



Kosovaki Nevi Rmani Partia (KNRP)

**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 Kosovaki Nevi Rmani Partia

Report on Special Purpose Financial Statement

Qualified Opinion

We have audited the Campaign Financial Disclosure Report of the Political Entity "Kosovaki Nevi Rmani Partia" (hereinafter referred to as "Political Entity" or "KNRP" 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 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 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

- As disclosed in note 2 "Expenses" of the income and expenses statement valued at a total of 2,109.46 Euro, the political entity, KNRP, has not managed to record on their accounting books separate transactions for campaign activities as follows:
 - a) all expenses, including campaign expenses, made by the political entity during the reporting period
 - b) a balance sheet that presents the assets, liabilities and equity of the political entity from the first day until the last day of the reporting period
 - c) provide the office with copies of receipts for each paid administrative transaction.
 - d) accounting records with notes, in accordance with generally accepted accounting principles.

Since campaign expense transactions are all paid in cash at a value of 2,109.46 Euro and the political entity did not maintain a cash book (cash register) we have been unable to apply standard and alternative auditing procedures to verify the accuracy of the expenses incurred and paid in cash for the reporting period. Many cases involving invoices over 100 euro have been identified that are paid in cash and that receipts have not been kept and recorded as required by Article 40, Paragraph 6 of Law No.03/L-073 on General Elections in Republic of Kosovo.



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 Kosovo, 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.
- According to Law No.03/L073, Article 40, Paragraph 7, all financial officers should have attended a training in accounting and auditing, organized by the Office immediately after their appointment, being unable to provide the Office with an acceptable level of expertise and experience would have indicated that such a training is indispensable. For this reason, the financial officers were not qualified enough to respond to the financial reporting requirements and there were uncertainties and errors in accurately recording the occurred transactions for the reporting period.

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



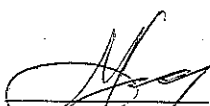
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee 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.

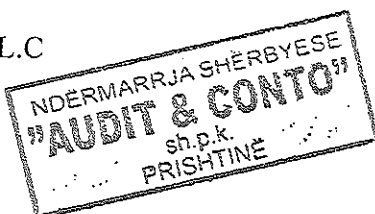
As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- 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 L.L.C


Muhamet Feka
Statutory Auditor
12 April 2019



Lidhja Demokratike e Kosovës
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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		
Prepayments			
Cash and cash equivalents	7		
Other current assets			
Total current assets		0.00	0.00
Total Assets		0.00	0.00
Equity			
Accumulated Fund			
Surplus / (deficit) of the period			
Total Equity		0.00	0.00
Liabilities			
Long-term liabilities			
Loans payable			
Deferred revenue			
Total Long-term liabilities		0.00	0.00
Current liabilities			
Accounts payable and others	8		
Loans payable			
Other current liabilities	9		
Total current liabilities		0.00	0.00
Total Liabilities		0.00	0.00
Total equity and liabilities		0.00	0.00

Financial Statements of the Political Entity have been approved by the council on 26 July 2017

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Statement of income and expenses

	Notes	11 May 2017 11 June 2017
Income		
Income from budget		2,109.46
Income from membership		
Donations and cash contributions	3	0.00
Contributions in kind / goods and services	4	0.00
Other income		
Total Income for the period		2,109.46
Expenses		
Wages and salaries	2	0.00
Transportation expenses	2	475.00
Advertising, representation and conferences	2	1,097.10
Purchase of goods	2	117.36
General expenses	2	320.00
Other expenses	2	100.00
Total expenses for the period		2,109.46
Surplus / (deficit) for the period		0.00

1. General Information

Name of Political Entity: Kosovaki Nevi Romani Partia

Acronym: KNRP

Council: Jollxhi Shala (Chairman)

Finance Representative: Rexhep Avdo

Date of Establishment:

Address: Street. Jusuf Gërvalla n.n. Prishtina

The financial statements of the PE Kosovaki Nevi Romani Partia 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. Revisions were regarding the discrepancy of financial statements and the auditing report from the year ended 31.12.2016. These revised statements, corrected on 02.04.2019 have been submitted to CEC on 02.04.2019

The Political Entity has maintained a single bank account on ProCredit Bank Kosovo in Prizren.

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 Notes on Campaign Financial Disclosure Report
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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			
Pension contributions of the employee			
Pension contributions of the employer			
Personal Tax income			
Other benefits			
Total	0.00	0.00	0.00
Transportation expenses			
Borrowed motorized vehicles			
Fuels	475.00	475.00	0.00
Airplane/bus/train/taxi etc. tickets			
Car insurance and maintenance			
Any other transportation expenses			
Total transportation expenses	475.00	475.00	0.00

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Advertising, representation and conferences			
Premises	100.00	100.00	0.00
Food	831.00	831.00	0.00
Cultural and recreation activities			
Radio and TV advertisements			
Newsstands and newspaper advertisements	167.10	167.10	0.00
Other advertising, representation and conferences expenses			
Total advertising, representation and conferences expenses	1,098.10	1,098.10	0.00
Purchase of goods			
Supply of office	117.36	117.36	0.00
Small equipment			
Total purchase of goods	117.36	117.36	0.00
General expenses			
Rent of office space			
Telephone, internet and mail	319.00	319.00	0.00
Electricity and other utilities (water and waste)			
Depreciation expenses of long-term assets			

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Expenses related to in-kind contributions / goods and services			
Total general expenses	319.00	319.00	0.00
Other expenses			
Maintenance of office space and equipment	100.00	100.00	0.00
Expenses not included in any other category			
Total other expenses	100.00	100.00	0.00
Total expenses	2,109.46	2,109.46	0.00