



Koalicioni Vakati
(Demokratska Stranka Boshnjaka (DSB); Demokratska Stranka Vatan (DSV) &
Ujedinjena Stranka Boshnjaka (USB).)

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

Early national elections

25 September 2019 – 04 October 2019



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Independent Auditors' Report

To the council of KOALICIONI VAKAT

Report on Special Purpose Financial Statement

Qualified Opinion

We have audited the financial statements of the Political Entity "Koalicioni Vakati" (hereinafter referred to as "Political Entity" or "VAKAT" or "PE"), which comprise the statement of financial position as at October 04, 2019, the statement of income and expenses for the period 25 September 2019 until 04 October 2019 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 at 04 October 2019, and its income and expenses for the period 25 September 2019 until 04 October 2019 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 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.

Basis for qualified opinion

- As disclosed in the Statement of Financial Position as at 04 October 2019, assets were stated in the amount of 1,913.15 Euro (31 December 2018: 1,913.16 Euro). The PE does not possess a detailed list of fixed assets and inventory to enable the verification of the state of assets on the reporting date. Furthermore, the value of assets has not been disclosed in Note 5 property plant and equipment in the accompanying financial statements. Given the nature of notes maintained by the political entity we were unable to verify the existence, accuracy and the amount of stated assets as at 04 October 2019 and whether any correction would be necessary.
- The political entity has stated expenses for wages and salaries in the amount of 21,283.60 Euro. This value also accounts for the payment for observers and commissioners in the amount of 19,150.00 Euro for which we have not received any supporting evidence and for the same amount the PE has not declared nor paid taxes and contributions as required by Article 38, point 1 of the Law No.05/L-028 on Personal Income. Given the nature of notes maintained by the political entity and the absence of supporting documentation we were unable to verify whether the stated expenses were accurate and fairly present the activity of the PE.

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 in absence of an application/software, has not maintained proper accounting to enable the recording of financial transactions and preparation of financial statements according to the applicable Accounting Standards in Kosovo.
- The PE does not have an internal regulation which would specify the operating procedures on the basis of which the PE would function and irregularities would be avoided.
- 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

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 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


Besa Sahitaj Berisha
Statutory Auditor
06 October 2021



Statement of Financial Position

Assets		Balance at the end of the period	Balance at the start of the period
Long-term assets	Notes	Amount in Euro	Amount in Euro
Property, plant and equipment	5	1,913.16	
Intangible Assets			
Other long-term assets			
Total long-term assets		1,913.16	
Current assets			
Accounts receivable			
Prepayments			
Cash and cash equivalents	3		
Other current assets			
Total current assets			
Total Assets		1,913.16	
Equity			
Accumulated Fund		1,913.16	
Surplus / (deficit) of the year		-19,150.00	
Total Equity		-17,236.84	
Liabilities			
Long-term liabilities			
Loans payable			
Deferred revenue	5		
Total Long-term liabilities		0.00	
Current liabilities			
Accounts payable and others	8		
Loans payable		19,150.00	
Other current liabilities	9		
Total current liabilities		19,150.00	
Total Liabilities		19,150.00	
Total equity and liabilities		1,913.16	

Koalicioni Vakati

Campaign Financial Disclosure Report

Early National Elections 25 September 2019 until 04 October 2019

Statement of income and expenses

	Notes	25 September 2019 until 4 October 2019
Income		
Income from budget		14,607.51
Income from membership		
Donations and cash contributions	3	
Contributions in kind / goods and services	4	
Other income	5	
Total Income for the year		
		14,607.51
Income		
Expenses		
Wages and salaries	2	21,283.60
Transportation expenses	2	200.00
Advertising, representation and conferences	2	7,923.00
Purchase of goods	2	4,169.60
General expenses	2	181.31
Other expenses	2	
Total expenses for the year	2	33,757.51
Surplus / (deficit) for the year		(19,150.00)

Koalicioni Vak

Notes on Campaign Financial Disclosure Report

Early National Elections 25 September 2019 until 04 October 2019

1. General Information

Name of Political Entity: Koalicioni Vak

Acronym: VAKAT

Council:

Finance Representative:

Address: Prizren

The financial statements of the PE Koalicioni Vak 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 Economic Bank.

Koalicioni Vakat

Notes on Campaign Financial Disclosure Report

Early National Elections 25 September 2019 until 04 October 2019

Note 2. Expenses

Expenses	Expenses in Euro	Payment in Euro	Outstanding amount in Euro
Wages and salaries			
Net wages and salaries	1,855.16	1,855.16	0.00
Payment for observers	19,150.00	0.00	19,150.00
Pension contributions of the employee	101.60	101.60	0.00
Pension contributions of the employer	101.60	101.60	0.00
Personal Tax income	75.24	75.24	0.00
Other benefits	21,283.60	2,133.60	19,150.00
Transportation expenses			
Borrowed motorized vehicles			
Fuels			
Airplane/bus/train/taxi etc. tickets			
Car insurance and maintenance			
Any other transportation expenses	200.00	200.00	0.00
Total transportation expenses	200.00	200.00	0.00
Advertising, representation and conferences			
Premises			
Food	423.00	423.00	0.00
Cultural and recreation activities			
Radio and TV advertisements			
Newsstands and newspaper advertisements	500.00	500.00	0.00
Other advertising, representation and conferences expenses	7,000.00	7,000.00	0.00
Total advertising, representation and conferences expenses	7,923.00	7,923.00	0.00
Purchase of goods			

Koalicioni Vakati

Notes on Campaign Financial Disclosure Report

Early National Elections 25 September 2019 until 04 October 2019

Supply of office	4,169.60	4,169.60	0.00
Small equipment			
Total purchase of goods	4,169.60	4,169.60	0.00
General expenses			
Rent of office space	122.12	122.12	0.00
Telephone, internet and mail	59.19	59.19	0.00
Electricity and other utilities (water and waste)			
Depreciation expenses of long-term assets			
Expenses related to in-kind contributions / goods and services			
Total general expenses	181.31	181.31	0.00
Other expenses			
Maintenance of office space and equipment			
Expenses not included in any other category			
Total other expenses	0.00	0.00	0.00
Total expenses	33,757.51	14,607.51	19,150.00

Koalicioni Vakat

Notes on Campaign Financial Disclosure Report

Early National Elections 25 September 2019 until 04 October 2019

Note 5: Property, plant and equipmentFor the period: 25/September/2019 until 04/October/2019

	Purchases throughout the period
Land	
Buildings	
Vehicles	
Office Equipment	
Information technology equipment	
Other Equipment	
Total Property, plant and equipment	0.00

Other notes

Note 6. Accounts Receivable	Balance at the end of the period Amount in Euro	Balance at the start of the period Amount in Euro
Total Accounts Receivable and Others		

Note 7. Cash and cash equivalents	Balance at the end of the period Amount in Euro	Balance at the start of the period Amount in Euro
Cash in bank		
Cash in hand		
Total cash and cash equivalents		

Koalicioni Vakaf

Notes on Campaign Financial Disclosure Report

Early National Elections 25 September 2019 until 04 October 2019

Note 8. Accounts payable and others	Balance at the end of the period Amount in Euro	Balance at the start of the period Amount in Euro
Other accounts payable		
Total accounts payable and others		

Note 9. Other current liabilities	Balance at the end of the period Amount in Euro	Balance at the start of the period Amount in Euro
Liabilities for salaries and taxes		
Liabilities for rent		
Liabilities for fines and punishment		
Other current liabilities		
Total other current liabilities		

