



Aleanca për Ardhmërinë e Kosovës

**Campaign Financial Disclosure Report with Independent Auditors'
Report thereon**

**Extraordinary national elections
28 May 2014 – 06 June 2014**



Table of Contents:

<u>Independent Auditors' report.....</u>	<u>3</u>
Statement of financial position.....	7
Statement of income and expenses.....	8
Notes on financial statements	9-14

Independent Auditors' Report

To the council of **Aleanca për Ardhmërinë e Kosovës**

Report on Special Purpose Financial Statement

Qualified Opinion

We have audited the Campaign Financial Disclosure Report of the Political Entity “**Aleanca për Ardhmërinë e Kosovës**” (hereinafter referred to as “Political Entity” or “AAK” or “PE”), which comprise the statement of financial position as at June 06, 2014, the statement of income and expenses for the period 28 May 2014 until 6 June 2014 and other explanatory information.

In our opinion, except for the effects of the matters described in Basis for qualified opinion section, the campaign financial disclosure report presents fairly, in all material respects, the financial position of the Political Entity as of 6 June 2014, and its income and expenses for the period from 28 May 2014 until 6 June 2014 in accordance with the law no. 04 / L-212 on amending and supplementing the Law no. 03 / L-174 on Financing of Political Entities, amended and supplemented by Law No. 04 / L-058, Article 15 Financial Reporting.

Basis for qualified 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 Political Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Kosova, 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.

- The Political Entity has received donations through cash in the amount of 110,350.00 Euro during 2014 which is in violation of Article 4, Paragraph 4 of Law Nr. 04/L-212 on amending and supplementing of Law Nr. 03/L-174 on Financing of Political Entities amended and supplemented by Law Nr 04/L-058 which allow receiving of assets to be done only through bank. Furthermore the Political Entity has received donations in cash in the amount of over 2,000.00 Euro during the year from individuals which is in violation with this law.
- As presented in Note 7 of Financial Statements the Political Entity has stated expenses on the amount of 291,750.00 for the period from 28 May 2014 until 6 June 2014. In absence of supporting documentation we were unable to verify whether the stated expenses on the amount of 103,535.00 Euro were accurate.

- The Political Entity during 2014 has operated with one (1) main bank account and 27 subaccounts in Raiffeisen Bank in Kosovo which is in violation of Law Nr. 04/L-212 amended and supplemented by law Nr. 04/L-058 Article 3, Paragraph 3 which obliges Political Entities to operate with a single bank account.

Emphasis of matter

On our qualified opinion for the PE we draw attention to the following findings:

- The Political Entity has received donations on the amount of over 1,000.00 Euro from the same individual during one day which is in violation of Law on Prevention of Money Laundry and Terrorism Financing, Article 26 Additional Obligations of Political Entities.
- The Political Entity has not disclosed notes on the purchases made on the amount of over 5,000.00 to a single recipient during the day as required by Law Nr. 04/L-212 on amending and supplementing the Law Nr. 03/L-174 on Financing of Political Entities, amended and supplemented by Law Nr. 04/L-058, Article 15, Financial Reporting.
- The Political Entity has not maintained proper accounting to enable the recording of financial transactions and the preparation of financial statements according to the applicable accounting standards in Kosovo.
- The Political Entity has not defined in its Statute the possibility of exercising internal financial control and the right for its members to be informed of all revenues and expenses of political entities as well as the responsibly of relevant body for financial transaction as required by the law no. 04 / L-212 on amending and supplementing the Law no. 03 / L-174 on Financing of Political Entities, amended and supplemented by Law No. 04 / L-058, Article 17 Internal Control.
- The Political Entity has not respected the legal requirements regarding the publication of annual and campaign financial disclosure reports as required by the law no. 04 / L-212 on amending and supplementing the Law no. 03 / L-174 on Financing of Political Entities, amended and supplemented by Law No. 04 / L-058, Article 15 Financial Reporting, paragraphs 5.1 and 5.2.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Law No. 04/L-212 on amending and supplementing the Law no. 03/L-174 on the financing of Political Parties, amended and supplemented by law no. 04/L-058 and the law no.03/L-257 on amending and supplementing the law no.03/L-073 on General Elections in the Republic of Kosovo, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.



In preparing the financial statements, management is responsible for assessing the Organization's 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 Political Party 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 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 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 scepticism 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 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 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.

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.

Audit & Conto sh.p.k

Qerim Qerimi
Statutory Auditor
December 2017

Statements of financial position

		Balance at the end of the period	Balance at the start of the period
Assets		Amount in Euro	Amount in Euro
Long-term assets	Notes		
Property, plant and equipment			
Intangible Assets			
Other long-term assets			
Total long-term assets		0.00	
Current assets			
Accounts receivable			
Prepayments			
Cash and cash equivalents	2	45.50	
Other current assets			
Total current assets		45.50	
Total Assets		45.50	
Equity			
Accumulated Fund		45.50	
Surplus / (deficit) of the period		(162,400.00)	
Total Equity		(162,354.50)	
Liabilities			
Long-term liabilities			
Loans payable			
Deferred revenue			
Total Long-term liabilities			
Current liabilities			
Accounts payable and others	3	162,400.00	
Other current liabilities		0.00	
Total current liabilities		162,400.00	
Total Liabilities		162,400.00	
Total equity and liabilities		45.50	

Statement of income and expenses

	Notes	28 May 2014 – 06 June 2014
Income		
Income from budget		
Income from membership		
Donations and cash contributions	4	110,350.00
Contributions in kind / goods and services	5	19,000.00
Income released from deferred revenue		
Other income		
Total Income for the period		129,350.00
Expenses		
Wages and salaries	6	95,200.00
Transportation expenses	6	3,150.00
Advertising, representation and conferences	6	193,400.00
Purchase of goods	6	0
General expenses	6	0
Other expenses	6	
Total expenses for the period		291,750.00
Surplus / (deficit) for the period		(162,400.00)

1. General Information

Name of Political Entity: Aleanca për Ardhmërinë e Kosovës

Acronym: AAK

Council: Ramush Haradinaj (Chairman)

Finance Representative:

Date of Establishment:

Address:

The financial statements of the PE Aleanca për Ardhmërinë e Kosovës have been prepared in accordance with the requirements of Law no. 04 / L-212 on Amending and Supplementing the Law no. 03 / L-174 on Financing of Political Entities, amended and supplemented by Law No. 04 / L-058, Article 15 Financial Reporting.

