

GROUP FOR LEGAL AND POLITICAL STUDIES (GLPS)

Financial statements with Independent Auditors Report

For the year ended 31 December 2021

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INDEPENDENT AUDITOR'S REPORT

**To: The Executive Director
Assembly of the members of Group for Legal and Political Studies**

We have audited financial statements of Group for Legal and Political Studies (the Organization), which comprises the statement of financial position as at 31 December 2021, and the income statement for the year ended, and notes to financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements of Group for Legal and Political Studies, for the year ended 31 December 2021 are prepared, in all material respects, in accordance with the financial reporting requirement of organization and relevant laws in Kosovo.

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 from 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 of the financial statements in accordance with the financial reporting requirements 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.

Tomorr Zhaveli

Legal Auditor



Balluku & Zhaveli
Prishtina, Kosovo
28 March 2022

Group for Legal and Political Studies
STATEMENT OF FINANCIAL POSITION

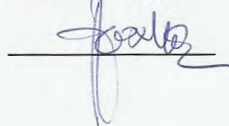
As at 31 December 2021
 (Amounts in EUR)

As at 31 December	Notes	2021	2020
Assets			
Current assets			
Cash & cash equivalents	3	288,520	181,612
Accounts Receivable	4	12,098	1,049
Advances for Grants	5	41	960
Total current assets		300,659	183,621
Non-current assets			
Office Equipment		0	0
Total noncurrent assets		0	0
Total Assets		300,659	183,621
Liabilities			
Short-term liabilities			
Accounts Payable	6	1,279	505
Payroll liabilities	7	8,419	5,196
Tax on rent payable	8	99	99
Deferred Revenues	9	290,862	177,821
Total short-term liabilities		300,659	183,621
Equity			
Opening Balance		0	0
Net surplus/(deficit)		0	0
Total Equity		0	0
Total Liabilities and Equity		300,659	183,621

These financial statements have been approved and signed on behalf of the management

on 28 March 2022 by

Arberesha Loxha
Executive Director




Artan Stavileci
CFO



For the year ended 31 December	Notes	2021	2020
Income			
Income from Donations	9	534,237	449,983
Total Income		534,237	449,983
Expenses			
Payroll expenses	10	401,692	345,183
Activities and Publications	11	47,058	18,880
Contract services	12	7,227	17,252
Rent	13	13,187	13,187
Utilities	14	4,636	3,836
Travel expenses	15	2,175	4,590
Office expenses	16	20,991	39,017
Grant share	17	37,269	8,039
Total Expenses		534,237	449,983
Net Surplus/(Deficit)		0	0

Group for Legal and Political Studies**CASH FLOW STATEMENT**

For the year ended 31 December 2021

(Amounts in EUR)

For the year ended 31 December	2021	2020
Cash flow from operating activities		
Net surplus/(deficit) for the year		
Changes in operating assets and liabilities		
Depreciation		
(Increase)/Decrease in receivables	(11,049)	5,160
(Increase)/Decrease in other advances	918	1,034
(Increase)/Decrease in prepayments	0	0
Increase/(Decrease) in payroll liabilities	3,223	242
Increase/(Decrease) in other liabilities	113,815	29,654
Net cash flow from operating activities	106,908	36,090
Cash flow from investing activities		
Additions in fixed assets		
Net cash flow from investing activities	0	0
Net increase/(decrease)	106,908	36,090
Cash and cash equivalents at the beginning of the year	181,612	145,522
Cash and cash equivalent at the end of the year	288,520	181,612

Group for Legal and Political Studies

Notes to financial statements

For the year ended 31 December 2021

(Amounts in EUR)

1. Introduction

Group for Legal and Political Studies 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 of the Republic of Kosovo, with their office in Prishtina.

