



KOSOVO LAW INSTITUTE  
INSTITUTI I KOSOVES PER DREJTESI  
KOSOVSKI INSTITUT PRAVDE

## **KOSOVO LAW INSTITUTE - KLI**

Independent Auditor's Report and financial statements  
for the year ended December 31, 2020

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## INDEPENDENT AUDITORS' REPORT

### To the Management of Kosovo Law Institute - KLI

#### *Opinion*

We have audited the accompanying financial statements of Kosovo Law Institute - KLI, which comprise the statement of financial position as at December 31, 2020, and the statement of profit or loss, statement of changes in fund balances and statement of cash flow for the year that ended, and other explanatory notes.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Kosovo Law Institute - KLI as of December 31, 2020, results of its operation and the cash flow for the years then ended in conformity with International Financial Reporting Standards.

#### *Responsibilities of Management and those charged with Governance for the financial statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the International Financial Reporting Standard and the internal controls that the management deems necessary to enable the preparation of financial statements without material misstatement due to fraud or error. For the financial statements preparation, management is responsible for assessing the company's ability to sustainability in the future, disclosing, as necessary, future sustainability issues and using the accounting continuity principle unless management intends to liquidate the Company or Interrupt the operation, or there is no other possible alternative than to do it. Those charged with governance are responsible for overseeing the Organization's financial reporting process.

#### *Auditor's Responsibilities for the Audit of the 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 total, 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 the 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 the 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 a 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 our 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.

**"Univerzum Audit" Sh.p.k.**  
**Besa Berisha-Partner**

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**Prishtinë, Kosovë**



**March 24, 2021**

**KOSOVO LAW INSTITUTE - KLI**  
**Balance Sheet**  
**For the year ended December 31, 2020**

	Notes	December 31, 2020 (in EUR)	December 31, 2019 (in EUR)
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property and equipment		-	-
Total non-current assets		-	-
<b>Current assets</b>			
Accounts Receivable	4	9,280	-
Other Receivables		-	-
Cash and bank balances	5	65,343	118,433
Total current assets		74,623	118,433
<b>TOTAL ASSETS</b>		<b>74,623</b>	<b>118,433</b>
<b>LIABILITIES AND RESERVES</b>			
<b>Current liabilities</b>			
Liabilities toward donator		-	-
Accounts payable and accrued expenses	6	436	17,821
Deferred Revenue	7	74,188	100,612
Total current liabilities		74,623	118,433
<b>Reserves</b>			
Retained surplus		-	-
Net (deficit)/surplus for the year		-	-
Total reserves		-	-
<b>TOTAL LIABILITIES AND RESERVES</b>		<b>74,623</b>	<b>118,433</b>

The financial statements have been signed on March 24, 2021 by:

  
**Ehat Miftaraj**  
*Executive Director*

  
**Xheladin Bytyqi**  
*Financial officer*

The accompanying notes from 1 to 14 form an integral part of these financial statements

**KOSOVO LAW INSTITUTE - KLI**  
**Statement of Revenue and Expenditures**  
**For the year ended December 31, 2020**

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		<b>Year ended December 31, 2020 (in EUR)</b>	<b>Year ended December 31, 2019 (in EUR)</b>
	<b>Notes</b>		
<b>Income</b>			
Grant Incomes	8	479,022	481,924
<b>Total income</b>		<u>479,022</u>	<u>481,924</u>
<b>Expenditure</b>			
Salaries - Management and Administration	9	63,363	66,393
Salaries - Staff on Projects Activity	9	249,518	234,129
Production expense	10	37,818	19,747
Other Operating Expenses	11	128,322	161,655
<b>Total expenditure</b>		<u>479,022</u>	<u>481,924</u>
<b>Excess of incomes over expenses</b>		<u>-</u>	<u>-</u>

The financial statements have been signed on March 24, 2021 by:

