



# **Jedinstvena Goranska Partija**

**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 JEDINSTVENA GORANSKA PARTIJA

## **Report on Special Purpose Financial Statement**

### **Disclaimer of Opinion**

We have audited the financial statements of the Political Entity "Jedinstvena Goranska Partija" (hereinafter referred to as "Political Entity" or "JGP" 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.

We do not express an opinion on the accompanying financial statements for the year 2018 of the Political Entity "Jedinstvena Goranska Partija". Because of the significance of the matter described in the Basis for Disclaimer of Opinion section of our report, we have not been able to obtain appropriate audit evidence sufficient to provide a basis for an audit opinion on these financial statements.

### **Basis for Disclaimer of Opinion**

- As disclosed in the statement of income and expenses, the PE has stated expenses in the total amount (excluding wages) in the amount of 20,043.00 Euro. The political entity has failed to provide supporting documentation for the amount of 2,270.00 Euro of the presented expenses therefore, we were unable to verify the accuracy, existence, classification and occurrence of these expenses.
- As disclosed in Note 2 of financial statements, the PE has stated expenses of representation in the amount of 4,202.10 Euro. The political entity has failed to provide supporting documentation for the amount of 521.30 Euro of the presented expenses therefore, we were unable to verify the accuracy, existence, classification and occurrence of these expenses. Furthermore, for the total amount of stated expenses we were unable to verify whether these expenses fairly present the activity of the political entity.
- As disclosed in note 2 of financial statements, the PE has stated expenses for rent in the amount of 1,900.00 Euro. The political entity has failed to provide the contract agreement for rent regarding the stated expenses and furthermore, it has not stated nor paid the tax liabilities for the conducted payments. Therefore, we were unable to verify the accuracy, value, existence, classification and occurrence of these expenses.
- As disclosed in note 2 of financial statements, the PE has stated expenses for fuel on the total amount of 3,562.00 Euro. The political entity has failed to provide supporting documentation for the amount of stated expenses therefore, we were unable to verify the accuracy, existence, classification and occurrence of these expenses.
- As disclosed in note 7 of financial statements, the PE has stated expenses, outside of any other category, in the amount of 4,046.29 Euro. The political entity has failed to provide supporting documentation for the stated amount therefore, we were unable to verify whether these expenses have occurred or are paid to cover the activity of the political entity.



- As disclosed in note 5 of financial statements, the PE has stated property plant and equipment on the amount of 2,363.40 Euro as at 31 December 2018. In absence of supporting documentation, we were unable to verify the existence, entirety and the value of the stated assets as at 31 December 2018 and 31 December 2017.
- In the absence of confirmation by banks, we were unable to verify whether the PE has only one bank account as required by law No.04/L-212 on amending and supplementing Law No.03/L-174 on the Financing of Political Entities amended and supplemented by Law No.04/L-058, Article 11, paragraph 3.

### **Emphasis of matter**

We also draw attention to the following findings:

- The Political Entity has not applied any procurement procedures in purchasing which would enable a more efficient, less costly and more transparent usage of the political entity funds.
- The Political Entity has not maintained proper accounting to enable the recording of financial transactions and the preparation of financial statements according to the accounting standards applicable 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 complied with the legal requirements regarding the publication of annual financial reports and the campaign financial disclosure report according to law no. 04 / L-212 On supplementing and amending Law no. 03 / L-174 On the financing of political entities, amended and supplemented by law No.04 / L-058, article 15 Financial Reporting, paragraph 5.1 and 5.2

### **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  
Haxhi Nimani  
Statutory Auditor  
06 October 2021

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"AUDIT & CONTO"  
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**JEDINSTVENA GORANSKA PARTIJA***Financial Statements 01 January 2018 until 31 December 2018***Statement of Financial Position**

<b>Assets</b>		<b>31 December 2018</b>	<b>31 December 2017</b>
<b>Long-term assets</b>	Notes	<b>Amount in Euros</b>	<b>Amount in Euros</b>
Property, plant and equipment	5	2,363.40	2,233.00
Intangible Assets			
Other long-term assets			
<b>Total long-term assets</b>		<b>2,363.40</b>	<b>2,233.00</b>
<b>Current assets</b>			
Accounts receivable		0.00	39.00
Prepayments			
Cash and cash equivalents	3	8,189.17	318.71
Other current assets			
<b>Total current assets</b>		<b>8,189.17</b>	<b>357.71</b>
<b>Total Assets</b>		<b>10,552.57</b>	<b>2,590.71</b>
<b>Equity</b>			
Accumulated Fund		2,579.41	1,240.01
Surplus / (deficit) of the year		7,423.86	(947.65)
<b>Total Equity</b>		<b>10,003.27</b>	<b>292.36</b>
<b>Liabilities</b>			
<b>Long-term liabilities</b>			
Loans payable			
Deferred revenue	5		2,298.35
<b>Total Long-term liabilities</b>		<b>0.00</b>	<b>2,298.35</b>
<b>Current liabilities</b>			
Accounts payable and others	8	0.00	0.00
Loans payable			
Other current liabilities	9	549.30	0.00
<b>Total current liabilities</b>		<b>549.30</b>	<b>0.00</b>
<b>Total Liabilities</b>		<b>549.30</b>	<b>2,856.60</b>
<b>Total equity and liabilities</b>		<b>10,552.57</b>	<b>2,590.71</b>

**JEDINSTVENA GORANSKA PARTIJA***Financial Statements 01 January 2018 until 31 December 2018***Statement of income and expenses**

