



ALTERNATIVA

**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 ALTERNATIVA

Report on Special Purpose Financial Statement

Qualified Opinion

We have audited the financial statements of the Political Entity "Alternativa" (hereinafter referred to as "Political Entity" or "ALTERNATIVA" 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

- As disclosed in Note 6, Accounts Receivable were stated in the amount of 28,853.84 Euro (31 December 2017: 17,714.95 Euro), in absence of confirmation from third parties and other supporting documentation we were unable, while applying standard and alternative methods of audit, to obtain reasonable justification regarding the entirety, existence and accuracy of Accounts Receivable in the amount of 28,853.84 Euro in the date of reporting.
- 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.

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 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 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 Alternativa 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.

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



ALTERNATIVA*Financial Statements 01 January 2018 until 31 December 2018***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		
Intangible Assets			
Other long-term assets			
Total long-term assets		0.00	0.00
Current assets			
Accounts receivable		28,984.25	17,714.95
Prepayments		0.00	0.00
Cash and cash equivalents	3	364.58	487.65
Other current assets		0.00	0.00
Total current assets		29,348.83	18,202.60
Total Assets		29,348.83	18,202.60
Equity			
Accumulated Fund		487.65	0.00
Surplus / (deficit) of the year		15,720.39	487.65
Total Equity		16,208.04	487.65
Liabilities			
Long-term liabilities			
Loans payable			
Deferred revenue	5		
Total Long-term liabilities			
Current liabilities			
Accounts payable and others	8	0.00	0.00
Loans payable		0.00	0.00
Other current liabilities	9	13,140.79	17,714.95
Total current liabilities		13,140.79	17,714.95
Total Liabilities		13,140.79	17,714.95
Total equity and liabilities		29,348.83	18,202.60

ALTERNATIVA*Financial Statements 01 January 2018 until 31 December 2018***Statement of income and expenses**

	Notes	Year ending on 31 st December	
		2018	2017
Income			
Income from budget		44,065.56	47,276.83
Income from membership			
Donations and cash contributions	3	20,150.00	12,954.00
Contributions in kind / goods and services	4		
Income from campaigns			
Income released from deferred revenues	5		
Other income			
Total Income for the year		64,215.56	60,230.83
Expenses			
Wages and salaries	2	11,734.25	8,536.09
Transportation expenses	2	210.00	0.00
Advertising, representation and conferences	2	489.30	772.50
Campaign expenses	2	0.00	36,435.00
Purchase of goods	2	1,637.23	0.00
General expenses	2	24,610.89	11,299.59
Other expenses	2	9,813.50	2,700.00
Total expenses for the year		48,495.17	59,743.18
Surplus / (deficit) for the year		15,720.39	487.65

ALTERNATIVA

Notes on Financial Statements 01 January 2018 until 31 December 2018

1. General Information

Name of Political Entity: Alternativa

Acronym: ALTERNATIVA

Council: for 2018 Mimoza Kusari (Chairman)

Finance Representative: Liridon Derguti

Address: Prishtina

The financial statements of the PE Alternativa 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.

ALTERNATIVA*Notes on Financial Statements 01 January 2018 until 31 December 2018***Note 2. Expenses**

Expenses	Expenses in Euro	Payment in Euro	Outstanding amount in Euro
Wages and salaries			
Net wages and salaries	10,182.84	9,031.40	1,151.44
Pension contributions of the employee	558.77	508.35	50.43
Pension contributions of the employer	558.77	508.35	50.43
Personal Tax income	433.87	407.08	26.79
Other benefits	0.00	0.00	0.00
Total	11,734.25	10,455.17	1,279.08
Transportation expenses			
Borrowed motorized vehicles			
Fuels	100.00	100.00	0.00
Airplane/bus/train/taxi etc. tickets			
Car insurance and maintenance			
Any other transportation expenses	110.00	110.00	0.00
Total transportation expenses	210.00	210.00	0.00
Advertising, representation and conferences			
Premises			
Food	104.30	104.30	0.00
Cultural and recreation activities			
Radio and TV advertisements			
Newsstands and newspaper advertisements			
Other advertising, representation and conferences expenses	385.00	385.00	0.00
Total advertising, representation and conferences expenses	489.30	489.30	0.00
Campaign Expenses			

ALTERNATIVA*Notes on Financial Statements 01 January 2018 until 31 December 2018*