According to Article 19, Paragraph 2, Item 7 of Law no.04/L-212 on amending and supplementing Law Nr. 03/L-174 on Financing of Political Entities, amended and supplemented by Law Nr. 04/L-058, the registered political entity within five (5) business days from receiving the draft auditing reports has submitted the revised financial reports and explanations regarding errors and omissions identified by the auditors.

The Political Entity maintains a single bank account in RBKO Bank Kosovo.

Note 2. Cash and cash equivalents

	Balance at the end of the period Amount in Euros	Balance at the start of the period Amount in Euros
Cash in bank	45.5	2,561.50
Cash in hand		34,000.00
Total cash and cash equivalents	45.5	36,561.50

Note 3. Accounts payable and others

	Balance at the end of the period Amount in Euros	Balance at the start of the period Amount in Euros
GRUPI KOHA	30,500.00	
ZERO POZITIVE	30,000.00	
TV 21	24,980.00	
RTK	18,520.00	
Other Accounts payable	58,400.00	
Total Accounts payable and others	162,400.00	0.00

Note 4: Donations and cash contributions

Accepted by			Date of contributions	Amount in Euro	Accepted from:	
Contributors	Address	ID Number			Bank	Cash
Devolli Group				10,000.00		10,000.00
Devolli Corporation				10,000.00		10,000.00
RSM Company				10,000.00		10,000.00
Exluzive Goup				10,000.00		10,000.00
Lika Trade				5,000.00		5,000.00
Infra Plus				10,000.00		10,000.00
ERC Trade				5,000.00		5,000.00
Gllareva				10,000.00		10,000.00
Petroll Company				10,000.00		10,000.00
Zenun Halili				2,000.00		2,000.00
Gent Begolli				2,000.00		2,000.00
Ardian Gjini				2,000.00		2,000.00
Ahmet Isufi				2,000.00		2,000.00
Besnik Tahiri				2,000.00		2,000.00
Halil Gashi				2,000.00		2,000.00
Donika Kadaj				2,000.00		2,000.00
Time Kadriaj				2,000.00		2,000.00
Burim Kelmendi				2,000.00		2,000.00
Blerim Kuqi				2,000.00		2,000.00
Agim Elshani				2,000.00		2,000.00
Ilir Murtezi				2,000.00		2,000.00
Labinot Smajlaj				1,350.00		1,350.00

Aleanca për Ardhmërinë e Kosovës

Notes on Campaign Financial Disclosure Report

Extraordinary National Elections 28 May 2014 Until 6 June 2014

Fatos Mani				1,000.00		1,000.00
Rexhep Kadriu				2,000.00		2,000.00
Shpetim Selmanaj				2,000.00		2,000.00
Total donations and cash contributions				110,350.00	0.00	110,350.00

Note 5: Contributions in kind / goods and services

Description of goods/services	Accepted by			Date of Contributions	Amount in Euro
	Contributors	Address	ID number		
Sound and stage	Sinalko	Istog	600766325	Other	10,000.00
Printing of posters	Shtypshkronja Dugagjini	Pejë		Other	9,000.00
Total contributions in kind / goods and services					19,000.00

Aleanca për Ardhmërinë e Kosovës

Notes on Campaign Financial Disclosure Report

Extraordinary National Elections 28 May 2014 Until 6 June 2014

Note 6: Expenses

Expenses	Expenses in Euro	Payment in Euro	Outstanding amount in Euro
Wages and salaries			
Net wages and salaries			
Payments to observers	95,200.00	95,200.00	
Pension contributions of the employee			
Pension contributions of the employer			
Personal Tax income			
Other benefits			
Total	95,200.00	95,200.00	0.00
Transportation expenses			
Borrowed motorized vehicles	3,150.00	3,150.00	
Fuels			
Airplane/bus/train/taxi etc. tickets			
Car insurance and maintenance			
Any other form of transportation			
Total transportation expenses	3,150.00	3,150.00	
Advertising, representation and conferences			
Premises			
Food			
Cultural and recreation activities			
Radio and TV advertisements	126,100.00	10,000.0	116,100.00
Newsstands and newspaper advertisements	7,000.00	0	7,000.00
Other advertising, representation and conferences	60,300.00	21,000.00	39,300.00

Aleanca për Ardhmërinë e Kosovës

Notes on Campaign Financial Disclosure Report

Extraordinary National Elections 28 May 2014 Until 6 June 2014

expenses			
Total advertising, representation and conferences expenses	193,400.00	67,500.00	125,900.00
Purchase of goods			
Supply of office			
Small equipment			
Total purchase of goods			
General expenses			
Rent of office space			
Telephone, internet and mail			
Electricity and other utilities (water and waste)			
Expenses related to in-kind contributions / goods and services			
Total general expenses			
Other expenses			
Maintenance of office space and equipment			
Expenses not included in any other category			
Total other expenses			
Total expenses	291,750.00	129,350.00	162,400.00