



**Aleanca Kosova e Re
(AKR)**

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

01 January 2018 - 31 December 2018



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Independent Auditors' Report

To the council of ALEANCA KOSOVA E RE

Report on Special Purpose Financial Statement

Qualified Opinion

We have audited the financial statements of the Political Entity "Aleanca Kosova e Re" (hereinafter referred to as "Political Entity" or "AKR" or "PE"), which comprise the statement of financial position as at December 31, 2018, the statement of income and expenses for the year then ended and other explanatory information on pages 7-14.

In our opinion, except for the effects of the matters described in Basis for Qualified Opinion section, the financial statements present fairly, in all material respects, the financial position of the Political Entity as of 31 December 2018, and its income and expenses for the year then ended in accordance with the law No.03/L-174 on Financing of Political Entities and Law 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 financial statements for the year ended 2017 have not been audited. We were unable to determine whether any correction of the financial statements for the year ended at 31 December 2018 was necessary. We have not been able to identify sufficient information through alternative methods with regards to opening balances in the political entity's financial statements. Furthermore, we were unable to verify whether the political entity has overestimated assets for the value of 1,628.52 Euro or underestimated Capital and Liabilities for the same value as at 31 December 2017

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

Without further qualifying our opinion 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 requirement regarding the publication of annual financial reports and campaign financial disclosure reports as required by Law No.04/L-212 on amending and supplementing Law No.03/L-174 on Financing of Political Entities, amended and supplemented by Law No.04/L-058, Article 15 Financial Reporting, paragraph 5.1 and 5.2
- The PE Aleanca Kosova e Re only maintains the accounting records on Excel and does not use double accounting methods which would offer the necessary security for the originality and quality of the records for a longer period. This could compromise the records.
- The PE Aleanca Kosova e Re in the annual report has not presented income from budget. In the coalition agreement between the PE LDK and AKR of the date 15.05.2017, the PE AKR has won four seats on the general elections of 2017 for the parliament of the Republic of Kosovo. PE AKR, pretends that the income, based on the seats awarded for 2018 which was 3 seats from AKR, is in the amount of 94,500.00 Euro. PE AKR has sued in the Basic Court of Prishtina the PE LDK. We were unable, while using standard and alternative procedures of auditing, to obtain reasonable justification with regards to the entirety, existence and accuracy of these income without the Court decision.

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 skepticism 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

Fatmir Mehmeti
Statutory Auditor
06 October 2021



Statement of Financial Position

Assets		31 December 2018	31 December 2017
Long-term assets	Notes	Amount in Euros	Amount in Euros
Property, plant and equipment	5	940.03	1,410.04
Intangible Assets			
Other long-term assets			
Total long-term assets		940.03	1,410.04
Current assets			
Accounts receivable		0.00	0.00
Prepayments			
Cash and cash equivalents	3	3,246.71	39.81
Other current assets			
Total current assets		3,246.71	39.81
Total Assets		4,186.74	1,449.85
Equity			
Accumulated Fund		(12,727.56)	(9,493.74)
Surplus / (deficit) of the year		9,875.10	(3,233.82)
Total Equity		(2,852.46)	(12,727.56)
Liabilities			
Long-term liabilities			
Loans payable			
Deferred revenue	5	940.03	1,410.04
Total Long-term liabilities		940.03	1,410.04
Current liabilities			
Accounts payable and others	8	3,314.83	6,731.08
Loans payable			
Other current liabilities	9	2,784.34	4,407.77
Total current liabilities		6,099.17	11,138.85
Total Liabilities		7,039.20	12,548.89
Total equity and liabilities		4,186.74	(178.67)

Statement of income and expenses

	Notes	Year ending on 31 st December	
		2018	2017
Income			
Income from budget			
Income from membership			
Donations and cash contributions	3	70,850.00	178,444.82
Contributions in kind / goods and services	4		
Income from campaigns			183,205.18
Income released from deferred revenues	5	470.01	1,393.43
Other income			
Total Income for the year		71,320.01	363,043.43
Expenses			
Wages and salaries	2	13,020.00	71,621.53
Transportation expenses	2	0.00	0.00
Advertising, representation and conferences	2	3,500.00	31,622.88
Campaign expenses	2	0.00	180,749.25
Purchase of goods	2	27.70	1,362.95
General expenses	2	34,297.02	70,625.63
Other expenses	2	10,600.19	10,295.01
Total expenses for the year		61,444.91	366,277.25
Surplus / (deficit) for the year		9,875.10	(3,233.82)

1. General Information

Name of Political Entity: Aleanca Kosova e Re

Acronym: AKR

Council: Behxhet Pacolli (Chairman)

Finance Representative: Hafize Pacolli

Address: Prishtina

The financial statements of the PE Aleanca Kosova e Re 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 main bank account in the Banka Ekonomike.

