

**Organization for democracy, anticorruption and dignity- ÇOHU**

**FINANCIAL STATEMENTS WITH INDEPENDENT AUDITOR'S REPORT**

**For the year ended 31 December 2010**

**Pristine  
December, 2011**

**Agron Mustafa**  
**Licensed Auditor**  
**Rr."Selim Berisha" nr.5**  
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## **Independent Auditors' Opinion**

December 2011

### **To the management of ÇOHU**

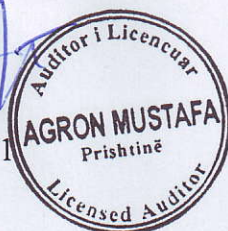
We have audited financial statements, revenue and budget expenses of Organization for democracy, anticorruption and dignity- **ÇOHU** in Prishtina, Kosova for the year ended 31 December 2010 expressed in EUR. These financial statements and supplementary financial data are the responsibility of the organization's management. Our responsibility is to express an opinion on the aforementioned financial information based on our audit.

We conducted our audit in accordance with International Standards on Auditing (ISA). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the reporting forms are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the reporting forms. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the proper accounting and reporting of the data on the financial statements. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial information present fairly, in all material respects, the financial position of the Organization as at 31 December 2010, and the results of operations for the year then ended in accordance with contractual agreements signed with donors and relevant laws of Kosovo.

Agron Mustafa  
Licensed Auditor

Prishtina, 20.12.2011



**Organization for democracy, anticorruption and dignity- ÇOHU**

**BALANCE SHEET**  
As at 31 December 2010

<b>Assets</b>	2010	Notes
Cash	31.207.66	1
Account Receivable	764.42	6
Note Receivable		
Inventory		
Investments		
Securities		
Land, buildings and equipment	4.956.29	2
<b>Total assets</b>	<b>36.928.37</b>	
<b>Liabilities and Funds Balance</b>		
Accounts Payable	1.780.77	
Grants Payable		
Deferred Income	16.678.77	3
Mortgages and other notes payable		
Other Liabilities		
<b>Total liabilities</b>	<b>18.459.54</b>	
<b>Fund Balance</b>		
Fund Balance as of 01.01.2010	18.468,83	
Expenses(from Income statement)	0	
<b>Total Balance</b>	<b>18,468.83</b>	
<b>Total liabilities and funds balance</b>	<b>36.928.37</b>	

**Organization for democracy, anticorruption and dignity- ÇOHU**

**INCOME STATEMENT**  
For the period ended 31 December 2010

<b>Revenue</b>	<b>2010</b>	<b>Notes</b>
Contribution, gifts, or grants	92.626.73	4
Fees and revenues from economic activities		
Dues		
Dividends and interest		
Rents		
Other Investment income		
Sale of assets (less costs of sale)		
Special Event Revenue		
Gross sales of inventory (less cost of goods sold)		
Other revenue		
<b>Total Revenue</b>	<b>92.626.73</b>	
Program Services	74.101.38	5
Management and Administration	13.894.01	5
Other expenses	5.631.34	5
<b>Total Expenses</b>	<b>92.626.73</b>	
<b>Net Income from Operations</b>	<b>0</b>	
Taxes		
<b>Net Income</b>	<b>0</b>	

## **Organization for democracy, anticorruption and dignity- ÇOHU**

### **1. Introduction**

Organization for democracy, anticorruption and dignity- ÇOHU is registered as a non-governmental and non-profit Organization under the UNMIK regulation 1999/22, number 5200131-5 with head office in Prishtina.

### **2. Specific objectives of the organization**

- Raising awareness for anti-corruption through media campaign
- Improvement of implementation of the law on access in official documents in Kosovo
- Strengthening of cooperation with Anti-corruption Agency
- Capacity building of the Organization and strengthening of anti corruption coalition

### **3. Confirmation of costs**

The costs have been accounted for and documented sufficiently according to donor requirements and applicable regulations in Kosovo.

The accounts of the Organization are kept following the accounts principle; taxes and other incurring payment obligations have been calculated along with payments and are included in the above figure, regardless of whether payment has taken place within the time interval specified above. All such calculations have been made whenever required by local legislation.

## **Organization for democracy, anticorruption and dignity- ÇOHU**

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

#### **A) General Accounting Principle**

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

#### **B) Summary of Accounting Policies**

##### **Foreign Currency Transactions**

Reimbursements to the NGO are made in Euros. All financial reports issued by Cohu are expressed in Euros.

##### **Deferred Income**

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

##### **Program Expenses**

Activities related to specific projects have been specified as program expenses in the income statement.

## **Organization for democracy, anticorruption and dignity- ÇOHU**

### **Taxation**

Organization for democracy, anticorruption and dignity – ÇOHU is a NGO with public benefit status and all received donations in the reporting year have been implemented into humanitarian purposes. According to “UNMIK Regulation No.2004/51 on Corporate Income Tax ”, NGO’s with public status whose total income was used for their public benefit purposes will have a 0 rate of taxable profit.

# Organization for democracy, anticorruption and dignity- ÇOHU

## Notes to the Financial Statements

### 1. Cash

In Euro  
As at 31.12.2010

Cash box -Prishtina office	1,264.44
Cash at bank	<u>29,942.67</u>
Total of the Cash Accounts	<b>31,207.11</b>

The Organization funds are disbursed in the bank accounting Prishtina and they follow the policy that each donor has separate bank account.