  
**Ehat Miftaraj**  
*Executive Director*

  
**Xheladin Bytyqi**  
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**KOSOVO LAW INSTITUTE - KLI**  
**Statement of Changes in Net Assets**  
**For the year ended December 31, 2020**

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	<b>Retained surplus</b>	<b>Total Reserves</b>
	<b>(in EUR)</b>	<b>(in EUR)</b>
<b>Balance as at December 31, 2018</b>	<u>-</u>	<u>-</u>
Net deficit/surplus for the year ended December 31, 2019	-	-
	<u>-</u>	<u>-</u>
<b>Balance as at December 31, 2019</b>	<u>-</u>	<u>-</u>
Net deficit/surplus for the year ended December 31, 2020	-	-
	<u>-</u>	<u>-</u>
<b>Balance as at December 31, 2020</b>	<u>-</u>	<u>-</u>

The accompanying notes from 1 to 14 form an integral part of these financial statements

**KOSOVO LAW INSTITUTE - KLI**  
**Statement of Cash Flows**  
**For the year ended December 31, 2020**

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	<b>Year ended December 31, 2020 (in EUR)</b>	<b>Year ended December 31, 2019 (in EUR)</b>
<b>Cash flows from operating activities</b>		
(Deficit)/surplus for the period	-	-
Adjustment for:		
Depreciation	-	-
Liabilities toward donator	-	-
Change in receivables	(9,280)	61,596
Change in payables	(17,386)	(8,586)
Change in other current liabilities	(26,424)	(17,537)
<b>Net cash from operating activities</b>	<b>(53,089)</b>	<b>35,472</b>
<b>Cash flows from investing activities</b>		
Acquisition of property and equipment	-	-
<b>Net cash used in investing activities</b>	<b>-</b>	<b>-</b>
<b>Net increase in cash and cash equivalents</b>	<b>(53,089)</b>	<b>35,472</b>
Cash and cash equivalents at 1 January	118,433	82,961
<b>Cash and cash equivalents at 31 December</b>	<b>65,343</b>	<b>118,433</b>

The accompanying notes from 1 to 14 form an integral part of these financial statements

## **1. INTRODUCTION**

Kosovo Law Institute (KLI) is non-governmental organization and non-profit of public policy, and specialized ideal in the justice sector which with the advancement of the law. Established on 4 February 2009, the institute functions as a professional association registered at the Ministry of Public Administration with the number 5112193-7 at the head of which stands the Assembly of Members. Activity of the KLI is led by the Executive Director, advised by the Advisory Board of the organization.

Mission of KLI is to strengthen the rule of law and improving access to justice for citizens.

Vision of KLI is consolidation of the society with democratic values that respects and promotes the principles of rule of law and good governance.

Goal of KLI is continuous advancement of law in Kosovo. We intend to reach this goal through our research, publishing and advocacy activities, which we organize in six programs that enable us a comprehensive approach of intervention, from making of law to their implementation by the responsible institutions.

Its activity, institute develops through the programmatic structure. 1) Making of law; 2) Rule of Law; 3) Anticorruption; 4) Justice in elections; 5) Education; 6) Media and 7) Access to Justice.

### **Access and principles**

Ensuring that domestic law is done through a transparent and inclusive process and is implemented through an efficient system responsibility and accountability of justice institutions, KLI builds the basis of its actions towards the institutional goal. Through specific programs for justice in elections and anti-corruption, these activities are synthesized in a comprehensive approach toward advancing justice in Kosovo, an approach that we complete through our educational and awareness activities.

KLI constantly publishes reports that arise from our investigative and monitoring work, the nature of which extends throughout the spectrum of justice, from the appointment and reappointment of judges and prosecutors, to justice reforms, and to accountability within this system.

**Principles that lead our activity are accuracy, transparency and accountability.**

### **Activities**

The Kosovo Law Institute in its activity undertakes these activities:

Legal research, including, inter alia, public policy research related to the rule of law, qualitative and comparative analysis of laws and public policies, comparative analysis between Kosovo, the region and Europe.