Note 2. Expenses

Expenses	Expenses in Euro	Payment in Euro	Outstanding amount in Euro
Wages and salaries			
Net wages and salaries	11,680.80	11,680.80	0.00
Pension contributions of the employee	420.00	385.00	35.00
Pension contributions of the employer	420.00	385.00	35.00
Personal Tax income	499.20	457.60	41.60
Other benefits			-
Total	13,020.00	12,908.40	111.60
Transportation expenses			
Borrowed motorized vehicles			
Fuels			
Airplane/bus/train/taxi etc. tickets			
Car insurance and maintenance			
Any other transportation expenses			
Total transportation expenses			
Advertising, representation and conferences			
Premises			
Food			
Cultural and recreation activities			
Radio and TV advertisements			
Newsstands and newspaper advertisements	3,500.00	3,500.00	0.00
Other advertising, representation and conferences expenses			
Total advertising, representation and conferences expenses	3,500.00	3,500.00	0.00
Campaign Expenses			

Campaign expenses			
Total campaign expenses			
Purchase of goods			
Supply of office	27.70	27.70	0.00
Small equipment			
Total purchase of goods	27.70	27.70	0.00
General expenses			
Rent of office space	32,072.88	29,400.14	2,672.74
Telephone, internet and mail	904.65	854.65	50.00
Electricity and other utilities (water and waste)	849.48	799.80	49.68
Depreciation expenses of long-term assets	470.01	////////////////////	////////////////////
Expenses related to in-kind contributions / goods and services		////////////////////	////////////////////
Total general expenses	34,297.02	31,054.59	2,772.42
Other expenses			
Maintenance of office space and equipment			
Expenses not included in any other category	10,600.19	10,600.19	0.00
Total other expenses	10,600.19	10,600.19	0.00
Total expenses	61,444.91	58,090.88	2,878.54

