 577.00
<b>TOTAL</b>	<b>€ 18,245.91</b>



**FOL MOVEMENT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended 31 December 2014

**5. Expenses (continued)**

<b>KDI - Democracy in Action</b>	<b>EXPENSES</b>
1.1. Regional Coordinator	€ 1,832.62
1.2. Pension Contribute	€ 109.58
2.1. Printed media monitors	€ 1,480.00
2.2. TV media monitors	€ 1,600.00
2.3. Expert for writing the final report on Media	€ 797.91
3.1. Office Supplies	€ 143.50
3.2. Communication	€ 60.00
3.3. Bank charges	€ 4.00
<b>TOTAL</b>	<b>€ 6,027.61</b>

<b>KDI - GIZ</b>	<b>EXPENSES</b>
Researcher	€ 900.00
<b>TOTAL</b>	<b>€ 900.00</b>

<b>KFOS</b>	<b>EXPENSES</b>
Administrative expenses	€ 1.00
<b>TOTAL</b>	<b>€ 1.00</b>

<b>OTHER</b>	<b>EXPENSES</b>
DC - Expenses for debates	€ 291.91
FOL - Administrative expenses	€ 156.78
<b>TOTAL</b>	<b>€ 448.69</b>

<b>US Embassy</b>	<b>EXPENSES</b>
Project Officer	€ 998.97
Executive Director	€ 887.96
Staff domestic travel	€ 260.90
Costs for general office supplies	€ 99.20
Project Researcher	€ 887.97
Finance Manager	€ 739.96
Scratch Cards	€ 220.00
<b>TOTAL</b>	<b>€ 4,094.96</b>

<b>TOTAL EXPENSES</b>	<b>€ 177,908.09</b>
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