Journalistic research, including the identification of flaws, bad practices, disrespect of rules and procedures as well as other investigations of particular cases that are of interest to the public.

Analysis and legal expertise, including legal and technical support for the institutions of rule of law.

Advocacy, including direct advocacy to the institutions, advocacy through the media, mobilization of the legal and civil society sector on matters of particular interest.

**KOSOVO LAW INSTITUTE - KLI**  
**Notes to the Financial Statements (continued)**  
**For the year ended December 31, 2020**

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Reporting, including television and online reporting, for the progress and functioning of the rule of law system, informing citizens about this system, functioning and reforming it, with a particular focus on improving access to justice.

Systematic monitoring of the work of the rule of law institutions, including police, prosecution, courts and the Bar Association, as well as issuing periodic and special reports that arise from the monitoring process.

Continuous technical and substantive support of the institutions of the Republic of Kosovo, through active participation in working groups for the initiation and amendment of legislation, as well as other professional groups, starting from the phase of concept documents to the revision of laws in the Assembly.

Representing the community of lawyers and civil society in legislative process and playing the role of the liaison bridge between the system of rule of law and society.

Continuous promotion of the principles of separation of powers, promotion of human rights and freedom with a special focus on rights along the proceedings in the justice system.

Promoting the role of the judiciary with a particular focus on informing the role of prosecutors and judges as well as institutions of judicial power as KJC and KPC.

Encouraging the functioning of rule of law institutions, including inducement for transparency, functional system of accountability and holding them responsible, as well as cooperation between institutions of rule of law.

Assessment of implementation of the policies and laws, including laws, strategies, action plans and other policy documents regarding the rule of law.

Organizing debates, whether internal debates between institutions and stakeholders, public debates or TV debates for important matters in the area of rule of law, fight against corruption and the functioning of judicial power.

**KLI products**

Kosovo Law Institute, besides ad-hoc and occasional products, produces the following products:

- Periodic reports of court monitoring
- Periodic reports of prosecutions monitoring
- Periodic reports of police monitoring
- Detailed reports of the proceeding of corruption cases
- Detailed reports of the proceeding of cases of characteristic criminal offenses
- Detailed reports of the proceeding of civil cases
- Detailed reports of the proceeding of administrative cases
- Research and analysis of public policies regarding the rule of law, specifically the justice system and the fight against corruption.
- Quick public reactions on certain matters
- Analysis of laws and their compliance with EU and UN standards
- Construction of a platform of information sources, statistics and other data, arising as a result of the work of the KLI (and not only) which are published on a special internet page and serves as a primary source for researchers and journalists.
- Daily journalistic reports on court hearings.
- Daily news about the rule of law system
- News analysis on weekly basis

**KOSOVO LAW INSTITUTE - KLI**  
**Notes to the Financial Statements (continued)**  
**For the year ended December 31, 2020**

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- Research reports, journalistic, regarding the rule of law
- The TV show specialized in the rule of law “Oath for Justice”

KLI staff has great experience in various capacities in the justice sector in Kosovo, including the development of research and legal analysis, reporting and journalistic research, raising awareness, and involvement in advocacy activities. This includes close work with local and international authorities in Kosovo to ensure independence, impartiality, and increasing public confidence in the justice system.

## 2. ADOPTION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS

### 2.1 Standards and Interpretations effective in the current period

Below are presented the amendments to the existing standards issued by the International Accounting Standards Board and interpretations issued by the International Financial Reporting Interpretations Committee which are effective for the current period:

Standard	Description	Effective date
IAS 8 — Accounting Policies, Changes in Accounting Estimates and Errors	IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors" is applied in selecting and applying accounting policies, accounting for changes in estimates and reflecting corrections of prior period errors. The standard requires compliance with any specific IFRS applying to a transaction, event or condition, and provides guidance on developing accounting policies for other items that result in relevant and reliable information. Changes in accounting policies and corrections of errors are generally retrospectively accounted for, whereas changes in accounting estimates are generally accounted for on a prospective basis.	The amendment is effective for annual reporting periods beginning on or after January 1, 2020. Earlier application is permitted.
IAS 39 — Financial Instruments: Recognition and Measurement	IAS 39 "Financial Instruments: Recognition and Measurement" outlines the requirements for the recognition and measurement of financial assets, financial liabilities, and some contracts to buy or sell non-financial items. Financial instruments are initially recognized when an entity becomes a party to the contractual provisions of the instrument, and are classified into various categories depending upon the type of instrument, which then determines the subsequent measurement of the instrument (typically amortized cost or fair value). Special rules apply to embedded derivatives and hedging instruments.	Effective January 1, 2011, earlier application is permitted. The amendments are effective for annual periods beginning on or after January 1, 2020. Earlier application is permitted.
IFRS 4 — Insurance Contracts [Superseded]	IFRS 4 "Insurance Contracts" applies, with limited exceptions, to all insurance contracts (including reinsurance contracts) that an entity issues and to reinsurance contracts that it holds. In light of the IASB's comprehensive project on insurance contracts, the standard provides a temporary	Effective January 1, 2011, earlier application is permitted. The amendments are effective for annual periods beginning on or

**KOSOVO LAW INSTITUTE - KLI**  
**Notes to the Financial Statements (continued)**  
**For the year ended December 31, 2020**

	exemption from the requirements of some other IFRSs, including the requirement to consider IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors" when selecting accounting policies for insurance contracts.	after January 1, 2020. Earlier application is permitted.
IFRS 7 — Financial Instruments: Disclosures	IFRS 7 "Financial Instruments: Disclosures" requires disclosure of information about the significance of financial instruments to an entity, and the nature and extent of risks arising from those financial instruments, both in qualitative and quantitative terms. Specific disclosures are required in relation to transferred financial assets and a number of other matters.	Effective January 1, 2011, earlier application is permitted. The amendments are effective for annual periods beginning on or after January 1, 2020. Earlier application is permitted.
IFRS 9 — Financial Instruments	The final version of IFRS 9 "Financial Instruments" issued in July 2014 is the IASB's replacement of IAS 39 "Financial Instruments: Recognition and Measurement". The Standard includes requirements for recognition and measurement, impairment, derecognition and general hedge accounting	Effective January 1, 2011, earlier application is permitted. The amendments are effective for annual periods beginning on or after January 1, 2020. Earlier application is permitted.
IFRS 16 — Leases	IFRS 16 specifies how to recognize, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring the recognition of assets and liabilities for all leases, unless the lease term is 12 months or less or the underlying asset has a low value. Lessor accounting however remains largely unchanged from IAS 17 and the distinction between operating and finance leases is retained.	Effective January 1, 2019, earlier application is permitted. The amendments are effective for annual periods beginning on or after January 1, 2020. Earlier application is permitted.

**KOSOVO LAW INSTITUTE - KLI**  
**Notes to the Financial Statements (continued)**  
**For the year ended December 31, 2020**

**2.2 Standards and interpretations in issue not yet effective**

In these financial statements the following standards, revisions and interpretations were in issue but not yet effective:

