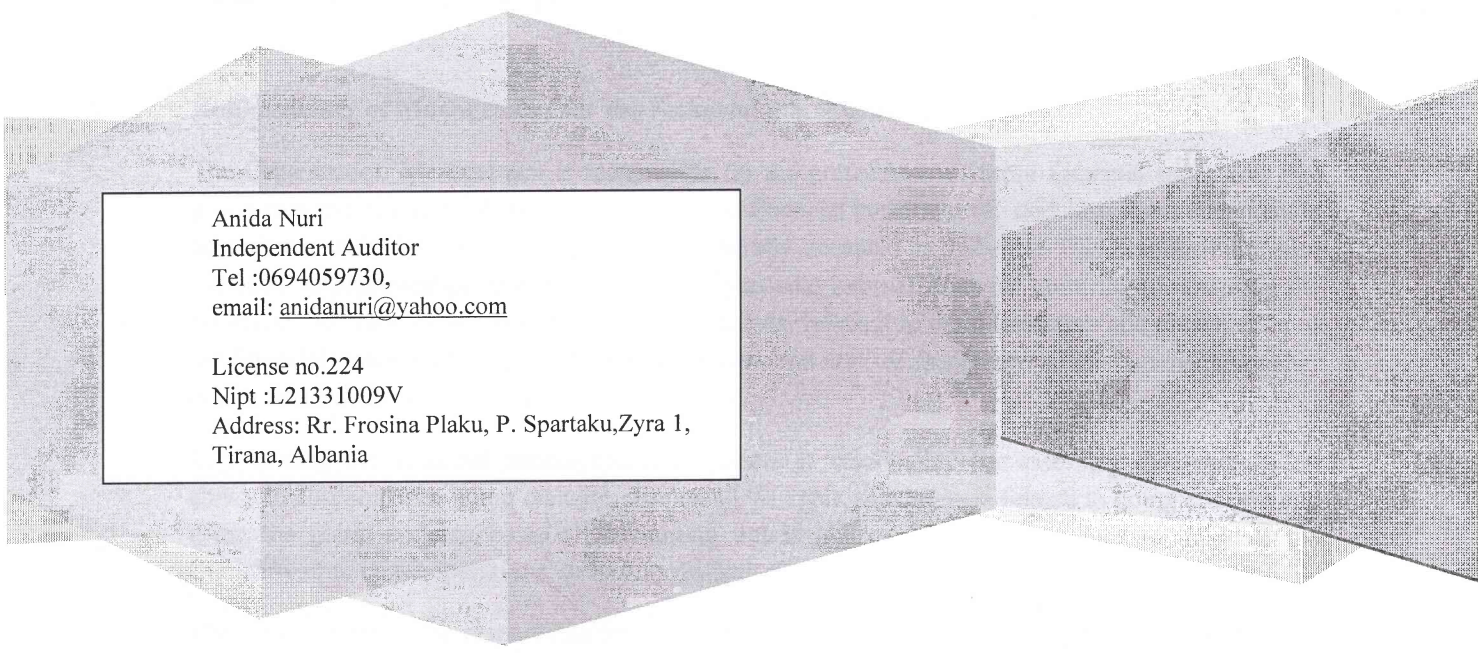


Independent Auditor's Report

(FINANCIAL STATEMENTS 31.12.2016 ATTACHED)

**Instituti Shqiptar i Shkencave
Albanian Institute of Science
TIRANA, ALBANIA**



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Independent Auditor
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Independent Auditor's Report

To: **Instituti Shqiptar i Shkencave**
(Albanian Institute of Science)
Tirana, Albania

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Instituti Shqiptar i Shkencave (Albanian Institute of Science), Non-profit Organization, which comprises the Statement of Financial Position as at March 31, 2016, the Statement of Activities, Statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information

In our opinion the financial statements give a true and fair view in conformity with the accounting principles generally accepted in Albania, of the financial position of the organization as at December 31, 2016, statement of activities, and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the International Standards on Auditing. 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 Company in accordance with the ethical requirements that are relevant to our audit of the financial statements, and we have 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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Responsibility of Management for the Financial Statements

The Organization Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance, and cash flows statement in accordance with the accounting principles generally accepted in Albania. This responsibility also includes implementation and maintenance of adequate internal financial controls, for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the organization ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The management is also responsible for overseeing the company's financial reporting process



Auditor's Responsibility 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 ISA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the 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 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' 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 Company'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 Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.

We communicate with the Board of Directors 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

Tirana, 21 April 2017

ALLS Auditing

Anida NURI
Auditor



Non-Profit Unit	<u>INSTITUTI SHQIPTAR I SHKENCAVE</u>	
	<u>(ALBANIAN INSTITUTE OF SCIENCE)</u>	
Tax Registration Number (NIPT)	<u>L11529451L</u>	
Seat Address	<u>RR. ASIM VOGSHI, PLL.13 KATESH, SHK.25, AP6</u>	
	<u>TIRANA</u>	
No. of Court Decision	<u>No.28</u>	
Date of the Court Decision	<u>28.03.2011</u>	
Main Activity	<u>OPEN DATA</u>	
	<u>STATISTICAL PROCESSING, INFORMATION, ETC</u>	

FINANCIAL STATEMENTS

(Non-Profit Organizations)