1.1 Background

Group for Legal and Political Studies is an independent, non-partisan and non-profit public policy organization based in Prishtina, Kosovo. The Organization's mission is to conduct credible policy research in the fields of politics, law and economics and to push forward policy solutions that address the failures and/or tackle the problems in the said policy fields. Through advocating the policy solutions derived from the policy research, organization aims to support four fundamental policy developments:

- a. to support the democratization of the polity with regard to institutional and substantive policy reform;
- b. to strengthen the rule-of-law capacity and performance via informed policy solutions and practical advocating strategies;
- c. to enhance the economic growth and development by promoting market strategies that increase the rate of growth and stability, and
- d. to help improve regional cooperation and Kosovo's presence at the international level.

Group for Legal and Political Studies' main donors for the year 2021 were:

- SIDA / Community Development Fund;
- European Commission / European Union;
- Open Society Initiative for Europe / Foundation for Open Society;
- National Endowment for Democracy (NED);
- UK Embassy in Kosovo / Foreign Commonwealth Office;
- US Department of State / Bureau of International Narcotics and Law Enforcement Affairs (INL);
- USAID / DAI Global L.L.C. (DAI TEAM Project);
- Royal Netherlands Embassy;

Group for Legal and Political Studies

Notes to financial statements

For the year ended 31 December 2021

(Amounts in EUR)

2. Summary of significant accounting policies

2.1 Basis for presentation

For the purposes of financial recording, Group for Legal and Political Studies 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

Group for Legal and Political Studies 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 GLPS 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 Group for Legal and Political Studies 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.

Group for Legal and Political Studies

Notes to financial statements

For the year ended 31 December 2021

(Amounts in EUR)

3. Cash & Cash equivalents

As at 31 December	2021	2020
ProCredit -125 (main account)	262,144	168,885
ProCredit -195	6,718	5,538
ProCredit -116	895	1,348
ProCredit -186	11,595	0
ProCredit -133	6,834	2,079
ProCredit -107	(0)	3,519
Petty cash	334	244
Total	288,520	181,612

4. Accounts Receivable

As at 31 December	2021	2020
UK-Foreign Commonwealth Office: Monitoring of the judicial and prosecutor	10,552	346
Europe for Citizen: Make Future Together EU and the Western	1,546	-
European Union: WeBER 2.0 Grant 2019/413-806	-	703
Total	12,098	1,049

5. Advances for Grants

As at 31 December	2021	2020
Media Pulse	42	960
Total	42	960

*Advances for grants represent prepayments that the organization has sent to partners, but which are not yet spent by the partner organization.

Group for Legal and Political Studies

Notes to financial statements

For the year ended 31 December 2021

(Amounts in EUR)

6. Accounts Payable

As at 31 December	2021	2020
PIPS	655	-
PTK	244	286
Other	380	220
Total	1,279	506

7. Payroll Liabilities

As at 31 December	2021	2020
Pens. Cont. Employee	1,509	1,481
Pens. Cont. Employer	1,509	1,481
Salary tax	2,248	2,234
Salary Liability	3,152	-
Total	8,419	5,196

8. Tax on Rent payable

As at 31 December	2021	2020
Rent tax	99	99
Total	99	99

Group for Legal and Political Studies

Notes to financial statements

For the year ended 31 December 2021

(Amounts in EUR)