### 2. Land, Building and Equipment

<b>Fixed assets</b>	<b>Cars</b>	<b>El.equip.IT</b>	<b>Furniture</b>	<b>Total</b>
Acquisitions 2008	8,015.50	939.61	430.38	9,385.49
Depreciation 2008	1,202.32	188.00	86.08	1,476.40
Depreciation 2009	1,202.32	188.00	86.08	1,476.40
Depreciation 2010	1,202.32	188.00	86.08	1,476.40
<b>Net book value 2010</b>	<b>6,813.18</b>	<b>375.61</b>	<b>172.14</b>	<b>4,956.29</b>

The value of fixed assets at the end of period was 7,909.09. It is the policy of the organization to charge depreciation for fixed assets at the rate of 15% straight line method for cars and 20% for equipment and furniture.

### 3. Deferred Income

Deferred Income

In Euro  
As at 31.12.2010

16,678.77

Deferred Income relates to the amount of net fixed assets and funds which were received by the Organization for specific projects but were not spent yet.



#### 4. Contribution , Gifts and Grants

OSI	21,909.07
NED	7,371.41
KFOS-&KFOSDOK	15,000.00
CRD	48,500.00
EAST-EAST	1,393.77

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**Total:** **94,174.25**

The income from donations and contributions represents only income recognized as revenue on the statement. The balance of 16,678.77 is recoded as deferred income.

#### 5. Expenses by project -for the period ending 31.12.2010

##### KFOSDOK

Project Coordinator	7,197.00
Mobile phone expenses	180.00
Travel	246.90
Catering	137.26
Administrative assistant	600.00
<b>Total:</b>	<b>8,361.16</b>

##### KFOS-KCFIJ

Project Manager	1,545.03
Investigative Reports	350.00
Rent	442.50
Cell phone charges	50.00
Office supplies	91.50

Internet Connection	132.60
Local Transport	90.00
Project Assistant	1,425.03
<b><u>Total:</u></b>	<b><u>4,126.66</u></b>

**CRD**

Head of Legal Advisor	8,000.00
Legal Advisor	6,500.00
Taxes of Head of Legal Advisor	400.00
Taxes of Legal Advisor	325.00
Travel	447.97
Rent	3,180.00
Office supplies	144.69
Office Telephone	237.80
Mobile phone expenses	480.00
Utilities	227.60
Round Table/Conference	542.30
Costs of Strategic planning	138.50
Costs of Retreat	1,100.00
Consultant for Strategic Planning	600.00
Bank Provisions	58.50
<b><u>Total:</u></b>	<b><u>22,382.36</u></b>

**OSI**

Director/Head of Democratization Office	4,709.34
Office of Monitoring public Companies	4,036.77
Project Assistant/Legal Advising Office	2,152.84
Executive Administrator	4,036.77

Office supplies	728.09
Office Utilities	322.00
Maintenance/Bank provisions	67.32
Internet	90.00
Campaign	860.00
Trainer on Investigative Journalism	333.00
Reseacher	1,998.00
Mobile phone expenses	200.00
Fuel/In town travel	421.00
Rent	90.00
<b>Total:</b>	<b>20,045.13</b>

**NED**

Other Services	738.40
Excecutive Director	5,000.06
Research Assistant	1,231.52
Project Assistant	3,999.26
Office Rent	135.00
Utilities	921.44
Supplies & Equipment	564.04
Telephone & Internet	60.00
Cellular phones	230.00
Travel & Perdiem 12 months	231.00
Contractual services	179.80
<b>Total:</b>	<b>13,290.52</b>

<b>CRD</b>	
Journalist 1	2,400.00
Journalist 2	2,400.00
Cellular phones	80.00
Utilities	69.00
Transport	110.01
Website	1,000.00
Newspaper	1,100.00
Office supplies	52.40
Bank Provisions	40.00
<b>Total:</b>	<b>7,251.41</b>

<b>SHC</b>	
Headof Legal Advisor and antikorraption	2,000.00
Legal Advisor	800.00
Legal Advisor	800.00
Headof Legal Advisor and antikorraption	100.00
Legal Advisor	80.00
Computer	550.00
Rent	3,000.00
Telephone	125.55
Office Supplies	10.00
Service and Maintenance	177.50
Printing and Publishing	19.50
Utilities	78.30
Mobile Phones Expenses	50.00
Meetings, Cobference, Round Table	350.00
Translating	110.00
Audit	800.00
<b>Total:</b>	<b>9,050.85</b>

<b>EAST-EAST</b>	
Travel	2,224.19
Bank Provisions	22.00
<b>Total:</b>	<b>2,246.19</b>

Tax & Collection	723.05
<b>Total:</b>	<b>723.05</b>

The sum of 3,673.00€ has been reimbursed to the donor (Civil Rights Defenders) from the bank account dated 6<sup>th</sup> of May 2010 .

6. Account receivable 764.42 (advanced payments) for the positions Director/ Head of Democratization Office (OSI) and the Journalist (CRD).

**7. Accrual expenses**

Personal income tax	767.80
Pension contribution	967.97
Tax on rent	45.00
<b>Total expenditures</b>	<b>1.780.77</b>

Accrual expenses relate to personal income tax tax on rent and pension contribution wich are withheld on December 2010 and will be paid on January 2011.