(In compliance with National Accounting Standards for NPO-s)

Year 2016

The Financial Statements are expressed in
The Financial Statements are rounded to

<u>All</u>
<u>0</u>

The Accounting Period

Fro	<u>01.01.2016</u>
m	
To	<u>31.12.2016</u>

The closing date of the Financial Statements

<u>10.01.2017</u>

Statement of Financial Position as at 31.12.2016

No.	FIXED ASSETS	Current Period 2016	Previous Period 2015
	Cash and cash equivalents	6,558,949	4,375,139
	Rights and interest receivables	242,455	593,759
	Contributions receivable (overpaid in VAT+insurance)	309,700	605,983
	Long-term financial investments		
	Limited assets for investments in land, buildings and equipment		
	Land, buildings and equipment	1,038,308	855,518
	Other long-term investments		
	Total Assets	8,149,412	6,430,399
	LIABILITIES		
	Payable, insurance, and tax on salaries and source	254,670	322,159
	Payable certificates		
	Prepaid Contributions		
	Grants		
	Payable conditional promises		
	Long-term loans		
	Total Liabilities	254,670	322,159
	NET ASSETS	7,894,742	6,138,240
	Restricted	4,144,742	432,600
	a) Land or works of art donated to be used for specific purposes to be protected, not for sale		
	b) Assets donated for investment for permanent incomes		
	c) restricted from donors through conditional contracts	4,144,742	
	Unrestricted	3,750,000	5,705,640
	Total Net Assets	7,894,742	6,138,240
	TOTAL of Net Assets + Liabilities	8,149,412	6,460,399

Prepared by: Executive Director Aranita Brahaj

Statement of Activities as at 31.12.2016

No.	Description of the item	Current Period 2016	Previous Period 2015
I	Changes in unrestricted net assets:	1,756,502	5,137,966
II	Incomes		
1	Income from membership fees	50,000	
2	Income from donations and voluntary contributions		
3	Income from Government grants or other financing agencies		
4	Income from investments or donations	13,353,850	21,908,471
5	Fees for services		
6	Income from commercial activity		
7	Other incomes	3,040,250	
	Total incomes from unlimited net assets	16,444,100	21,908,471
	Net assets released from conditions:		
8	Net assets released from conditions:	432,600	0
9	Realization of program restrictions		0
10	Realization of conditions on purchasing equipment		0
11	End of restriction		0
	Total net assets released from restrictions	432,600	0
	Total incomes from unrestricted net assets:	16,876,700	21,908,471
III	Expenses for activities		
	Activity A- MGP	11,324,366	
	Activity B - OPENLGP	3,111,412	
	Activity C - PROCUREMENT IN THE HEALTH SECTOR	1,114,200	
	Activity D - OPENLGPREDFLAG	827,201	
	Activity - MOVE ALBANIA	571,490	
	Activity - OTHERS	1,883,671	
1	Administration expenses and other expenses, such as rent, salary, etc.	3,570,083	
2	Expenses for salaries and insurance for above activities	8,844,166	6,078,464
3	Other expenditures	6,418,091	10,692,041
	Total expenditures (1+2+3)	18,832,340	16,770,505
	Increase/Decrease in unrestricted net assets (A)	-1,955,640	5,137,966
	Changes in restricted net assets:	4,144,742	432,600
	Contributions		
	Incomes from long-term investments		
	Realized and non-realized profit from long-term investments		
	Actuary loss from yearly obligation		
	Net assets released from restrictions (marked by minus)	-432,600	432,600
	Increase/Decrease in temporarily restricted net assets (B)	3,712,142	0
	Changes in net assets (A + B)	1,756,502	5,570,566
	Net assets at the beginning of the year	6,138,240	567,674
	Net assets at the end of the year	7,894,742	6,138,240

Prepared by: Executive Director Aranita Brahaj



Cash Flows on 31.12.2016

Indirect Method

No.	Description of items	Current Period 2016	Previous Period 2015
	Changes in net assets	2,189,102	5,137,966
	Adjustments to match changes in net assets with net flows from exploitation activities:		
	Depreciation and amortisation	185,000	
	Realized and non-realized loss in investments		
	Loss from obsolete machinery and equipment		
	Non-cash Contributions		
	Non-cash Inventory Increases/Decreases		
	Contributions limited to investments in donations/aid	-432,600	
	Changes in short-term assets and liabilities:		
	Other receivables	647,587	-1,199,742
	Prepaid expenses-liabilities	-67,489	213,023
	Good faith charity receivables		
	Payable		
	Charity on an annual basis		
	Net flow from exploitation activities		
	INVESTMENT ACTIVITIES		
	Purchase / Sale of investments		
	Purchase/Sale of long-term assets	-337,790	-452,918
	Principal received from note receivables		
	Received in advance from note receivables		
	Net flows from investment activities		
	FUNDING ACTIVITIES		
	Collected from restricted contributions to investments in donations/aid		
	Principal paid on payable notes		
	Net flows net from funding activities		
	Net Increase/Decrease in monetary assets and equivalents	2,183,810	3,948,329
	Cash and cash equivalents at the beginning of the period	4,375,139	676,810
	Cash and cash equivalents at the end of the period	6,558,949	4,375,139