	Notes	Year ending on 31 <sup>st</sup> December	
		2018	2017
<b>Income</b>			
Income from budget		31,700.00	37,303.50
Income from membership			
Donations and cash contributions	3	0.00	
Contributions in kind / goods and services	4		
Income from campaigns			
Income released from deferred revenues	5	0.00	
Other income			
<b>Total Income for the year</b>		<b>31,700.00</b>	<b>37,303.50</b>
<b>Expenses</b>			
Wages and salaries	2	4,232.99	10,223.90
Transportation expenses	2	7,198.00	11,885.50
Advertising, representation and conferences	2	5,417.10	4,375.00
Campaign expenses	2	0.00	9,273.40
Purchase of goods	2	762.18	105.00
General expenses	2	2,619.58	2,248.00
Other expenses	2	4,046.29	140.35
<b>Total expenses for the year</b>		<b>24,276.14</b>	<b>38,251.15</b>
<b>Surplus / (deficit) for the year</b>		<b>7,423.86</b>	<b>(947.65)</b>



## **JEDINSTVENA GORANSKA PARTIJA**

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

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### **1. General Information**

Name of Political Entity: Jedinstvena Goranska Partija

Acronym: JGP

Council: Adem Hoxha (Chairman)

Finance Representative: Neim Sahitjari

Address: Str. Rapca, Dragash

The financial statements of the PE Jedinstvena Goranska Partija 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 BPB bank.



**JEDINSTVENA GORANSKA PARTIJA***Notes on Financial Statements 01 January 2018 until 31 December 2018***Note 2. Expenses**

<b>Expenses</b>	<b>Expenses in Euro</b>	<b>Payment in Euro</b>	<b>Outstanding amount in Euro</b>
<b>Wages and salaries</b>			
Net wages and salaries	3,800.00	3,800.00	0.00
Pension contributions of the employee	190.00	190.00	0.00
Pension contributions of the employer	190.00	190.00	0.00
Personal Tax income	52.99	52.99	0.00
Other benefits			0.00
<b>Total</b>	<b>4,232.99</b>	<b>4,232.99</b>	<b>0.00</b>
<b>Transportation expenses</b>			
Borrowed motorized vehicles			0.00
Fuels	3,562.00	3,562.00	0.00
Airplane/bus/train/taxi etc. tickets			0.00
Car insurance and maintenance	896.00	896.00	0.00
Any other transportation expenses	2,740.00	2,740.00	0.00
<b>Total transportation expenses</b>	<b>7,198.00</b>	<b>7,198.00</b>	<b>0.00</b>
<b>Advertising, representation and conferences</b>			
Premises			0.00
Food	4,202.10	4,202.10	0.00
Cultural and recreation activities			0.00
Radio and TV advertisements	300.00	300.00	0.00
Newsstands and newspaper advertisements	915.00	915.00	0.00
Other advertising, representation and conferences expenses			0.00
<b>Total advertising, representation and conferences expenses</b>	<b>5,417.10</b>	<b>5,417.10</b>	<b>0.00</b>
<b>Campaign Expenses</b>			

**JEDINSTVENA GORANSKA PARTIJA***Notes on Financial Statements 01 January 2018 until 31 December 2018*

Campaign expenses			0.00
<b>Total campaign expenses</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Purchase of goods</b>			
Supply of office	185.18	185.18	0.00
Small equipment	577.00	577.00	0.00
<b>Total purchase of goods</b>	<b>762.18</b>	<b>762.18</b>	<b>0.00</b>
<b>General expenses</b>			
Rent of office space	1,900.00	1,900.00	0.00
Telephone, internet and mail	272.98	272.98	0.00
Electricity and other utilities (water and waste)			0.00
Depreciation expenses of long-term assets	446.60	////////////////////////////////	////////////////////////////////
Expenses related to in-kind contributions / goods and services		////////////////////////////////	////////////////////////////////
<b>Total general expenses</b>	<b>2,619.58</b>	<b>2,172.98</b>	<b>0.00</b>
<b>Other expenses</b>			
Maintenance of office space and equipment			0.00
Expenses not included in any other category	4,046.29	4,046.29	0.00
<b>Total other expenses</b>	<b>4,046.29</b>	<b>4,046.29</b>	<b>0.00</b>
<b>Total expenses</b>	<b>24,276.14</b>	<b>23,829.54</b>	<b>0.00</b>

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

Accepted by			Date of contributions	Amount	Accepted by:	
Contributors	Address	ID Number		In Euros	Bank	Cash
Total donations and cash contributions				////////	////////////////	////////////////

**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

**JEDINSTVENA GORANSKA PARTIJA***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
Buildings					0.00
Vehicles					0.00
Office Equipment					0.00
Information technology equipment	2,233.00	577.00	446.60		2,363.40
Other Equipment					0.00
<b>Total Property, plant and equipment</b>	<b>2,233.00</b>	<b>577.00</b>	<b>446.60</b>	<b>0.00</b>	<b>2,363.40</b>

**Other notes**

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

Note 7. Cash and cash equivalents	31 December 2018 Amount in Euros	31 December 2017 Amount in Euros
Cash in bank	8,189.17	318.71
Cash in hand		
<b>Total cash and cash equivalents</b>		

**JEDINSTVENA GORANSKA PARTIJA***Notes on Financial Statements 01 January 2018 until 31 December 2018*

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

<b>Note 9. Other current liabilities</b>	<b>31 December 2018 Amount in Euros</b>	<b>31 December 2017 Amount in Euros</b>
Liabilities for salaries and taxes		
Liabilities for rent		
Liabilities for fines and punishment		
Other current liabilities	549.30	
<b>Total other current liabilities</b>	<b>549.30</b>	<b>0.00</b>

## 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