



Jedinstvena Goranska Partija

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

01 January 2020 - 31 December 2020



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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, 2020, 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 2020 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 17,403.00 Euro. The political entity has failed to provide supporting documentation for the amount of 893.00 Euro therefore, we were unable to verify whether these expenses have occurred and were within the activity of the political entity.
- As disclosed in Note 2 of financial statements, the PE has stated expenses of representation in the amount of 3,865.00 Euro. In absence of supporting documentation, we were unable to verify the occurrence of these expenses and whether they 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 2,000.00 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 3,500.00 Euro. The political entity has failed to provide supporting documentation for the amount of stated expenses therefore, we were unable to verify whether this expense occurred to cover the activity of the political entity.
- As stated in Note 2 of financial statements, the PE has stated other expense in the amount of 5,059.00 Euro, where 4,338 Euro were recognized, based on invoices, for judicial representation. For these expenses the PE has presented a contract with the lawyer Hajrip Krasniqi for judicial representation, but the case was not presented to us to explain the litigation. Therefore, based on this we were unable to determine the connection between the PE and the lawyer. Furthermore, in the same financial position, the PE has paid per diems from the cash register in the amount of 755.00 Euro. In absence of supporting



documentation, we were unable to verify whether these expenses have been 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 1,512.62 Euro as at 31 December 2020. In absence of supporting documentation, we were unable to determine the existence, entirety and the value of presented assets as at 31 December 2020 and 31 December 2019.
- 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

Fatmir Mehmeti
Statutory Auditor
06 October 2021



JEDINSTVENA GORANSKA PARTIJA*Financial Statements 01 January 2020 until 31 December 2020***Statement of Financial Position**

Assets		31 December 2020	31 December 2019
Long-term assets	Notes	Amount in Euros	Amount in Euros
Property, plant and equipment	5	1,512.62	1,890.72
Intangible Assets			
Other long-term assets			
Total long-term assets		1,512.62	1,890.72
Current assets			
Accounts receivable			
Prepayments		0.00	0.00
Cash and cash equivalents	3	17,666.24	7,543.51
Other current assets			
Total current assets		17,666.24	7,543.51
Total Assets		19,178.86	9,434.23
Equity			
Accumulated Fund		9,434.23	7,423.86
Surplus / (deficit) of the year		9,744.63	2,010.37
Total Equity		19,178.86	9,434.23
Liabilities			
Long-term liabilities			
Loans payable			
Deferred revenue	5		
Total Long-term liabilities		0.00	0.00
Current liabilities			
Accounts payable and others	8		
Loans payable			
Other current liabilities	9		
Total current liabilities		0.00	0.00
Total Liabilities			
Total equity and liabilities		19,178.86	9,434.23

JEDINSTVENA GORANSKA PARTIJA*Financial Statements 01 January 2020 until 31 December 2020***Statement of income and expenses**

	Notes	Year ending on 31 st December	
		2020	2019
Income			
Income from budget		31,500.00	22,148.60
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			
Total Income for the year		31,500.00	22,148.60
Expenses			
Wages and salaries	2	4,351.80	4,629.55
Transportation expenses	2	5,600.00	5,712.30
Advertising, representation and conferences	2	4,365.69	6,099.70
Campaign expenses	2	0.00	1,905.00
Purchase of goods	2	0.00	419.00
General expenses	2	2,378.10	1,372.68
Other expenses	2	5,059.78	
Total expenses for the year		21,755.37	20,138.23
Surplus / (deficit) for the year		9,744.63	2,010.37

JEDINSTVENA GORANSKA PARTIJA

Notes on Financial Statements 01 January 2020 until 31 December 2020

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 2020 until 31 December 2020***Note 2. Expenses**

Expenses	Expenses in Euro	Payment in Euro	Outstanding amount in Euro
Wages and salaries			
Net wages and salaries	3,900.00	3,900.00	0.00
Pension contributions of the employee	195.00	195.00	0.00
Pension contributions of the employer	195.00	195.00	0.00
Personal Tax income	61.80	61.80	0.00
Other benefits			0.00
Total	4,351.80	4,351.80	0.00
Transportation expenses			
Borrowed motorized vehicles			0.00
Fuels	3,500.00	3,500.00	0.00
Airplane/bus/train/taxi etc. tickets			0.00
Car insurance and maintenance	600.00	600.00	0.00
Any other transportation expenses	1,500.00	1,500.00	0.00
Total transportation expenses	5,600.00	5,600.00	0.00
Advertising, representation and conferences			
Premises			0.00
Food			0.00
Cultural and recreation activities			0.00
Radio and TV advertisements	500.00	500.00	0.00
Newsstands and newspaper advertisements			0.00
Other advertising, representation and conferences expenses	3,865.69	3,865.69	0.00
Total advertising, representation and conferences expenses	4,365.69	4,365.69	0.00
Campaign Expenses			

JEDINSTVENA GORANSKA PARTIJA*Notes on Financial Statements 01 January 2020 until 31 December 2020*

Campaign expenses			0.00
Total campaign expenses	0.00	0.00	0.00
Purchase of goods			
Supply of office			0.00
Small equipment			0.00
Total purchase of goods	0.00	0.00	0.00
General expenses			
Rent of office space	2,000.00	2,000.00	0.00
Telephone, internet and mail			0.00
Electricity and other utilities (water and waste)			0.00
Depreciation expenses of long-term assets	378.10	////////////////////	////////////////////
Expenses related to in-kind contributions / goods and services		////////////////////	////////////////////
Total general expenses	2,378.10	2,000.00	0.00
Other expenses			
Maintenance of office space and equipment			0.00
Expenses not included in any other category	5,059.78	5,059.78	0.00
Total other expenses	5,059.78	5,059.78	0.00
Total expenses	21,755.37	21,377.27	0.00

JEDINSTVENA GORANSKA PARTIJA*Notes on Financial Statements 01 January 2020 until 31 December 2020***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 2020 until 31 December 2020***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	1,890.72		378.10		1,512.62
Other Equipment					0.00
Total Property, plant and equipment	1,890.72	0.00	378.10	0.00	1,512.62

Other notes

Note 6. Accounts Receivable	31 December 2020 Amount in Euros	31 December 2019 Amount in Euros
Total Accounts Receivable and Others	0.00	0.00

Note 7. Cash and cash equivalents	31 December 2020 Amount in Euros	31 December 2019 Amount in Euros
Cash in bank	17,354.74	7,232.01
Cash in hand	311.50	311.50
Total cash and cash equivalents	17,666.24	7,543.51

JEDINSTVENA GORANSKA PARTIJA*Notes on Financial Statements 01 January 2020 until 31 December 2020*

Note 8. Accounts payable and others	31 December 2020 Amount in Euros	31 December 2019 Amount in Euros
Other accounts payable		
Total accounts payable and others	0.00	0.00

Note 9. Other current liabilities	31 December 2020 Amount in Euros	31 December 2019 Amount in Euros
Liabilities for salaries and taxes		
Liabilities for rent		
Liabilities for fines and punishment		
Other current liabilities		
Total other current liabilities		

Notes on Financial Statements 01 January 2020 until 31 December 2020

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