

**Kosova Demokratik Turk Partisi
(KDTP)**

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

**Extraordinary national elections
11 May 2017 – 11 June 2017**

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Independent Auditors' Report

To the council of Kosova Demokratik Turk Partisi

Report on Special Purpose Financial Statement

Qualified Opinion

We have audited 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 11, 2017, the statement of income and expenses for the period 11 May 2017 until 11 June 2017 and other explanatory information.

In our opinion, except for the effect of the matters described in the section Basis for Qualified Opinion, the campaign financial disclosure report presents fairly, in all material respects, the financial position of the Political Entity as of 11 June 2017, and its income and expenses for the period from 11 May 2017 until 11 June 2017 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

- The political entity, in the Statement of Income and expenses, has stated donation accepted in cash in the amount of 5,900.00 Euro which is in violation of Law No.04/L0212 in amending and supplementing law No.03/L-174 On Financing of Political Entities, amended and supplemented by law No.04/L-058, Article 4 Financial and Material Sources, paragraph 4, which allows PE to accept donations only by bank account.
- As stated in Note 2 of the Statement of Income and Expenses, regarding salaries and compensation in the gross amount of 3,040.00 Euro the Political Entity has employed during the national election campaign certified observers for which services they were paid in the Net amount but without withholding tax at source and declared pension contributions foreseen under Article 38, paragraph 1 of the Law on Personal Income No.05/L-028.
- Furthermore, the PE has not provided supporting evidence / a list in which the observers had signed the acceptance of the funds on the specified date.

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

On our qualified opinion, 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 financial report and campaign financial disclosure report as required by Law No.04/L-212 on amending and supplementing Law No.03/L0174 on Financing of Political Entities, amended and supplemented by Law No.04/L-058, Article 15 Financial Reporting, Paragraph 5.1 and 5.2.
- During our auditing we have noticed that expenses of representation and fuel, in most cases the PE does not have relevant supporting documentation, other than receipts which would justify and support the occurred 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 P.L.C


Ymer Shatri
Statutory Auditor
12 April 2019



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Statement 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	5		
Intangible Assets			
Other long-term assets			
Total long-term assets		0.00	0.00
Current assets			
Accounts receivable	6	0	0
Prepayments			
Cash and cash equivalents	7	81.80	15,341.63
Other current assets			
Total current assets		81.80	15,341.63
Total Assets		81.80	15,341.63
Equity			
Accumulated Fund		81.10	
Surplus / (deficit) of the period		-5,050.00	15,341.63
Total Equity		-4,968.90	15,341.63
Liabilities			
Long-term liabilities			
Loans payable			
Deferred revenue			
Total Long-term liabilities		0.00	0.00
Current liabilities			
Accounts payable and others	8	5,050.00	
Loans Payable			
Other current liabilities	9		
Total current liabilities		5,050.00	0.00
Total Liabilities		5,050.00	0.00
Total equity and liabilities		81.10	15,341.63

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Statement of Income and Expenses

	Notes	11 May 2017 – 11 June 2017
Income		
Income from budget		15,854.09
Income from membership		
Donations and cash contributions	3	5,900.00
Contributions in kind / goods and services	4	
Other income		
Total Income for the period		21,754.09
Expenses		
Wages and salaries	2	3,040.00
Transportation expenses	2	238.73
Advertising, representation and conferences	2	22,979.97
Purchase of goods	2	265.39
General expenses	2	80.00
Other expenses	2	200.00
Total expenses for the period		26,804.09
Surplus / (deficit) for the period		(5,050.00)

1. General Information

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

Acronym: KDTP

Council: Mahir Jagcilar (Chairman)

Finance Representative: Sezer Hoti

Date of Establishment: 2001

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.

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Note 7. 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	81.1	15,341.63
Cash in hand		
Total cash and cash equivalents	81.10	15,341.63

Note 8. Accounts Payable and Others

	Balance at the end of the period Amount in Euros	Balance at the start of the period Amount in Euros
KESCO		
Regional Water Company Prishtina JSC "Prishtina"		
Regional Waste Company "Pastrimi"		
Payable to the media		
Other Accounts Payable	5,050.00	
Total Accounts payable and others	5,050.00	0.00

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Note 2. Expenses

Expenses	Expenses in Euro	Payment in Euro	Outstanding amount in Euro
Wages and salaries			
Net wages and salaries			0.00
Payment to observers	3,040.00	3,040.00	0.00
Pension contributions of the employee			0.00
Pension contributions of the employer			0.00
Personal Tax income			0.00
Other benefits			0.00
Total	3,040.00	3,040.00	0.00
Transportation expenses			
Borrowed motorized vehicles			0
Fuels			0
Airplane/bus/train/taxi etc. tickets			0
Car insurance and maintenance	238.73	238.73	0
Any other transportation expenses			0
Total transportation expenses	238.73	238.73	0.00

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Advertising, representation and conferences			
Premises			0.00
Food	10,366.25	5,516.25	4,850.00
Cultural and recreation activities			0.00
Radio and TV advertisements	12,613.72	12,613.72	0.00
Newsstands and newspaper advertisements			0.00
Other advertising, representation and conferences expenses			0.00
Total advertising, representation and conferences expenses	22,979.97	18,129.97	4,850.00
Purchase of goods			
Supply of office	265.39	265.39	0
Small equipment			0
Total purchase of goods	265.39	265.39	0.00
General expenses			
Rent of office space			0.00
Telephone, internet and mail	80.00	80.00	0.00
Electricity and other utilities (water and waste)			
Fines and Penalties			0.00

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Expenses related to in-kind contributions / goods and services		//////		0.00
Total general expenses	80.00	80.00		0.00
Other expenses				
Maintenance of office space and equipment	0	0		0
Expenses not included in any other category	200.00			200.00
Total other expenses	200.00	0.00		200.00
Total expenses	26,804.09	21,754.09		5,050.00

Note 3: Donations and cash contributions

Contributors	Accepted by		Date of contributions	Amount In Euros	Accepted from	
	Address	ID Number			Bank	Cash
Enver Dubovci	D.Kombit 122 Vushtrri		03.06.2017	300.00		300.00
Sencar karamuqo	Alajdin berisha-27		04.06.2017	500.00		500.00
Abdulahadi Krasnic	Mamusha		04.06.2017	500.00		500.00
Cuneyd Ustaibo	B.Kelmendi-35		04.06.2017			

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	Pristine				300.00		300.00	
Abdullah Pirce	Skenderbeu-220-vushtri		04.06.2017		250.00		250.00	
Beyhan Erciyas	Nena Tereza II4-47 Prizren		04.06.2017		500.00		500.00	
Edis Kogjbashli	Sheshi I lidhjes 66/7-Prizren		04.06.2017		450.00		450.00	
Mahir Yagcilar	R.ukimeri I/3		04.06.2017		500.00		500.00	
Ebru Zborca	Sadik Zeneli IA		04.06.2017		300.00		300.00	
Ertan Simitci	Beteja e Llapshnikut 7/1		05.06.2017		500.00		500.00	
Recep Rada	M.Sharri-3		06.06.2017		500.00		500.00	
Fikrim Damka	Adriatik 9-Prizren		06.06.2017		500.00		500.00	
Arzu Virsevca	Mbreti Pirro NR.7		07.06.2017		400.00		400.00	
Sezer Hoti	Rifat ukimeri 17		07.06.2017		400.00		400.00	
Total donations and cash contributions							0	5,900.00

The personal number of the donors are known to the auditor and CEC, but as required by Law No.03/L-172 on Protection of Personal Information the number does not appear in Note 3 to the public.