



**Partia Demokratike e Kosovës  
(PDK)**

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

**Local Elections  
22 July 2017 - 19 November 2017**



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# Independent Auditors' Report

To the council of Partia Demokratike të Kosovës

## Report on Special Purpose Financial Statement

### Qualified Opinion

We have audited the Campaign Financial Disclosure Report of the Political Entity “**Partisë Demokratike të Kosovës**” (hereinafter referred to as “Political Entity” or “PDK” or “PE”), which comprise the statement of financial position as at November 19, 2017, the statement of income and expenses for the period 22 July 2017 until 19 November 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 at November 19, 2017, the statement of income and expenses for the period 22 July 2017 until 19 November 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 presented in the Statement of Financial Position, the PE has not filled in the column at the beginning of the period, the lack of these information does not present accurately the state of the PE for the reporting period. These information are also not part of the explanatory notes 7, 8 and 9.
- As disclosed in Note 3 Donations and Cash Contributions and Note 4 Contributions in-kind / products and services, the political entity on some cases has received donation exceeding 1,000.00 Euro from physical person and legal entities which is in violation with the requirements of Law No.03/L-174 on Financing of Political Entities.

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 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.
- 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.

### **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**

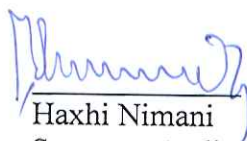
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee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

  
Haxhi Nimani  
Statutory Auditor  
12 April 2019



**Statement of financial position**

<b>Assets</b>		<b>Balance at the end of the period Amount in Euro</b>	<b>Balance at the start of the period Amount in Euro</b>
<b>Long-term assets</b>	Notes		
Property, plant and equipment	5		
Intangible Assets			
Other long-term assets			
<b>Total long-term assets</b>			
<b>Current assets</b>			
Accounts receivable	6		
Prepayments			
Cash and cash equivalents	7	41,622.82	
Other current assets			
<b>Total current assets</b>		<b>41,622.82</b>	
<b>Total Assets</b>		<b>41,622.82</b>	
<b>Equity</b>			
Accumulated Fund			
Surplus / (deficit) of the period		(169,939.44)	
<b>Total Equity</b>		<b>(169,939.44)</b>	
<b>Liabilities</b>			
<b>Long-term liabilities</b>			
Loans payable			
Deferred revenue			
<b>Total Long-term liabilities</b>			
<b>Current liabilities</b>			
Accounts payable and others	8	176,612.26	
Loans payable			
Other current liabilities	9	34,950.00	
<b>Total current liabilities</b>		<b>211,562.26</b>	
<b>Total Liabilities</b>		<b>211,562.26</b>	
<b>Total equity and liabilities</b>		<b>41,622.82</b>	

## Statement of income and expenses

	Notes	22 July 2017 – 19 November 2017
<b>Income</b>		
Income from budget		
Income from membership		
Donations and cash contributions	3	45,393.15
Contributions in kind / goods and services	4	50,920.00
Other income		
<b>Total Income for the period</b>		<b>96,313.15</b>
<b>Expenses</b>		
Wages and salaries	2	0.00
Transportation expenses	2	0.00
Advertising, representation and conferences	2	176,612.26
Purchase of goods	2	0,00
General expenses	2	89,640.33
Other expenses	2	0.00
<b>Total expenses for the period</b>		<b>266,252.59</b>
<b>Surplus / (deficit) for the period</b>		<b>(169,939.44)</b>

## **1. General Information**

Name of Political Entity: Partia Demokratike e Kosovës

Acronym: PDK

Council: Kadri Veseli (Chairman)

Finance Representative:

Date of Establishment: 12.10.1999

Address:

The financial statements of the PE Partia 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.

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 3. Donations and Cash Contributions**

Contributors	Pranuor nga		Date of contributions	Amount		Accepted from:	
	Address	ID Number		In Euro	Bank	Cash	
Gazmend Bytyqi			9/29/2017	1,000.00	1,000.00		
Shqipe Doqi			9/29/2017	500.00	500.00		
Arsim Ajeti			9/29/2017	1,000.00	1,000.00		
Behar Sekiraqa			9/29/2017	1,000.00	1,000.00		
Kastriot Berisha			9/29/2017	999.00	999.00		
Gazmend Zeqa			10/2/2017	1,000.00	1,000.00		
Sadete Popaj			10/9/2017	699.00	699.00		
Ganimete Musliu			10/9/2017	500.00	500.00		
Elmi Reçica			10/10/2017	1,500.00	1,500.00		
Basri Musmurati			10/10/2017	1,000.00	1,000.00		
Selvije Halimi			10/12/2017	1,000.00	1,000.00		
Nezir Çoçaj			10/12/2017	1,000.00	1,000.00		
Bajrush Xhemajli			10/13/2017	900.00	900.00		
Dijari SHPK			10/13/2017	1,000.00	1,000.00		
Kujtim Gashi			10/16/2017	1,000.00	1,000.00		
Nezir Çoçaj			10/16/2017	500.00	500.00		
Valmir Klaiqi			10/16/2017	500.00	500.00		
Latif Gashi			10/17/2017	1,000.00	1,000.00		
Abdyl Ymeri			10/18/2017	1,000.00	1,000.00		
Shpresa Rama			10/18/2017	173.65	173.65		