9. Deferred Revenues / Income from Donations

Source Fund	Implementer	Lead	Partner	Grant No.	Deferred revenues in 2020	Transferred in 2021	Expenses 2021	Deferred Revenues for the next period	Return of the unspent part of the grant 2021
SIDA	Community Development Fund	GLPS		Contract no 001-007-2020	1,984	74,005	69,209	6,781	
European Commission - EUROPEAN UNION	European Policy Centre		GLPS	Grant no: 2019/413-806	-	60,887	60,618	269	
European Commission	European Policy Centre		GLPS	Grant Agreement: 615589	3,618	2,800	4,872	1,546	
European Commission	Norsk Utenrikspolitisk Institutt (NUPI)		GLPS		17,930	2,576	6,621	13,885	
European Commission	GLPS	GLPS	CDF	Grant no:2021/430-827	-	90,625	142	90,483	
Heinrich Boll Stiftung: Belgrade Office	GLPS	GLPS		No: 12572002	-	5,875	5,875	-	
Open Society Initiative for Europe	European Policy Centre		GLPS	Grant no: OR2018-46323	3,539	204	3,743	-	
Open Society Initiative for Europe	GLPS	GLPS		Grant no: OR2019-63572	87,577		30,053	57,525	
Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH - GIZ	GLPS	GLPS		GIZ Contract no: 83373885		12,029	12,029	-	
National Endowment for Democracy	GLPS	GLPS		Grant Number: 2020-09021	-	29,436	22,842	6,594	
National Endowment for Democracy	GLPS	GLPS		NED: NED 2020-0162	5,419	-	2,856		2,563
Norwegian Embassy	KCSF	GLPS	GLPS	Grant no: NOR-23	-	13,200	1,606	11,595	
Different	GLPS				37,212	40,480	270	77,421	

Group for Legal and Political Studies

Notes to financial statements

For the year ended 31 December 2021

(Amounts in EUR)

9. Deferred Revenues / Income from Donations (continued)

Source Fund	Implementer	Lead	Partner	Grant No.	Deferred revenues in 2020	Transferred in 2021	Expenses 2021	Deferred Revenues for the next period	Return of the unspent part of the grant 2021
Kosovo Foundation for Open Society	GLPS	GLPS		KFOS: Grant C18/18	884	-	-		884
Kosovo Foundation for Open Society	GLPS	GLPS		KFOS: Grant E 19/19	1,690		-	-	1,690
UK Embassy - Foreign Commonwealth Office	GLPS	GLPS	GLPS, TAK and Consultant		-	16,847	16,847	-	
UK Embassy - Foreign Commonwealth Office	GLPS	GLPS			-	204,098	204,098	-	
US Department of State through Bureau of International Narcotics and Law Enforcement Affairs (INL)	GLPS	GLPS	Media Puls	Grant: SKV42020GR0056	6,369	63,489	66,820		3,039
USAID	DAI Global L.L.C.	GLPS		Project nr: G-Pri-008	11,598	9,620	3,026	18,192	
USAID	DAI Global L.L.C.	GLPS		Project nr: G-Pri-016	-	27,810	5,971	21,839	
Royal Netherlands Embassy	GLPS	GLPS	GLPS		-	39,580	17,855	21,725	-
Royal Netherlands Embassy	European Policy Centre		GLPS		-	1,200	1,200	-	-
					177,821	694,760	536,551	327,855	8,176

Group for Legal and Political Studies

Notes to financial statements

For the year ended 31 December 2021

(Amounts in EUR)

10. Payroll expenses

For the year ended 31 December	2021	2020
Project Managers	57,488	51,404
Project Coordinators	13,962	13,200
Project Assistants	11,597	5,419
Project Officers	11,364	12,633
Chief Financial Officer	16,673	16,188
Consultants	476	3,220
Proof reading service	6,087	3,841
Facilitator	238	0
Research fellows	92,967	76,839
Translators	12,940	9,928
Media/Communications Expert	0	2,486
Office cleaner	2,286	2,286
Content Manager / Editor	8,937	8,107
Media reporter	0	1,338
Monitoring Officers	124,912	121,187
Conference Speakers	48	381
Interns	17,614	0
Project experts	2,381	0
Evaluators	486	0
Awards	486	0
Designer	143	0
Trainers	2,065	853
Pens . Cont. Employer 5%	18,543	15,873
Total	401,692	345,183

11. Activities and Publications

For the year ended 31 December	2021	2020
Design	3,870	3,100
Round table	1,000	1,005
Conferences	1,106	465
Publications	1,825	2,913
Refreshment & Meals	4,384	1,677
Promotional Material	0	1,655
Workshop	3,704	1,645
Debates	10,253	0
Materials	868	0
Training expenses	2,250	1,097
Video/Documentary	17,799	5,324
Total	47,058	18,880