Standard	Description	Effective date
IAS 1 — Presentation of Financial Statements	IAS 1 "Presentation of Financial Statements" sets out the overall requirements for financial statements, including how they should be structured, the minimum requirements for their content and overriding concepts such as going concern, the accrual basis of accounting and the current/non-current distinction. The standard requires a complete set of financial statements to comprise a statement of financial position, a statement of profit or loss and other comprehensive income, a statement of changes in equity and a statement of cash flows	Effective January 1, 2011, earlier application is permitted. The amendments are effective for annual periods beginning on or after January 1, 2023. Earlier application is permitted.
IAS 16 — Property, Plant and Equipment	IAS 16 "Property, Plant and Equipment" outlines the accounting treatment for most types of property, plant and equipment. Property, plant and equipment is initially measured at its cost, subsequently measured either using a cost or revaluation model, and depreciated so that its depreciable amount is allocated on a systematic basis over its useful life.	Effective for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011, earlier application is permitted. The amendments are effective for annual periods beginning on or after January 1, 2022. Early application is permitted.
IAS 37 — Provisions, Contingent Liabilities and Contingent Assets	IAS 37 "Provisions, Contingent Liabilities and Contingent Assets" outlines the accounting for provisions (liabilities of uncertain timing or amount), together with contingent assets (possible assets) and contingent liabilities (possible obligations and present obligations that are not probable or not reliably measurable).	Effective for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011, earlier application is permitted. The amendments are effective for annual periods beginning on or after January 1, 2022. Early application is permitted.
IAS 41 — Agriculture	IAS 41 "Agriculture" sets out the accounting for agricultural activity – the transformation of biological assets (living plants and animals) into agricultural produce (harvested product of the entity's biological assets). The standard generally requires biological assets to be measured at fair value less costs to sell.	Effective for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011, earlier application is permitted. The amendments are effective for annual periods beginning on or after January 1, 2022. Early application is permitted.
IFRS 1 — First-time Adoption of International Financial	IFRS 1 "First-time Adoption of International Financial Reporting Standards" sets out the procedures that an entity must follow when it adopts	Effective for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011, earlier application is permitted.

**KOSOVO LAW INSTITUTE - KLI**  
**Notes to the Financial Statements (continued)**  
**For the year ended December 31, 2020**

Reporting Standards	IFRS for the first time as the basis for preparing its general purpose financial statements. The IFRS grants limited exemptions from the general requirement to comply with each IFRS effective at the end of its first IFRS reporting period.	The amendments are effective for annual periods beginning on or after January 1, 2022. Early application is permitted.
IFRS 3 — Business Combinations	IFRS 3 "Business Combinations" outlines the accounting when an acquirer obtains control of a business (e.g. an acquisition or merger). Such business combinations are accounted for using the 'acquisition method', which generally requires assets acquired and liabilities assumed to be measured at their fair values at the acquisition date.	Effective for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011, earlier application is permitted. The amendments are effective for annual periods beginning on or after January 1, 2022. Early application is permitted if an entity also applies all other updated references (published together with the updated Conceptual Framework) at the same time or earlier.
IFRS 17 — Insurance Contracts	IFRS 17 establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts within the scope of the standard. The objective of IFRS 17 is to ensure that an entity provides relevant information that faithfully represents those contracts. This information gives a basis for users of financial statements to assess the effect that insurance contracts have on the entity's financial position, financial performance and cash flows.	The IASB tentatively decided to defer the effective date of IFRS 17, Insurance Contracts to annual periods beginning on or after January 1, 2022.[The IASB has also published 'Extension of the Temporary Exemption from Applying IFRS 9 (Amendments to IFRS 4)' to defer the fixed expiry date of the amendment also to annual periods beginning on or after January 1, 2023

The organization has elected not to adopt these standards, revisions and interpretations in advance of their effective dates. The entity anticipates that the adoption of these standards, revisions and interpretations will have no material impact on the financial statements of the entity in the period of initial application.

### **3. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES**

#### **3.1 Basis of preparation**

Financial Statements are prepared for reporting purposes in accordance with applicable laws of Kosovo, and represent the entire picture of financial events that occurred in Kosovo Law Institute - KLI for the period 1<sup>st</sup> January 2020 till 31<sup>st</sup> December 2020.

Financial Statements are prepared on modified cash basis, based on which revenues and expenses are recognized at the time when either received or paid. The organization uses Quick Books for keeping its financial records and for financial statements preparation.

#### **3.2 Currency of presentation**

The reporting currency of Kosovo Law Institute - KLI is the European Union currency unit Euro ("EUR").

