

DEMOCRACY PLUS D+

Financial Statements

For the year ended 31 December 2021

and

Independent Auditor's Report

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INDEPENDENT AUDITORS REPORT

To: Democracy Plus (D+)

Opinion

We have audited financial statements of Democracy Plus (D+) which comprises the Statement of Financial Position as at 31 December 31 2021 and the Statement of Income, Statement of Cash Flow and notes to financial statements including a summary of significant accounting policies.

In our opinion, the accompanying financial statements of Democracy Plus (D+) (the organisation), for the year ended 31 December 31 2021 are prepared in all material respects, in accordance with generally accepted accounting policies described in the Note 2.

And requirements of the Law No. 06 / L-043 on Freedom of Association in Non-Governmental Organizations.

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 and fair presentation of financial statements in accordance with International Financial Reporting Standards 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
Prishtina, Kosovo

21 March 2022

DEMOCRACY PLUS D+
Statement of Financial Position
As of 31 December 2021
(all amounts are in Euro)

As at 31 December		2021	2020
	Notes		
Assets			
Non-current assets			
Property and equipment	3	14,790	15,914
Total		14,790	15,914
Current assets			
Cash and cash equivalents	4	142,183	95,426
Accounts receivables	5	23,586	17,353
Total		165,768	112,780
Total assets		180,559	128,693
Liabilities and fund balance			
Fund Balance			
Balance as at 01 January		-	-
Sufficit (deficit) of the year		-	-
Total		-	-
Current liabilities			
Accounts payable	6	8,919	17,557
Deferred Revenues	7	156,849	95,222
Deferred Revenue: Donated Assets		14,790	15,914
Total		180,559	128,693
Total liabilities and fund balance		180,559	128,693

These financial statements are approved and signed on 18 March 2022 on behalf of the management by:

Valmir Ismaili
Executive Director

Gani Asllani
Director of Finance and Administration



The accompanying notes 1 to 11 of the financial statements are an integral part of them.

DEMOCRACY PLUS D+**Statement of Income**

For the year ended 31 December 31 2021

(all amounts are in Euro)

For the year ended 31 December		2021	2020
	Notes		
Income			
Grant income	7	537,010	388,329
Income from donated assets		5,764	5,822
Total Income		542,774	394,151
Expenses			
Salary expenses	8	(287,155)	(232,706)
Project expenses	9	(216,828)	(129,686)
Administrative expenses	10	(33,027)	(25,937)
Depreciation expenses	3	(5,764)	(5,822)
Total expenses		(542,774)	(394,151)
Suficit / (deficit) of funds for the year		-	-

The accompanying notes 1 to 11 of the financial statements are an integral part of them.

DEMOCRACY PLUS D+
Statement of Cash Flow

For the year ended December 31, 2021

(all amounts are in Euro)

For the year ended 31 December	2021	2020
Cash flows from (used in) operating activities		
Profit (loss) before tax	-	-
<i>Adjustments for:</i>		
Depreciation	5,764	5,822
Asset cost correction	-	-
Change in accounts receivables	(6,232)	(35)
Change in advance	-	1,335
Change in trade and other payables	(8,638)	9,614
Change in trade and other payables	61,627	(23,241)
Change in deferred Revenue: Donated Assets	(1,123)	6,999
Cash generated from operations	45,633	(5,328)
Net cash from (used in) operating activities	51,397	494
Cash Flows from investing activities		
Purchase of equipment	(4,641)	(12,821)
Net cash used in by investing activities	(4,641)	(12,821)
Cash Flows from financing activities		
Net cash generated by financing activities	-	-
Net (decrease)/increase in cash and cash equivalents	46,756	(12,327)
Cash and cash equivalents at the beginning of the year	95,426	107,753
Cash and cash equivalents at the end of the year	142,182	95,426

The accompanying notes 1 to 11 of the financial statements are an integral part of the

DEMOCRACY PLUS D+
Notes to Financial Statements
For the year ended 31 December 2021
(all amounts are in Euro)

1. Introduction and background

Democracy Plus D is registered as a non-governmental and non-profit Organization Number on 11 March 2016 with registration number 5200344-0 and fiscal number 601602643, with head office located at Str. Tirana, Blloku C/4/1, Entry C, 8th floor, No. 83/84 Prishtinë, 10000, Kosovo D+ strives for the development of a democratic society through increasing civic participation in the political process, generating greater public accountability and influencing decision-making. D+ aims to contribute to establishing good governance practices in public institutions at the central and local level, strengthening the rule of law, advancing political parties and the process of free and fair elections.

D+ undertakes initiatives that aim at bringing decision-makers closer to citizens through policy research, facilitation of dialogue and interaction, as well as public education.