Note 3: Donations and cash contributions

Accepted by			Date of contributions	Amount In Euros	Accepted by:	
Contributors	Address	ID Number			Bank	Cash
Shkumbin Maloku	Prishtine	1002338714	13.02.2018	1,000.00 €	1,000.00 €	
Jeton Dobruna	Prishtine	1170639126	13.02.2018	1,000.00 €	1,000.00 €	
Skender Pacolli	Prishtine	1030095959	13.02.2018	1,000.00 €	1,000.00 €	
Sheqir Vrajolli	Prishtine	1170030245	13.02.2018	1,000.00 €	1,000.00 €	
Erza Rudi	Prishtine	1173301916	14.02.2018	1,000.00 €	1,000.00 €	
Ridvan Ademi	Prishtine	1231345490	14.02.2018	1,000.00 €	1,000.00 €	
Shukri Bunjaku	Prishtine	1030088626	14.02.2018	1,000.00 €	1,000.00 €	
Ardian Ahmeti	Llabjan	1230143338	14.02.2018	1,000.00 €	1,000.00 €	
Loreta Dedaj	Kline	1175666008	14.02.2018	1,000.00 €	1,000.00 €	
Albulena Krasniqi	Prishtine	1174583940	14.02.2018	1,000.00 €	1,000.00 €	
Lavdim Jashanica	Prishtine	1173212387	15.02.2018	1,000.00 €	1,000.00 €	
Selatin Ahmeti	Prishtine	1030251039	15.02.2018	1,000.00 €	1,000.00 €	
Antoneta Gashi	Prishtine	1005498739	15.02.2018	1,000.00 €	1,000.00 €	
Arbnor Gashi	Prishtine	1175720452	22.03.2018	1,000.00 €	1,000.00 €	
Arjanit Bajrami	Prishtine	1176515372	22.03.2018	1,000.00 €	1,000.00 €	
Illir Ajeti	Prishtine	1240188534	22.03.2018	1,000.00 €	1,000.00 €	
Butrint Ajvazi	Prishtine	1230322801	22.03.2018	1,000.00 €	1,000.00 €	
Kushtrim Vllazaliu	Prishtine	1230144563	22.03.2018	1,000.00 €	1,000.00 €	
Shemsi Sahiti	Prishtine	1013895933	22.03.2018	1,000.00 €	1,000.00 €	
Afrim Bytiqi	Prishtine	1001165018	26.03.2018	1,000.00 €	1,000.00 €	
Gashi Zenel	Prishtine	1000370700	26.03.2018	1,000.00 €	1,000.00 €	
Pajtim Gashi	Prishtine	1230605986	26.03.2018	1,000.00 €	1,000.00 €	
Alban Zuka	Prishtine	1175515000	26.03.2018	1,000.00 €	1,000.00 €	
Besnik Salihi	Prishtine	1171260317	05.04.2018	1,000.00 €	1,000.00 €	
Ramadan Lepaja	Prishtine	2013617077	05.04.2018	1,000.00 €	1,000.00 €	
Majlinda Xhemshiti	Prishtine	2172900197	11.04.2018	500.00 €	500.00 €	
Mergim Zejnullahu	Prishtine	1014854939	03.05.2018	1,000.00 €	1,000.00 €	
Leurat Ramabaja	Prishtine	1235124943	03.05.2018	1,000.00 €	1,000.00 €	
Armend Vitia	Prishtine	1244105331	03.05.2018	1,000.00 €	1,000.00 €	
Shukri Bunjaku	Prishtine	1030088626	03.05.2018	1,000.00 €	1,000.00 €	
Remzi Ejupi	Gadime e ulte	1014925216	03.05.2018	1,000.00 €	1,000.00 €	
Selami Haxholli	Prishtine	1004043053	04.05.2018	1,000.00 €	1,000.00 €	
Bekim Doli	Prishtine	1008712952	04.05.2018	1,000.00 €	1,000.00 €	
Sadat Uka	Prishtine	1014857024	04.05.2018	1,000.00 €	1,000.00 €	
Illir Vrajoll	Prishtine	1176369732	04.05.2018	1,000.00 €	1,000.00 €	
Sadat Spahiu	Prishtine	1015579800	04.05.2018	1,000.00 €	1,000.00 €	
Fatime Pacolli	Prishtine	1231960470	08.05.2018	1,000.00 €	1,000.00 €	
Besarta Mustafa	Prishtine	1172647045	11.05.2018	1,000.00 €	1,000.00 €	
Mirsije Shahini	Prishtine	1232518029	11.05.2018	1,000.00 €	1,000.00 €	