#### **3.3 Significant accounting policies**

A summary of the most significant accounting policies adopted in the preparation of the financial statements is presented below:

##### **3.3.1 Cash and cash equivalents**

For the purpose of the statement of cash flows, cash and cash equivalents are considered to be cash on hand and at banks and in operating accounts at banks with an original maturity of three months or less.

##### **3.3.2 Revenue recognition**

Revenues from grants are recognized as income on the period when received. At the end of the year the excess amount of revenues over expenses is treated as deferred revenue.

##### **3.3.3 Expenses recognition**

Expenses incurred for generation incomes are recognized in that period with the historical costs.

##### **3.3.4 Taxation**

The Kosovo Law Institute - KLI was established as a non-profit organization with beneficiary status under applicable laws and regulations in Kosovo, therefore is exempted from Corporate Taxation on excess of income from donations over expenses.

**KOSOVO LAW INSTITUTE - KLI**  
**Notes to the Financial Statements (continued)**  
**For the year ended December 31, 2020**

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**4. ACCOUNTS RECEIVABLES**

	<b>December 31, 2020 (in EUR)</b>	<b>December 31, 2019 (in EUR)</b>
British Embassy	-	-
EU	9,280	-
<b>Total Account Receivables</b>	<b>9,280</b>	<b>-</b>

**5. CASH AND BANK BALANCES**

	<b>December 31, 2020 (in EUR)</b>	<b>December 31, 2019 (in EUR)</b>
Cash in hand	-	-
Cash at banks	65,343	118,433
<b>Total Cash and Bank Balances</b>	<b>65,343</b>	<b>118,433</b>

Kosovo Law Institute – KLI operates in EUR currency with nine (9) bank accounts opened in Banka per Biznes – BpB and one (1) bank account that operates in USD which is used only for receiving USD cash inflow from donators.

**6. ACCOUNTS PAYABLE AND ACCRUED EXPENSES**

	<b>December 31, 2020 (in EUR)</b>	<b>December 31, 2019 (in EUR)</b>
Withheld Tax and Contributions	-	4,246
Salary	347	13,387
Other services	38	39
PTK	-	-
IPKO - internet	51	75
Utilities - Electricity	-	65
Utilities - Water	-	9
<b>Total accounts payable and accrued expenses</b>	<b>436</b>	<b>17,821</b>

**KOSOVO LAW INSTITUTE - KLI**  
**Notes to the Financial Statements (continued)**  
**For the year ended December 31, 2020**

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**7. DEFERRED REVENUES**

	<b>December 31, 2020 (in EUR)</b>	<b>December 31, 2019 (in EUR)</b>
Kosovo Radio Television - RTK	8,910	18,706
NED	9,726	5,647
UN - Legal Aid Support Center	8,449	27,624
EULEX	173	3,019
Rrjeti i Grave	2,215	-
CLARD	24	-
USAID - Empower	1,058	-
KCSF	976	2,531
MATRA	29,641	36,272
INL USA	13,015	6,814
<b>Total Deferred Revenues</b>	<b>74,188</b>	<b>100,612</b>

**8. INCOME**

	<b>December 31, 2020 (in EUR)</b>	<b>December 31, 2019 (in EUR)</b>
British Embassy - Anticorruption project II	-	40,752
NCSC	-	-
Kosovo Radio television - RTK	40,706	39,306
UNOPS	-	25,600
NED	44,608	41,729
Week Against Corruption	-	4,435
CLARD - Ex Officio Monitoring	10,867	2,126
EU Support to Ombudsperson Institution in Kosovo	9,280	3,964
UN - Legal Aid Support Center	78,033	115,555
EULEX	12,619	6,400
Rrjeti i Grave	18,960	-
USAID - Empower	24,655	-
INL US EMBASSY	274,679	210,298
FOL	-	407
KCSF	2,531	8,727
MATRA	36,272	83,236
Deferred Revenues	(74,188)	(100,612)
<b>Total Grant Incomes</b>	<b>479,022</b>	<b>481,924</b>