Group for Legal and Political Studies

Notes to financial statements

For the year ended 31 December 2021

(Amounts in EUR)

12. Contract Services

For the year ended 31 December	2021	2020
Tax & accounting services	-	1,500
External Consultant	-	1,275
External Researcher	475	3,845
Proof Editor	0	550
Translation expenses	2,043	2,110
Audit Expenses	2,200	1,600
Software License	119	131
Survey	2,330	6,241
Trainer	60	-
Total	7,227	17,252

13. Rent

Expenses for Rent for the year ended 31 December 2021 are 13,187 Euro (same as 31 December 2020: 13,187 Euro).

14. Utilities

For the year ended 31 December	2021	2020
Central heating	326	318
Water expenses	40	45
Electricity	175	129
Telephone expenses	3,596	2,472
Internet expenses	372	385
Office maintenance	128	487
Total	4,636	3,836

15. Travel expenses

For the year ended 31 December	2021	2020
Travel - Kosovo	2,175	1,243
Travel - Outside Kosovo	-	1,275
Accommodation Expenses (and Per Diems)	-	2,073
Total	2,175	4,590

Group for Legal and Political Studies

Notes to financial statements

For the year ended 31 December 2021

(Amounts in EUR)

16. Office expenses

For the year ended 31 December	2021	2020
Equipment - furniture	713	4,504
Office Supplies	1,188	1,173
Office Items	210	473
Computer Service	200	50
Web Services	165	4,334
Bank Charge - Fee	1,054	994
Equipment and Licenses	0	0
Other Equipment and Licenses	16,741	26,997
Printing and maintenance	264	254
Other Costs	456	239
Total	20,991	39,017

17. Grant Share

Grant share represent Grants recipients for which GLPS has allocated to partners during 2021 and 2020.

For the year ended 31 December	2021	2020
GAP Institute	-	5,130
Media Pulse	10,208	1,227
PIPS	4,604	1,682
Democracy for Development	6,489	-
Let's Do It Peja	7,998	-
Reconciliation Empowering Communities	7,970	-
Total	37,269	8,039

18. Events after the reporting date

There are no events subsequent to the reporting date that require disclosure in the financial statements of the Company.

19. Fixed assets – Equipment's

Fixed assets of organization are kept in off balance sheet, in a List of Inventory, which for the purpose of Donor was reported as expenditures for Fixed assets based on projects implemented over the years.

The fixed asset owned by organization are inventoried annually by the organization. The amortization ratio of these assets is 20% on an annual basis.

	Equipment	Other equipment	Furniture	Total
Costs				
As at January 01 2021	12,300	1,025	2,423	15,748
Additions during the year	713	0	0	713
As at December 31 2021	13,013	1,025	2,423	16,461
Accumulated depreciation				
As at January 01 202	(7,142)	(769)	(2,126)	(10,037)
Additions during the year	(1,496)	(126)	(266)	(1,887)
As at December 31 2021	(8,638)	(895)	(2,391)	(11,925)
Net book value				
As at December 31 2021	4,375	131	31	4,536
As at December 31 2020	5,158	256	296	5,711

	Equipment	Other equipment	Furniture	Total
Costs				
As at January 01 2020	7,796	940	2,422	11,158
Additions during the year	4,504	85	0	4,590
As at December 31 2020	12,300	1,025	2,422	15,748
Accumulated depreciation				
As at January 01 2020	(5,423)	(582)	(1,641)	(7,647)
Additions during the year	(1,719)	(187)	(484)	(2,391)
As at December 31 2020	(7,142)	(769)	(2,126)	(10,037)
Net book value				
As at December 31 2020	5,158	256	297	5,710
As at December 31 2019	2,372	358	781	3,511