



Iniciativa e Re Demokratike e Kosovës

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

**Local Elections
03 October 2013 – 02 November 2013**



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Independent Auditors' Report

To the council of **Iniciativa e Re Demokratike e Kosovës**

Report on Special Purpose Financial Statement

Disclaimer of Opinion

We were engaged to audit the Campaign Financial Disclosure Report of the Political Entity "**Iniciativa e Re Demokratike e Kosovës**" (hereinafter referred to as "Political Entity" or "IRDK" or "PE"), which comprise the statement of financial position as at November 02, 2013, the statement of income and expenses for the period 3 October 2013 until 2 November 2013 and other explanatory information.

We do not express an opinion on the accompanying financial statements of the Political Entity "**Iniciativa e Re Demokratike e Kosovës**". Because of the significance of the matter described in the Basis for Disclaimer of Opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

Basis for Disclaimer of opinion

- The Political Entity has not disclosed notes on assets, liabilities and equity of the PE on 2nd November 2013 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. In the absence of supporting documentation we were unable to verify whether the stated assets, liabilities and equity correctly reflect the state of the PE on 2nd November 2013.
- The Political Entity has not submitted to the Central Election Committee (hereinafter referred to as "CEC") all financial reports as required by 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.
- The Political Entity has not submitted to the CEC copies of invoices on reported expenditures as required by 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. In the absence of supporting documentation we were unable to verify if the reported expenses were accurate and correctly represent the activity of the PE.

- The Political Entity did not submit to the CEC the banking report for the period 3 October 2013 until 2 November 2013 as required by 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. In the absence of supporting documentation we were unable to verify whether the reported bank balance is accurate and at the same time whether the reported revenues and expenses correctly represent the activity of the PE.
- The Political Entity has not reported income from cash donations, in the absence of supporting documentation, we were unable to verify whether the PE had or had not accepted cash donations.
- The Political Entity has not reported income from contributions in kind / goods and services, in the absence of supporting documentation we were unable to verify whether the PE had or had not accepted contributions in kind / goods and services.
- The Political Entity has not reported the payments made in the amount of over 5,000.00 EUR to a single recipient, in the absence of supporting documentation we were unable to verify whether the PE made payments in the amount of over 5,000.00 EUR to a single recipient.
- In the absence of confirmations by the bank, we were unable to verify if the PE had only one bank account as required by 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 11, paragraph 3.

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

Agron Mustafa
Statutory Auditor
29 November 2017

Statements of financial position

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

Statement of income and expenses

	Notes	03 October 2013 – 02 November 2013
Income		
Income from budget		10,211.10
Income from membership		
Donations and cash contributions		0.00
Contributions in kind / goods and services		
Other income		
Total Income for the period		10,211.10
Expenses		
Wages and salaries		5,000.00
Transportation expenses		2,000.00
Advertising, representation and conferences		1,941.00
Purchase of goods		350.00
General expenses		600.00
Other expenses		320.10
Total expenses for the period		10,211.10
Surplus / (deficit) for the period		0.00

1. General Information

Name of Political Entity: Iniciativa e Re Demokratike e Kosovës

Acronym: BSDK

Council: Xhevdet Neziraj (Chairman)

Finance Representative: Elbert Krasniqi

Date of Establishment:

Address: Peja

The financial statements of the PE Iniciativa e Re Demokratike 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.