**KOSOVO LAW INSTITUTE - KLI**  
**Notes to the Financial Statements (continued)**  
**For the year ended December 31, 2020**

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**9. SALARIES AND BENEFITS**

Salaries for staff that have been engaged on Management and Administration for 2020 are presented below:

	<b>December 31, 2020 (in EUR)</b>	<b>December 31, 2019 (in EUR)</b>
Gross salaries	60,346	63,232
Pension Contribution	3,017	3,162
<b>Total Salaries - Management and Administration</b>	<b>63,363</b>	<b>66,393</b>

While the salaries for staffs that have been engaged on Projects Activity during 2020 are presented below:

	<b>December 31, 2020 (in EUR)</b>	<b>December 31, 2019 (in EUR)</b>
Gross salaries	237,636	222,989
Pension Contribution	11,882	11,140
<b>Total Salaries - Staff on Projects Activity</b>	<b>249,518</b>	<b>234,129</b>

**10. PRODUCTION EXPENSE**

NGO Kosovo Law Institute – KLI runs once a week in Kosovo Radio Television – RTK TV programme “Oath for Justice”. For that purpose organization has contracted company “Anymate” for doing the productions of the TV programme in order the TV programme to be ready for TV broadcast. Also during this year, the company Anymate has been contracted to perform other services for different design products and media products within other projects such as promo and documentary. After the end of the contract with "Anymate", the company "Era Communications" is engaged for the same production services.

	<b>December 31, 2020 (in EUR)</b>	<b>December 31, 2019 (in EUR)</b>
Production Expense	37,818	19,747
<b>Total Production Expense</b>	<b>37,818</b>	<b>19,747</b>

**KOSOVO LAW INSTITUTE - KLI**  
**Notes to the Financial Statements (continued)**  
**For the year ended December 31, 2020**

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**11. OTHER OPERATING EXPENSES**

	<b>December 31, 2020 (in EUR)</b>	<b>December 31, 2019 (in EUR)</b>
Web site expenses	-	2,700
Consulting	6,500	5,000
Roundtables and Conferences	-	13,486
Rent	15,121	13,852
Audit expenses	900	900
Local travel	10,166	16,618
Communication expenses (phone, internet)	7,559	6,906
Utilities (electricity, water, waste)	1,695	2,063
Office equipment	5,241	13,719
NGO	66,709	75,652
Design	900	-
Translate	-	-
Office Supplies and other	11,796	9,104
Bank Charge	1,737	1,655
<b>Total Other Operating expenses</b>	<b>128,322</b>	<b>161,655</b>

**Explanatory Notes on RTK Revenues, for the "Oath for Justice" project.**

<b>Description</b>	<b>Value in EUR</b>
Total debt of RTK as of January 01, 2020	69,350.00
Value of KLI bills toward RTK during 2020	22,000.00
Payments from RTK during 2020	22,000.00
Exceed of payment on bills	-
<b>Total debt of RTK as of December 31, 2020</b>	<b>69,350.00</b>
Payments from RTK during 2020	22,000.00
Deferred income as of December 31, 2019	18,705.62
Total amount of fund from RTK payments	40,705.62
Expenses for producing the program "Oath of Justice" on 2020	31,795.39
<b>Deferred income as of December 31, 2020</b>	<b>8,910.23</b>

Based on the table above, it turns out that KLI has billed RTK for 22,000.00 EUR. RTK, has paid 22,000.00 EUR.

**KOSOVO LAW INSTITUTE - KLI**  
**Notes to the Financial Statements (continued)**  
**For the year ended December 31, 2020**

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KLI does not recognize this debt as income, but only identifies it as billing, only when RTK payments are made then it is recognized as revenue.