Democracy Plus donors and supporters for the year 2021 included:

Donor	Project
University of Erfurt - Germany	Implementation of a representative Survey in Kosovo and provision of corresponding data.
Olof Palme International Center (OPIC)	Alliance for Active Citizenship and Responsive Municipalities
Olof Palme International Center (OPIC)	Outlook for Local Elections
British Embassy/ Balkan Investigative Reporting Network (BIRN)	Monitor processes within the Tax Administration of Kosovo to raise transparency and identify violation
The University of Illinois in Chicago	Economic research to support tobacco tax reform in Kosovo
Chemonics International INC./ USAID	Court User Survey
National Endowment for Democracy / NED	Promoting Youth Participation in Public Institutions
DAI Global, LLC (DAI)/USAID	Digital Solution for Integrity in Public Procurement
The Regional Cooperation Council Secretariat (RCC)	Preparation of a study on existing youth policies with particular focus on NEETs.
The European Union, represented by the European Union Office in Kosovo	Contribute to exposing flaws in institutional efforts to fighting COVID-19 pandemic through new legislation pieces and public contracts
Community Development Fund (CDF)	Environmental activism through ndrege.com
Syri i Vizionit	Holding a Series of workshops and trainings
Foundation for Internet and Society METAMORPHOSIS	Fix My Community through Ndrege.com
Kosovar Civil Society Foundation (KCSF)	Exercising public pressure and exposing potential corruption in four non-majority municipalities through active monitoring and comparison in their decision-making and citizen inclusion"
USAID	Community Collaboration Activity in Kosovo
International Republican Institute (IRI)	Improving Political Party Responsiveness to Citizen Needs
KAS Prishtina	Cooperation Agreement
DAI Global, LLC (DAI)/USAID	Monitor transparency and the quality of decision making at the Procurement Review Body (PRB)
The Westminster Foundation for Democracy (WFD)	Contract for Supply of Services
National Democratic Institute (NDI)	Vulnerability Index of Disinformation
Kosovo Foundation for Open Society (KFOS)	Exposure to corruption in health and education during the Covid-19 pandemic

2. Statement of Significant Accounting Policies

2.1. General Accounting Principle

The organization maintains its accounting records on the modified cash basis of accounting. Accordingly, revenue is recorded when cash is received and expenses are recorded when paid. Modifications to the cash basis of accounting relate to the accounts receivable and payable which are recognized at the end of reporting period.

2.2. Basis of measurement

The Financial Statements have been prepared on the historical cost basis.

2.3. Functional and presentation currency

The Financial Statements are presented in EUR, which is the Organization's functional currency.

2.4. Income Tax

The organization is a Non-Governmental organization (NGO) whose received donations in the reporting year have been implemented for the humanitarian purposes. According to law no . 06/L-105 on Corporate Income Tax, NGO's whose total income was used for their public benefit purposes are tax exempted.

2.5. Property, plant and equipment

Items of property, plant and equipment are stated at cost less accumulated depreciation and impairment losses.

(i) Depreciation

Depreciation is recognized in profit or loss on a straight-line basis over the estimated useful lives of the assets. Depreciation methods, useful lives and residual values (if not insignificant) are reassessed at the reporting date.

The estimated useful lives for the current and comparative periods were as follows:

	2021	2020
Furniture and office equipment	5 years	5 years
IT equipment	5 years	5 years

2.6. Cash and cash equivalents

Cash and cash equivalents include cash in hand and cash deposited in bank.

2.7. Foreign currency transactions

Foreign currency transactions are recorded at the date of the transaction Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the end of the reporting period. Foreign currency differences arising on retranslation are recognized in profit or loss.

2.8. Revenues

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the organization and the revenue can be reliably measured.

2.9. Expenses

Expenses consist of the program, administration and management expenses. Expenses are recognized when incurred.

2.10. Accounts Payable

Pension contribution, payroll taxes and other accrued liabilities, have been disposed on the financial statements as accounts payable.

DEMOCRACY PLUS D+

Notes to Financial Statements

For the year ended 31 December 2021

(all amounts are in Euro)

2.11. Deferred Income

Deferred income is an income/donation for which the cash has been collected by the organization, but have yet to be expensed. Consequently, this liability occurs when Democracy Plus receives payment in advance for a project to be implemented in future receives advance payment for a project to be implemented in the future. Revenue is recognized in relation to the occurrence of expenses.

2.12. Employee benefits

The Organization makes contributions for the benefit of employees to the Kosovo Pension Saving Trust (KPST). The contributions are expensed as incurred.

DEMOCRACY PLUS D+
Notes to Financial Statements
For the year ended 31 December 2021
(all amounts are in Euro)

3. Property and Equipment

	Computer	Furniture	Office Equipment	Total
Cost:				
As at 31 December 2019	9,525	5,660	1,212	16,397
Additions 2020	9,675	2,106	1,039	12,821
Correction	-	-	-	-
As at 31 December 2020	19,200	7,766	2,251	29,218
Additions 2021	4,362	279	-	4,641
Correction	-	-	-	-
As at 31 December 2021	23,562	8,045	2,251	33,859
Accumulated depreciation:				
As at 31 December 2019	3,515	3,344	623	7,482
Charge for the year	3,848	1,507	467	5,822
Eliminated on disposal	-	-	-	-
As at 31 December 2020	7,363	4,851	1,090	13,304
Charge for the year	4,161	1,162	440	5,764
Eliminated on disposal	-	-	-	-
As at 31 December 2021	11,524	6,013	1,530	19,068
Net book value:				
As at 31 December 2020	11,837	2,915	1,161	15,914
As at 31 December 2021	12,038	2,032	721	14,790

