



Koalicioni VAKAT

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

**Local Elections
24 July 2017 – 22 October 2017**



Table of Contents:

<u>Independent Auditors' report..</u>	<u>3</u>
Statement of financial position.....	6
Statement of income and expenses.....	7
Notes on financial statements	8-12



Independent Auditors' Report

To the council of Koalicioni Vakrat

Report on Special Purpose Financial Statement

Qualified Opinion

We have audited the Campaign Financial Disclosure Report of the Political Entity "Koalicioni Vakrat" (hereinafter referred to as "Political Entity" or "VAKAT" or "PE"), which comprise the statement of financial position as at October 22, 2017, the statement of income and expenses for the period 24 July 2017 until 22 October 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 October 22, 2017, the statement of income and expenses for the period 24 July 2017 until 22 October 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 has received donation in cash on the amount of 16,725.00 Euro which is in violation of the requirements of 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, Article 4 Financial and Material Sources, Paragraph 4 which allows any political entity to only receive donations through the bank account.
- The PE in the Statement of Financial Position and the explanatory notes did not fill in the beginning of the period.

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.
- 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 responsibility 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.
- As presented in Note 3, Donation and Cash Contributions the PE has occasionally received donation exceeding the amount of 1000 Euro from physical persons and legal entities which is in violation of Law No.03/L-174, on financing of Political Entities.

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


Agron Mustafa
Statutory Auditor
12 April 2019



KOALICIJA VAKAT

Campaign Financial Disclosure Report

Local Elections 24 July 2017 until 22 October 2017

Statement of financial position

Assets		Balance at the end of the period Amount in Euro	Balance at the start of the period Amount in Euro
Long-term assets	Notes		
Property, plant and equipment	5	4,466.20	
Intangible Assets			
Other long-term assets			
Total long-term assets		4,466.20	
Current assets			
Accounts receivable	6		
Prepayments			
Cash and cash equivalents	7	6,335.25	
Other current assets			
Total current assets		10,801.45	
Total Assets			
Equity			
Accumulated Fund		-1,139.75	
Surplus / (deficit) of the period			
Total Equity		-1,139.75	
Liabilities			
Long-term liabilities			
Loans payable			
Deferred revenue		4,466.20	
Total Long-term liabilities		4,466.20	
Current liabilities			
Accounts payable and others	8	7,475.00	
Loans payable			
Other current liabilities	9		
Total current liabilities		7,475.00	
Total Liabilities		11,941.20	
Total equity and liabilities		10,801.45	

KOALICIJA VAKAT

Campaign Financial Disclosure Report

Local Elections 24 July 2017 until 22 October 2017

Statement of income and expenses

	Notes	24 July 2017 – 22 October 2017
Income		
Income from budget		19,959.29
Income from membership		0.00
Donations and cash contributions	3	16,725.00
Contributions in kind / goods and services	4	
Other income		
Total Income for the period		36,684.29
Expenses		
Wages and salaries	2	20,673.20
Transportation expenses	2	440.00
Advertising, representation and conferences	2	6,420.41
Purchase of goods	2	6,445.00
General expenses	2	2,599.40
Other expenses	2	106.28
Total expenses for the period		36,684.29
Surplus / (deficit) for the period		0.00

KOALICIJA VAKAT

*Notes on Campaign Financial Disclosure Report
Local Elections 24 July 2017 until 22 October 2017*

1. General Information

Name of Political Entity: Koalicioni Vakat

Acronym: VAKAT

Council:

Finance Representative:

Date of Establishment:

Address: Prizren

The financial statements of the Koalicioni Vakat 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 on BE bank Kosovo.

KOALICIJA VAKAT

Notes on Campaign Financial Disclosure Report
Local Elections 24 July 2017 until 22 October 2017

Note 3: Donations and cash contributions

Contributors	Accepted by		Date of contributions	Amount in Euros	Accepted from	
	Address	ID Number			Bank	Cash
Adis Salaj	Prizren	1176273883	18.09.2017	1,600.00		1,600.00
Emsid Ameti	Selo Donje Ljubinje	1231122539	18.09.2017	1,400.00		1,400.00
Meliman Demiri	Selo Pousko	1006150531	18.09.2017	1,800.00		1,800.00
Amil Kaplani	Selo Gornje Ljubinje	1501029234	18.09.2017	1,700.00		1,700.00
Eldis Abazi	Selo Rečane	1240487469	19.09.2017	1,600.00		1,600.00
Memiš Birdaini	Prizren	1007455522	19.09.2017	1,400.00		1,400.00
Lidon Pajaziti	Selo Grnčare	1240574221	19.09.2017	1,500.00		1,500.00
Nesim Kalajđžini	Selo Manastirica	1170921727	20.09.2017	1,500.00		1,500.00
Fatmir Neziri	Selo Lubižda	1232166637	20.09.2017	1,400.00		1,400.00
Ismet Rustemović	Selo Rečane	1173564887	20.09.2017	1,775.00		1,775.00
Čenan Skederoski	S.Brod	1005800273	18.09.2017	250.00		250.00
Admir Idrizi	S.Kruševo	1500829580	18.09.2017	300.00		300.00
Jusuf Hodža	S.Restelica	1004252175	18.09.2017	200.00		200.00
Nuhija Tairovci	S.Zlipotok	1030869750	19.09.2017	300.00		300.00
Total donations and cash contributions				16,725.00		16,725.00

KOALICIJA VAKAT

Notes on Campaign Financial Disclosure Report
Local Elections 24 July 2017 until 22 October 2017

Note 2. Expenses

Expenses	Expenses in Euro	Payment in Euro	Outstanding amount in Euro
Wages and salaries			
Net wages and salaries	3,465.60	3,465.60	0.00
Pension contributions of the employee	189.20	189.20	0.00
Pension contributions of the employer	189.20	189.20	0.00
Personal Tax income	129.20	129.20	0.00
Other benefits	16,700.00	16,700.00	0.00
Total	20,673.20	20,673.20	0.00
Transportation expenses			
Borrowed motorized vehicles	0.00	0.00	0.00
Fuels	440.00	440.00	0.00
Airplane/bus/train/taxi etc. tickets			0.00
Car insurance and maintenance			0.00
Any other transportation expenses			0.00

KOALICIJA VAKAT

Notes on Campaign Financial Disclosure Report
Local Elections 24 July 2017 until 22 October 2017

Total transportation expenses			440.00	440.00	0.00
Advertising, representation and conferences					
Premises			0.00	0.00	0.00
Food					
Cultural and recreation activities			3,671.41	3,671.41	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			1,749.00	1,749.00	0.00
Total advertising, representation and conferences expenses			1,000.00	1,000.00	0.00
			6,420.41	6,420.41	0.00
Purchase of goods					
Supply of office					
Small equipment			6,445.00	6,445.00	0.00
Total purchase of goods			6,445.00	6,445.00	0.00
General expenses					
Rent of office space					0.00

KOALICIJA VAKAT

Notes on Campaign Financial Disclosure Report
Local Elections 24 July 2017 until 22 October 2017

Telephone, internet and mail		1343.39	1343.39	0.00
Electricity and other utilities (water and waste)		325.01	325.01	0.00
Fines and Penalties		1,931.00	1,931.00	
Depreciation expenses of long-term assets			////////////////////	
Expenses related to in-kind contributions / goods and services			////////////////////	
Total general expenses		2,599.40	2,599.40	0.00
Other expenses				
Maintenance of office space and equipment				0.00
Expenses not included in any other category		106.28	106.28	0.00
Total other expenses		106.28	106.28	0.00
Total expenses		36,684.29	36,684.29	0.00