Shpresa Rama			10/18/2017	214.50	214.50
Dhurata Hoxha			10/18/2017	600.00	600.00
Petrit Morina			10/18/2017	750.00	750.00
Hajdar Beqa			10/18/2017	1,000.00	1,000.00
Bujar Beqa			10/19/2017	1,000.00	1,000.00
Memli Krasniqi			10/19/2017	750.00	750.00
Naim Fazliu			10/19/2017	1,000.00	1,000.00
Kurtan Kajtazi			10/19/2017	500.00	500.00
Idriz Ismajli			10/19/2017	1,000.00	1,000.00
Agim Çeku			10/19/2017	1,000.00	1,000.00
Jakup Ismajli			10/19/2017	1,000.00	1,000.00
Dhurata Hoxha			10/20/2017	900.00	900.00
Fatmire Ferati			10/20/2017	500.00	500.00
Ardiana Rama			10/20/2017	500.00	500.00
Arbresha Sylja			10/20/2017	1,000.00	1,000.00
Avni halili			10/20/2017	1,000.00	1,000.00
Rrahman Jakupi			10/20/2017	1,000.00	1,000.00
Blerim Latifi			10/20/2017	499.00	499.00
Medina Brahaj			10/20/2017	1,000.00	1,000.00
Gazmend Krasniqi			11/1/2017	500.00	500.00
Ilmi Ramadani			11/2/2017	499.00	499.00
Mergim Lushtaku			11/3/2017	1,000.00	1,000.00
Kushtrim Shkodra			11/3/2017	300.00	300.00
Driton Lajci			11/3/2017	500.00	500.00
Fetah Krapi			11/6/2017	499.00	499.00

Fatmir Kelmendi		11/8/2017	160.00	160.00
Safete Hadergjonaja		11/9/2017	300.00	300.00
Gazmend Bytyqi		11/13/2017	700.00	700.00
Safete Hadergjonaja		11/14/2017	1,000.00	1,000.00
Uran Ismajli		11/14/2017	1,000.00	1,000.00
Edvin Smakaj		11/14/2017	500.00	500.00
Valmir Klaiqi		11/14/2017	500.00	500.00
Aziz Amrushi		11/15/2017	750.00	750.00
Nuredin Guri		11/15/2017	500.00	500.00
Lulzim Rexha		11/15/2017	200.00	200.00
Dijari SHPK		11/16/2017	1,000.00	1,000.00
Ergjenie Thaçi		11/16/2017	1,000.00	1,000.00
Ergjenie Thaçi		11/17/2017	500.00	500.00
Afrim Gashi		11/17/2017	1,500.00	1,500.00
<b>Total donations and cash contributions</b>				<b>45,393.15</b>

The personal number of donors are known to the auditor and CEC, but according to Law No.03/L-172 on the protection of personal data, the number does not appear in Note 3.

**Note 7. Cash and cash equivalents**

	<b>Balance at the end of the period Amount in Euro</b>	<b>Balance at the start of the period Amount in Euro</b>
Cash in bank	41,622.82	
Cash in hand		
<b>Total cash and cash equivalents</b>	<b>41,622.82</b>	<b>0.00</b>

**Note 8. Accounts payable and others**

	<b>Balance at the end of the period Amount in Euro</b>	<b>Balance at the start of the period Amount in Euro</b>
Supplier 1	179,612.26	
Supplier 2		
<b>Total accounts payable and others</b>	<b>179,612.26</b>	<b>0.00</b>

**Note 9. Other current liabilities**

	<b>Balance at the end of the period Amount in Euro</b>	<b>Balance at the start of the period Amount in Euro</b>
Liabilities for fines and penalties	34,950.00	
<b>Total other current liabilities</b>	<b>34,950.00</b>	<b>0.00</b>

**Note 2. Expenses**

Expenses	Expenses in Euro	Payment in Euro	Outstanding amount in Euro
<b>Wages and salaries</b>			
Net wages and salaries			0.00
Payments for observers	0.00	0.00	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
<b>Total</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Transportation expenses</b>			
Borrowed motorized vehicles			0.00
Fuels			0.00
Airplane/bus/train/taxi etc. tickets			0.00
Car insurance and maintenance			0.00
Any other transportation expenses			0.00
<b>Total transportation expenses</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

<b>Advertising, representation and conferences</b>			
Premises			-
Food			
Cultural and recreation activities	119,554.76		119,554.76
Radio and TV advertisements	49,124.00		49,124.00
Newsstands and newspaper advertisements	7,933.50		7,933.50
Other advertising, representation and conferences expenses			
<b>Total advertising, representation and conferences expenses</b>	<b>176,612.26</b>	<b>0.00</b>	<b>176,612.26</b>
<b>Purchase of goods</b>			
Supply of office			0.00
Small equipment			0.00
<b>Total purchase of goods</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>General expenses</b>			
Rent of office space			0.00
Telephone, internet and mail	3,770.33	3,770.33	
Electricity and other utilities (water and waste)			
Fines and Penalties	34,950.00		34,950.00

Expenses related to in-kind contributions / goods and services	50,950.00	////////////////////	////////////////////
<b>Total general expenses</b>	<b>89,640.33</b>	<b>3,770.33</b>	<b>34,950.00</b>
<b>Other expenses</b>			
Maintenance of office space and equipment			0.00
Expenses not included in any other category			0.00
<b>Total other expenses</b>			<b>0.00</b>
<b>Total expenses</b>	<b>266,252.59</b>	<b>3,770.33</b>	<b>211,562.26</b>