4. Cash and cash equivalents

	2021	2020
As at 31 December		
Cash in bank	142,176	95,422
Cash on hand	7	4
Total	142,183	95,426

5. Accounts Receivable

	2021	2020
As at 31 December		
Matra	-	10,812
The University of Illinois in Chicago	-	6,542
The European Union, represented by the European Union Office in Kosovo	11,654	-
The University of Illinois in Chicago	8,063	-
Regional Cooperation Council- RCC	3,638	-
Other	231	-
Total	23,586	17,353

DEMOCRACY PLUS D+
Notes to Financial Statements
For the year ended 31 December 2021
(all amounts are in Euro)

6. Accounts Payable

As at 31 December	2021	2020
BBros LLC	-	5,565
Levizja FOL	-	11,837
NGO Inciaitiva Qytetare	797	-
NGO AVOKO	900	-
NGO SHPAK Ferizaj	895	-
NGO ZANA SHOQATA E GRUAS	901	-
NGO OMLANDISKI SAVET	1,886	-
NGO NOPM	806	-
Other	2,735	156
Total	8,919	17,557

DEMOCRACY PLUS D+
Notes to Financial Statements
For the year ended 31 December 2021
(all amounts are in Euro)

7. Deferred revenues

As at 31 December	Deferred income at 31 December 2020	Funds received from donors in 2021	Total funds received in 2021	Income recognized in 2021	Deferred income at 31 December 2021	Accounts receivables
Community Development Fund (CDF)	-	10,000	10,000	10,000	-	-
Kosovo Foundation for Open Society (KFOS)	8,955	-	8,955	8,955	-	-
The European Union, represented by the European Union Office in Kosovo	-	46,574	46,574	58,228	-	11,654
International Republican Institute - IRI	8,984	21,620	30,604	30,604	-	-
The European Union, represented by the European Union Office in Kosovo II	-	47,994	47,994	-	47,994	-
DAI Global, LLC (DAI)/USAID	8,300	9,000	17,300	-	17,300	-
DAI Global, LLC (DAI)/USAID	8,818	25,000	33,818	13,811	20,007	-
British Embassy / Balkan Investigative Reporting Network BIRN	-	5,489	5,489	5,489	-	-
National Endowment for Democracy / NED	-	41,937	41,937	30,045	11,892	-
Foundation for Internet and Society METAMORPHOSIS (ICEDA)	10,216	-	10,216	6,570	3,646	-
Olof Palme International Center (OPIC)	-	32,959	32,959	32,959	-	-
Olof Palme International Center (OPIC) II	-	48,833	48,833	48,833	-	-
KAS Prishtina	10,950	5,020	15,970	15,182	788	-
Kosovar Civil Society Foundation (KCSF)	2,588	30,000	32,588	2,588	30,000	-
The Westminster Foundation for Democracy WFD	-	14,689	14,689	7,522	7,166	-
The University of Illinois in Chicago	-	26,894	26,894	34,957	-	8,063
USAID	9,981	168,251	178,232	176,976	1,256	-
University of Erfurt - Germany	-	9,400	9,400	9,400	-	-
National Democratic Institute "NDI"	-	5,614	5,614	2,763	2,851	-
Chemomics International INC./ USAID	-	18,000	18,000	13,985	4,015	-
The Regional Cooperation Council Secretariat	-	-	-	3,638	-	3,638
Other	26,432	8,008	34,440	24,504	9,935	-
Total	95,222	575,282	670,504	537,010	156,849	23,355

DEMOCRACY PLUS D+
Notes to Financial Statements
For the year ended 31 December 2021
(all amounts are in Euro)

8. Salary expenses

For the year ended 31 December	2021	2020
Salary for Administration	84,186	63,722
Salary for Program	170,741	129,236
External staff	18,629	28,718
Pension contributions	13,600	11,031
Total	287,155	232,706

9. Project expenses

For the year ended 31 December	2021	2020
Training expenses	37,006	12,660
Platform lancing	4,204	40,523
Marketing expenses	12,950	10,005
Infographics and Design	2,392	10,038
Translation	10,250	7,866
Project partners	136,212	36,944
Travel and meetings	6,814	6,297
Workshops	-	-
Other expenses	7,000	5,352
Total	216,828	129,686

10. Administrative expenses

For the year ended 31 December	2021	2020
Rent	11,870	11,868
Office Supplies	2,495	3,007
Telephone and internet	3,244	2,863
Utilities	1,328	1,050
Repairs and maintenance	7,494	5,609
Other expenses	6,595	1,540
Total	33,027	25,937

11. Subsequent events

There are no subsequent events that would require either adjustments or additional disclosures in the financial statements.