

Kosova Demokratik Turk Partisi

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

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



Table of Contents:

Independent Auditors' report. 3

Statement of financial position..... 6

Statement of income and expenses..... 7

Notes on financial statements 8-11

Independent Auditors' Report

To the council of **Kosova Demokratik Turk Partisi**

Report on Special Purpose Financial Statement

Disclaimer of Opinion

We were engaged to audit the Campaign Financial Disclosure Report of the Political Entity "**Kosova Demokratik Turk Partisi**" (hereinafter referred to as "Political Entity" or "KDTP" or "PE"), which comprise the statement of financial position as at June 06, 2014, and the statement of income and expenses for the period 28 May 2014 until 6 June 2014 and other explanatory information.

We do not express an opinion on the accompanying financial statements of the Political Entity "**Kosova Demokratik Turk Partisi**". 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

- As presented in Note 4 of Financial Statements – Expenses, the Political Entity has stated expenses on the amount of 21,336 Euro for the period 28 May 2014 until 6 June 2014; in absence of supporting documentation we were unable to verify whether stated expenses on the amount of 7,180 Euro were accurate. Furthermore, the PE has not declared nor paid for taxes and contributions for salaries as required by the tax legislation in power.
- As presented in Note 3 of Financial Statements – Accounts payable, the PE has stated liabilities on the amount of 5,615 Euro as of 6 June 2014 while on Note 2 – Expenses, the PE has stated outstanding amount from non-payment of expenses on the amount of 11,116 Euro. There is a mismatch of liabilities stated and given the nature of the records kept by the PE we were unable to verify whether the stated liabilities as of 6 June 2014 were fully accurate.
- As presented in the Statement of Income and Expenses, the PE has stated income from memberships in the amount of 5,000.00 Euro, in absence of supporting documentation we were unable to verify whether the value of the stated income is fully accurate.

Emphasis of matter

We draw attention to the following findings:

- 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 for the conducted purchases did not apply any procurement procedures which would enable a more efficient, cost-effective, transparent and fair use of political entity funds
- 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.
- During our auditing we found out that representation and fuel expenses, in some instances the PE does not have the relevant supporting documentation except receipts which would be useful to justify and support the stated expense.

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

Elmije Osmani
Statutory Auditor
5 December 2017

Statements of financial position

		Balance at the end of the period	Balance at the start of the period
Assets	Notes	Amount in Euro	Amount in Euro
Long-term assets			
Property, plant and equipment			
Intangible Assets			
Other long-term assets		0	0
Total long-term assets			
Current assets			
Accounts receivable			
Prepayments			
Cash and cash equivalents	2	5,626	12,811
Other current assets			
Total current assets		5,626	12,811
Total Assets		5,626	12,811
Equity			
Accumulated Fund		3,538	
Surplus / (deficit) of the period		(3,526)	3,538
Total Equity		12	3,538
Liabilities			
Long-term liabilities			
Loans payable		0	-
Deferred revenue			0
Total Long-term liabilities			
Current liabilities			
Accounts payable and others	3	5,615	9,273
Other current liabilities			
Total current liabilities		5,615	9,273
Total Liabilities		5,615	9,273
Total equity and liabilities		5,626	12,811

Kosova Demokratik Turk Partisi*Campaign Financial Disclosure Report**Extraordinary National Elections 28 May 2014 Until 6 June 2014*

	Notes	28 May 2014 – 06 June 2014
Income		
Income from budget		12,811
Income from membership		5,000
Donations and cash contributions		-
Contributions in kind / goods and services		-
Other income		-
Total Income for the period		17,811
Expenses		
Wages and salaries	4	7,180
Transportation expenses	4	1,765
Advertising, representation and conferences	4	12,025
Purchase of goods	4	-
General expenses	4	141
Other expenses	4	225
Total expenses for the period		21,336
Surplus / (deficit) for the period		(3,526)

1. General Information

Name of Political Entity: **Kosova Demokratik Turk Partisi**

Acronym: KDTP

Council: Mahir Jagcilar (Chairman)

Finance Representative:

Date of Establishment: 1990

Address: Prizren, Kosovo

The financial statements of the PE Kosova Demokratik Turk Partisi 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 NLB 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	5,626	12,811
Cash in hand	-	-
Total cash and cash equivalents	5,626	12,811

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
Other Accounts payable	5,615	9,273
Total Accounts payable and others	5,615	9,273

Note 4. Expenses

Expenses	Expenses	Payment	Outstanding amount
Wages and salaries			
Net wages and salaries	2,180	2,180	
Payments to observers	5,000	5,000	

Kosova Demokratik Turk Partisi*Notes on Campaign Financial Disclosure Report**Extraordinary National Elections 28 May 2014 Until 6 June 2014*

Pension contributions of the employee			
Pension contributions of the employer			
Personal Tax income			
Other benefits			
Total	7,180	7,180	0
Transportation expenses			
Borrowed motorized vehicles			
Fuels	615	615	
Airplane/bus/train/taxi etc. tickets	1,150	1,150	
Car insurance and maintenance			
Any other form of transportation			
Total transportation expenses	1,765	1,765	0
Advertising, representation and conferences			
Premises			
Food	6,955	455	6,500
Cultural and recreation activities			
Radio and TV advertisements	300	300	
Newsstands and newspaper advertisements	4,770		4,770
Other advertising, representation and conferences expenses			
Total advertising, representation and conferences expenses	12,025	755	11,270
Purchase of goods			
Supply of office			
Small equipment			
Total purchase of goods	0	0	0

Kosova Demokratik Turk Partisi*Notes on Campaign Financial Disclosure Report**Extraordinary National Elections 28 May 2014 Until 6 June 2014*

General expenses			
Telephone, internet and mail	141	141	
Electricity and other utilities (water and waste)			
Fines and penalties			
Expenses related to in-kind contributions / goods and services			
Total general expenses	141	141	0
Other expenses			
Maintenance of office space and equipment			
Expenses not included in any other category	225	379	(154)
Total other expenses	225	379	(154)
Total expenses	21,336	10,220	11,116

602.00