**KOSOVO LAW INSTITUTE - KLI**  
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**12. PROFIT AND LOSS BY DONORS**

	Rijeti Grave	CLARD	EU	EULEX	INL US Embassy	USAID - Empower	UN - Legal Aid 1	UN - Legal Aid 2	RTK	NED 2019- 2020	NED 2020- 2021	KCSF	MATRA	Total
Income	18,960	10,867	9,280	9,600	267,865	24,655	20,562	29,847	22,000	13,497	25,464	-	-	452,598
Deferred income from previous year	-	-	-	3,019	6,814	-	27,624	-	18,706	5,647	-	2,531	36,272	100,612
Deferred income	(2,215)	(24)	-	(173)	(13,015)	(1,058)	-	(8,449)	(8,910)	-	(9,726)	(976)	(29,641)	(74,188)
<b>Total Income</b>	<b>16,745</b>	<b>10,843</b>	<b>9,280</b>	<b>12,446</b>	<b>261,664</b>	<b>23,597</b>	<b>48,186</b>	<b>21,398</b>	<b>31,795</b>	<b>19,144</b>	<b>15,738</b>	<b>1,555</b>	<b>6,631</b>	<b>479,022</b>
<b>Expenditure</b>														
Staff salaries and benefits	16,650	10,748	-	10,400	162,535	13,583	30,040	16,327	16,128	15,003	14,917	150	6,400	312,881
Production expense	-	-	-	-	26,999	4,500	2,795	-	2,000	1,524	-	-	-	37,818
Web Expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Roundtables and Conferences	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Consultancy	-	-	-	-	-	-	4,500	-	2,000	-	-	-	-	6,500
Rent	-	-	-	-	5,500	-	3,956	3,295	2,369	-	-	-	-	15,121
Audit expenses	-	-	-	-	900	-	-	-	-	-	-	-	-	900
Local travel	-	-	-	803	7,926	-	370	-	826	241	-	-	-	10,166
Communication expenses (phone, internet)	-	68	-	-	2,812	1,182	2,326	331	-	630	210	-	-	7,559
Utilities (electricity, water, waste)	-	-	-	-	901	-	456	-	-	338	-	-	-	1,695
Office equipment	-	-	-	600	-	-	-	1,195	3,145	-	-	301	-	5,241
NGO	-	-	9,280	-	50,838	4,221	-	-	2,370	-	-	-	-	66,709
Office Supplies and other	-	-	-	543	2,887	46	2,586	137	2,832	1,220	500	1,045	-	11,796
Design	-	-	-	-	-	-	900	-	-	-	-	-	-	900
Bank Charge	95	27	-	101	365	65	257	113	126	188	111	59	231	1,737
<b>Total Expenditure</b>	<b>16,745</b>	<b>10,843</b>	<b>9,280</b>	<b>12,446</b>	<b>261,664</b>	<b>23,597</b>	<b>48,186</b>	<b>21,398</b>	<b>31,795</b>	<b>19,144</b>	<b>15,738</b>	<b>1,555</b>	<b>6,631</b>	<b>479,022</b>
<b>Exceed of income over Expenses</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

### **13. RELATED PARTY DISCLOSURE**

For the purposes of these financial statements, parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions as defined by IAS 24 "Related Party Disclosures". In considering each possible related party relationship, attention is directed to the substance of the relationship, not merely the legal form.

### **14. RISK MANAGEMENT**

#### ***Credit risk***

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. Kosovo Law Institute - KLI is exposed to credit risk in respect of Grant receivable from its Donors.

#### ***Interest rate risk***

The Kosovo Law Institute - KLI currently is not exposed to the interest rate risk.

#### ***Foreign exchange risk***

The Kosovo Law Institute - KLI is exposed to foreign exchange risk as transactions are undertaken both in local and foreign currency. Management monitors, sets limits and constantly communicates with donors such as British Embassy and US Embassy, on the level of such exposure by currency and in total.

#### ***Liquidity risk***

Liquidity risk is defined as the risk when the maturity of assets and liabilities does not match. The Kosovo Law Institute - KLI is committed monitor its liquidity on a periodic basis in order to manage its obligations as and when they shall become due.