



**Jedinstvena Goranska Partija
(JGP)**

**Annual Financial Statements with Independent Auditors' Report
thereon**

01 January 2017 - 31 December 2017



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Independent Auditors' Report

To the council of Jedinstvena Goranska Partija

Report on Special Purpose Financial Statement

Qualified Opinion

We have audited the financial statements of the Political Entity "**Jedinstvena Goranska Partija**" (hereinafter referred to as "Political Entity" or "JGP" or "PE"), which comprise the statement of financial position as at December 31, 2017, the statement of income and expenses for the year then ended and other explanatory information.

In our opinion, except for the effects of the matters described in Basis for qualified opinion section of our report, the financial statements present fairly, in all material respects, the financial position of the Political Entity as of 31 December 2017, and its income and expenses for the year then ended 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

- As presented in the Statement of Income and Expenses the PE has stated expenses on the amount of 38,251.15 euro. Given the nature of records kept by the political entity and in absence of supporting documentation we were unable, while applying standard and alternative procedures of auditing, to verify whether expenses on the amount of 16,151.75 were accurate.
- In absence of confirmations by the banks we were unable to verify whether the PE had only one bank account as requested by Law No.04/L-212 on amending and supplementing Law No.03/L-174 on financing Political Entities, amended and supplemented by Law No.04/L-058, Article 11, paragraph 3.
- 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 and the IESBA Codes. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 has not disclosed notes on the purchases made on the amount of over 5,000.00 to a single recipient during one 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. There are two transactions in violation of the above law.
- 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.

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 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

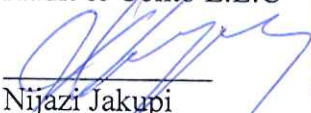
accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial 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 L.L.C


Nijazi Jakupi
Statutory Auditor
12 April 2019



Statement of Financial Position

Assets		31 December 2017	31 December 2016
Long-term assets	Notes	Amount in Euros	Amount in Euros
Property, plant and equipment	5	2,233.00	2,791.25
Intangible Assets			
Other long-term assets			
Total long-term assets		2,233.00	2,791.25
Current assets			
Accounts receivable	6	39	0.00
Prepayments			
Cash and cash equivalents	7	318.71	1,303.36
Other current assets			
Total current assets		357.71	1,303.36
Total Assets		2,590.71	4,094.61
Equity			
Accumulated Fund		1,240.01	4,096.61
Surplus / (deficit) of the year		(947.65)	(2,856.60)
Total Equity		296.36	1,204.01
Liabilities			
Long-term liabilities			
Loans payable			
Deferred revenue		2,298.35	2,856.60
Total Long-term liabilities		2,298.35	2,856.60
Current liabilities			
Accounts payable	8	0.00	0.00
Loans payable			
Other current liabilities	9	0.00	0.00
Total current liabilities		0.00	0.00
Total Liabilities		2,856.60	2,856.60
Total equity and liabilities		2,590.71	4,096.61

Statement of Income and Expenses

	Notes	Year ending on 31 st December	
		2017	2016
Income			
Income from budget		37,303.50	15,393.00
Income from membership		0.00	0.00
Donations and cash contributions	3	0.00	0.00
Contributions in kind / goods and services	4		
Income from campaigns		0.00	0.00
Income released from deferred revenues	5		
Other income			
Total Income for the year		37,303.50	15,393.00
Expenses			
Wages and salaries	2	10,223.90	8,557.60
Transportation expenses	2	11,885.50	6,750.00
Advertising, representation and conferences	2	4,375.00	1,379.00
Campaign expenses	2	9,273.40	
Purchase of goods	2	105.00	
General expenses	2	2,248.00	500.00
Other expenses	2	140.35	1,062.10
Total expenses for the year		38,251.15	18,249.60
Surplus / (deficit) for the year		(947.65)	(2,856.60)

1. General Information

Name: Jedinstvena Goranska Partija

Acronym: JGP

Council: Adem Hoxha (Chairman)

Finance Representative: Adem Hoxha

Date of Establishment:

Address of political entity: Dragash

The financial statements of Partia e Ashkanlinjëve për Integrim 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.

The Political Entity maintains a single bank account at BPB.

Note 2. Expenses

<u>Expenses</u>	Expenses in Euro	Payment in Euro	Outstanding amount in Euro
Wages and salaries			
Net wages and salaries	9,200.00	9,200.00	0.00
Pension contributions of the employee	143.90	143.90	0.00
Pension contributions of the employer	440.00	440.00	0.00
Personal Tax income	440.00	440.00	0.00
Other benefits			0.00
Total	10,223.90	10,223.90	0.00
Transportation expenses			
Borrowed motorized vehicles	9,200.00	9,200.00	0.00
Fuels	143.90	143.90	0.00
Airplane/bus/train/taxi etc. tickets	440.00	440.00	0.00
Car insurance and maintenance	440.00	440.00	0.00
Any other transportation expenses			0.00
Total transportation expenses	10,223.90	10,223.90	0.00

Advertising, representation and conferences			
Premises	0.00	0.00	0.00
Food	0.00	0.00	0.00
Cultural and recreation activities	0.00	0.00	0.00
Radio and TV advertisements	0.00	0.00	0.00
Newsstands and newspaper advertisements	0.00	0.00	0.00
Other advertising, representation and conferences expenses	4,375.00	4,375.00	0.00
Total advertising, representation and conferences expenses	4,375.00	4,375.00	0.00
Campaign Expenses			
Campaign expenses	9,273.40	9,273.40	0.00
Total campaign expenses	9,273.40	9,273.40	0.00
Purchase of goods			
Supply of office	105.00	105.00	0.00
Small equipment			0.00
Total purchase of goods	105.00	105.00	0.00