

Balkans Policy Research Group - BPRG

FINANCIAL STATEMENTS WITH INDEPENDENT AUDITORS' REPORT

For the year ended 31 December 2015

SPECIAL PURPOSE INDEPENDENT AUDITOR'S REPORT

To: Balkans Policy Research Group management

We have audited the accompanying financial statements of the Balkans Policy Research Group ("BPRG"), which comprises of statement of financial position as of 31 December 2015, statement of comprehensive income and cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory information. The financial statements have been prepared by management of BPRG, office in Pristina based on the financial reporting requirement for non-governmental organizations in Kosovo.

Management's Responsibility for the financial report

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

Auditor's Responsibility

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 about whether financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. 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 report.

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 BPRG, for the year ended 31 December 2015 are prepared, in all material respects, in accordance with the financial reporting requirement for non-governmental organizations in Kosovo.

Lulzim Zeka
Statutory Auditor

Baker Tilly Kosovo
27 May 2016



Balkans Policy Research Group - BPRG
Statement of Financial Position
As at 31 December 2015
(All amounts in Euro)

As at 31 December	Notes	2015	2014
			(unaudited)
Fixed assets			
Property Plant and Equipment		-	-
Total		-	-
Current assets			
Cash at bank and on hand	3	86,556	56,687
Receivables		-	-
Total		86,556	56,687
Total assets		86,556	56,687
Liabilities			
Deferred Revenues	5	85,661	51,787
Accounts Payable	4	896	4,900
Total		86,556	56,687
Fund balance			
Total opening fund		-	-
Surplus/(deficit) for the period		-	-
Total		-	-
Total liabilities and fund		86,556	56,687

Approved by:

Naim Rashiti, Executive Director



Balkans Policy Research Group - BPRG
Income Statement
For the year ended 31 December 2015
(All amounts in Euro)

For the year ended 31 December		2015	2014
	Notes		(unaudited)
Grants and Donations	5	76,400	103,309
Total		76,400	103,309
Human resources	6	42,663	63,983
Administrative and staff expenses	7	33,737	39,326
Total Expenses		76,400	103,309
Net Surplus of Expense over Income		-	-

Balkans Policy Research Group - BPRG
Notes to the Financial Statements
For the year ended 31 December 2015
(All amounts in Euro)

1. Introduction

The Balkans Policy Research Group (Balkans Group) 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 5114592-5 with the address Str. Zenel Salihu road ob. no 28 floor 5 /13.

Balkans Group is built on the foundation laid down by the International Crisis Group's years of work in the region. It is not a continuation of Crisis Group under another name, but a wholly independent organization with a distinct goal, carrying forward a valuable legacy. The founding staff are veterans of Crisis Group's Balkans and Kosovo projects. They have been the force behind Crisis Group's reporting and analysis with a strong record of picking the right topic at the right time, getting the key information, analyzing it objectively and devising the right solutions.

While the threat of renewed war has receded, states in the region are still weak and marked by deep internal and external disputes. Some are improving; others are stagnant or regressing. Balkans Group is dedicated to helping the region overcome the fragility that threatens its development and obstructs integration with Europe.

We will target the sources of state fragility in Southeastern Europe – unresolved legacies of war, patronage-based politics, intolerance, a lack of accountability and local ownership – and offer specific, tested policy recommendations to resolve them. We will present our work through innovative outreach and advocacy in cooperation with like-minded organizations.

All of our work is based on extensive, on the ground field research carried out by our own staff, coupled with interviews with national and international leaders. We provide reliable factual reporting on key developments. Building on this, we offer analysis that explains the long term implications of events and identifies the key points at which policy interventions can have greatest impact. We aim to help national decision makers and international actors craft the policies that lead to the resolution of outstanding internal and bilateral conflicts and to state consolidation. Our staff has developed an extensive network of contacts in the region of the Western Balkans

The Balkans Policy Research Group will work to develop a reputation for integrity, professionalism and independence in its publications and (public) advocacy. Our work is focused on Kosovo, Bosnia, Macedonia, Serbia and Albania. Balkans Group is registered in Pristina, Kosovo.

Balkans Policy Research Group - BPRG
Notes to the Financial Statements
For the year ended 31 December 2015
(All amounts in Euro)

2. Summary of significant accounting policies

2.1 Basis for presentation

For the purposes of financial recording, Balkans Policy Research Group uses accrual method of accounting for reporting the receipt and disbursement of funds. Under this method of reporting of financial transactions, revenues and expenses are recognized when earned and occurred.

2.2 Functional currency

Balkans Policy Research Group incurs transactions in Euros. All amounts reported in the financial report have been translated to EURO using published exchange rates in effect at date of transfers received.

2.3 Receivables

The receivable accounts of the organization are grant receivables from donors.

2.4 Accounts Payables

Utilities, project expenses and payables to partner organizations to whom Balkans Policy Research Group stands as the grantor have been disposed on the financial statements as accounts payable.

2.5 Deferred Income

Deferred Income is the income/donation for which the cash has been collected by the organization, but have yet to be earned. Consequently, this liability occurs when Balkans Policy Research Group receives payment in advance for a project to be implemented in future.

2.6 Income taxes

The organization is a non-governmental organization (NGO) whose received donations in the reporting year have been implemented for non-profit purposes. According to law Nr.03/L162 on Corporate Income Tax, NGOs' whose total income was used for their nonprofit purposes are tax exempted.

Balkans Policy Research Group - BPRG
Notes to the Financial Statements
For the year ended 31 December 2015
(All amounts in Euro)

3. Cash at bank and on hand

	2015	2014 (unaudited)
At 31 December		
Cash in the bank	86,556	56,687
Cash on hand	-	-
Total Cash at bank and on hand	86,556	56,687

4. Accounts Payable

	2015	2014 (unaudited)
At 31 December		
Total Accounts Payable	896	4,900

Account payable at 31 December 2015 represents the amount that the organization has an obligation to the employees.

5. Incomes / Deferred Income

	2015	2014 (unaudited)
For the year ended 31 December		
Opening balance deferred income	51,787	12,178
Received during the year		
KFOS	13,910	-
Royal Norwegian Embassy	66,469	74,943
Finland embassy	19,975	19,975
Government of Switzerland	9,920	48,000
Total	162,061	155,096
Expensed during the year	(76,400)	(103,309)
Closing balance	85,661	51,787

Deferred Income is the income/donation for which the cash has been collected by the organization, but have yet to be earned. Consequently, this liability occurs when Balkans Policy Research Group receives payment in advance for a project to be implemented in future. For the year ended 31 December the deferred revenues were 85,661 Euro.

6. Human resources – project based

	2015	2014 (unaudited)
For the year ended 31 December		
Embassy of Norway	41,893	13,847
Local government and Serb integration	-	49,366
Finland embassy	770	770
Total	42,663	63,983

Balkans Policy Research Group - BPRG
Notes to the Financial Statements
For the year ended 31 December 2015
(All amounts in Euro)

7. Programme expenses based on donors

For the year ended 31 December	2015	2014
		(unaudited)
Royal Norwegian Embassy	16,426	629
Finland embassy	15,920	32,514
Local government and Serb integration	1,391	6,183
Total	33,737	39,326