Aleanca Kosova e Re

Notes on Financial Statements 01 January 2018 until 31 December 2018

Granit Berisha	Prishtine	1173846858	01.06.2018	1,000.00 €	1,000.00 €	
Bekim Baftiu	Prishtine	1018137727	04.06.2018	1,000.00 €	1,000.00 €	
Edmond Hoxha	Lipjan	1234080578	04.06.2018	1,000.00 €	1,000.00 €	
Petrit Sadiku	Prishtine	1170958949	04.06.2018	1,000.00 €	1,000.00 €	
Refik Gerbeshi	Hajvali	1005864131	04.06.2018	1,000.00 €	1,000.00 €	
Afrim Bislimi	Prishtine	1005866657	11.07.2018	1,000.00 €	1,000.00 €	
Albert Buzuku	Prishtine	1244097746	11.07.2018	1,000.00 €	1,000.00 €	
Fadil Vitija	Prishtine	1005987764	11.07.2018	1,000.00 €	1,000.00 €	
Abaz Makolli	Prishtine	1015047565	31.07.2018	1,000.00 €	1,000.00 €	
Dialeta Hyseni	Miradi e eperme	1249555475	09.08.2018	1,000.00 €	1,000.00 €	
Qendrim Haxholli	Prishtine	1235037153	09.08.2018	1,000.00 €	1,000.00 €	
Abdurrahman Gashi	Prishtine	1010153057	09.08.2018	1,000.00 €	1,000.00 €	
Halise Vitija	Prishtine	1019461005	31.08.2018	850.00 €	850.00 €	
Mustafa Gerbeshi	Prishtine	1002179446	12.09.2018	1,000.00 €	1,000.00 €	
Mehdi Gerbeshi	Prishtine	1001170810	12.09.2018	1,000.00 €	1,000.00 €	
Florim Gerbeshi	Prishtine	1174217153	12.09.2018	1,000.00 €	1,000.00 €	
Bekim Baftiu	Prishtine	1018137727	28.09.2018	1,000.00 €	1,000.00 €	
Liridon Pacolli	Hajvali	1235038494	28.09.2018	1,000.00 €	1,000.00 €	
Shefki Sinani	Prishtine	1019682044	28.09.2018	1,000.00 €	1,000.00 €	
Kreshnik Bytyqi	Prishtine	1231700460	28.09.2018	1,000.00 €	1,000.00 €	
Durim Makolli	Hajvali	1176467904	02.11.2018	1,000.00 €	1,000.00 €	
Lavdim Jashanica	Prishtine	1173212387	02.11.2018	1,000.00 €	1,000.00 €	
Arianit Bajrami	Prishtine	1176515372	02.11.2018	1,000.00 €	1,000.00 €	
Sokol Vitija	Hajvali	1174971753	02.11.2018	1,000.00 €	1,000.00 €	
Arberina Namani	Hajvali	2014808577	15.11.2018	500.00 €	500.00 €	
Selatin Ahmeti	Prishtine	1030251039	30.11.2018	1,000.00 €	1,000.00 €	
Bedri Sahiti	Prishtine	1002178253	30.11.2018	1,000.00 €	1,000.00 €	
Ardian Pacolli	Hajvali	1005987691	30.11.2018	1,000.00 €	1,000.00 €	
Mehdi Gerbeshi	Prishtine	1001170810	30.11.2018	1,000.00 €	1,000.00 €	
Bekim Doli	Prishtine	1008712952	10.12.2018	1,000.00 €	1,000.00 €	
Sabri Cakaj	Prishtine	1021566426	20.12.2018	1,000.00 €	1,000.00 €	
Nderim Krasniqi	Prishtine	1233753714	20.12.2018	1,000.00 €	1,000.00 €	
Rihan Zaimi	Prishtine	1005274954	20.12.2018	1,000.00 €	1,000.00 €	
Total donations and cash contributions				70,850.00	70,850.00	

Note 4: Contributions in kind / goods and services

Description of goods/services	Paid by			Date of contribution	Amount
	Contributor	Address	ID Number		in Euro
Total contributions in kind / goods and services					0.00

Note 5: Property, plant and equipment

	Balance at the beginning of the year (historical costs)	Purchases during the year	Accumulated depreciation	Depreciation during the year	Balance at the end of the year (NET value)
Land	0.00		//////////		0.00
Buildings	0.00				0.00
Vehicles	12,990.00		12,990.00		0.00
Office Equipment	14,537.06		13,364.02	391.01	782.03
Information technology equipment	12,619.46		12,382.46	79.00	158.00
Other Equipment					0.00
Total Property, plant and equipment	40,146.52	0.00	38,736.48	470.01	940.03

Other notes

Note 6. Accounts Receivable	31 December 2018 Amount in Euros	31 December 2017 Amount in Euros
Total Accounts Receivable and Others	0.00	0.00

Note 7. Cash and cash equivalents	31 December 2018 Amount in Euros	31 December 2017 Amount in Euros
Cash in bank	3,246.71	39.81
Cash in hand		
Total cash and cash equivalents	3,246.71	39.81

Note 8. Accounts payable and others	31 December 2018 Amount in Euros	31 December 2017 Amount in Euros
KUJTESA	50.00	
Kesco / PTK	49.68	190.35
N.3 and N.4 Campaign Expenses 2017	0.00	6,194.17
SH.5. Office supply	3,215.15	346.56
Other accounts payable		
Total accounts payable and others	3,314.83	6,731.08

Note 9. Other current liabilities	31 December 2018 Amount in Euros	31 December 2017 Amount in Euros
Liabilities for salaries and taxes	111.60	732.07
Liabilities for rent	2,672.74	3,675.69
Liabilities for fines and punishment		
Other current liabilities		
Total other current liabilities	2,784.34	4,407.76

Note 10: Payment over 5,000.00 Euros

Purpose of payment	Paid to:			Date of Payment	Amount in Euro
	Natural/Legal Person	Address	ID Number		
Membership payment	ALDE			04.05.2018	6,350.00
Total payments over 5,000.00 Euro					6,350.00