Campaign expenses			
Total campaign expenses			
Purchase of goods			
Supply of office	654.39	654.39	0.00
Small equipment	982.84	982.84	0.00
Total purchase of goods	1,637.23	1,637.23	0.00
General expenses			
Rent of office space	22,439.56	16,660.00	5,779.56
Telephone, internet and mail	1,740.40	1,388.66	351.74
Electricity and other utilities (water and waste)	430.93	430.93	0.00
Depreciation expenses of long-term assets		////////////////////	////////////////////
Expenses related to in-kind contributions / goods and services		////////////////////	////////////////////
Total general expenses	24,610.89	18,479.59	6,131.30
Other expenses			
Maintenance of office space and equipment			
Expenses not included in any other category	9,813.50	9,513.50	300.00
Total other expenses	9,813.50	9,513.50	300.00
Total expenses	48,495.17	40,784.79	7,710.38

ALTERNATIVA*Notes on Financial Statements 01 January 2018 until 31 December 2018***Note 3: Donations and cash contributions**

Accepted by				Amount	Accepted by:	
Contributors	Address	ID Number	Date of contributions	In Euros	Bank	Cash
Hib Petroll Sh.P.K.	Ferizaj		16.02.2018	2,000.00 €	2,000.00 €	
Masar Dushi	Prishtine	1011283710	12.06.2018	20.00 €	20.00 €	
Ilir Deda	Prishtine	1170783081	19.06.2018	1,000.00 €	1,000.00 €	
Ardi Ponosheci	Prishtine	1170241807	05.10.2018	2,000.00 €	2,000.00 €	
Lulzime Saraqini	Prishtine	1009924384	05.10.2018	1,000.00 €	1,000.00 €	
Lulzime Saraqini	Prishtine	1009924384	16.11.2018	500.00 €	500.00 €	
Adrian Coca	Prishtine	1230646682	16.11.2018	2,000.00 €	2,000.00 €	
Premtim Fazliu	Prishtine	1175046662	16.11.2018	2,000.00 €	2,000.00 €	
Dukagjini Sh.P.K.	Prishtine	600249420	19.11.2018	3,400.00 €	3,400.00 €	
Shkumbin Spahiu	Prishtine	1001295019	03.12.2018	2,000.00 €	2,000.00 €	
Arben Lila	Prishtine	1030525481	06.12.2018	1,000.00 €	1,000.00 €	
Gent Konjuhi	Prishtine	1171392302	13.12.2018	1,000.00 €	1,000.00 €	
Lulzime Saraqini	Prishtine	1009924384	19.12.2018	230.00 €	230.00 €	
Mimoza Kusari Lila	Prishtinë	1005724461	14.06.2018	2,000.00	2,000.00 €	
Total donations and cash contributions				20,150.00	20,150.00	0.00

Note 4: Contributions in kind / goods and services

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

ALTERNATIVA*Notes on Financial Statements 01 January 2018 until 31 December 2018***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	0.00				0.00
Office Equipment	0.00				0.00
Information technology equipment	0.00				0.00
Other Equipment	0.00				0.00
Total Property, plant and equipment	0.00				0.00

Other notes

Note 6. Accounts Receivable	31 December 2018 Amount in Euros	31 December 2017 Amount in Euros
Income from budget	28,853.84	17,714.95
Other Accounts Receivable		
Total Accounts Receivable and Others	28,853.84	17,714.95

Note 7. Cash and cash equivalents	31 December 2018 Amount in Euros	31 December 2017 Amount in Euros
Cash in bank	114.58	21.00
Cash in hand	250.00	466.65
Total cash and cash equivalents	364.58	487.65

ALTERNATIVA*Notes on Financial Statements 01 January 2018 until 31 December 2018*

Note 8. Accounts payable and others	31 December 2018 Amount in Euros	31 December 2017 Amount in Euros
Other accounts payable		
Total accounts payable and others	0.00	0.00

Note 9. Other current liabilities	31 December 2018 Amount in Euros	31 December 2017 Amount in Euros
Liabilities for salaries and taxes	1,331.55	3,301.54
Liabilities for rent	3,857.50	5,431.20
Liabilities for fines and punishment	7,300.00	0.00
Other current liabilities	651.74	8,982.21
Total other current liabilities	13,140.79	17,714.95

Notes on Financial Statements 01 January 2018 until 31 December 2018

Purpose of payment	Paid to:			Date of Payment	Amount in Euro
	Natural/Legal Person	Address	ID Number		
Total payments over 5,000.00 Euro					0.00