

**Partia e Drejtësisë
(PD)**

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

01 January 2019 - 31 December 2019

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Independent Auditors' Report

To the council of PARTIA E DREJTËSISË

Report on Special Purpose Financial Statement

Disclaimer of Opinion

We have audited the financial statements of the Political Entity "Partia e Drejtësisë" (hereinafter referred to as "Political Entity" or "PD" or "PE"), which comprise the statement of financial position as at December 31, 2019, 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 2019 of the Political Entity "Partia e Drejtësisë". 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

- During our audit we found out that the political entity has not stated correctly the comparative notes for assets, liabilities, equities as well as the income and expenses for the year ended at 31 December 2018.
- The political entity has failed to present correctly the assets, equity and liabilities as at 31 December 2019 and 31 December 2018 as required by the International Accounting Standards. Given the nature of notes maintained by the political entity we were unable to determine the value of the necessary correction as at 31 December 2019 and 31 December 2018.
- In absence of supporting documentation, we were unable to determine the existence, accuracy and the occurrence of the reported assets, liabilities, income and expenses.

Emphasis of matter

We draw attention to the following findings

- 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 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 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



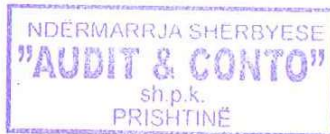
accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in 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


Ymer Shtari

Statutory Auditor
06 October 2021



Statement of Financial Position

Assets		31 December 2019	31 December 2018
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			
Current assets			
Accounts receivable			
Prepayments			
Cash and cash equivalents	3		
Other current assets			
Total current assets			
Total Assets			
Equity			
Accumulated Fund			
Surplus / (deficit) of the year			
Total Equity			
Liabilities			
Long-term liabilities			
Loans payable			
Deferred revenue	5		
Total Long-term liabilities			
Current liabilities			
Accounts payable and others	8	4,200.00	
Loans payable			
Other current liabilities	9	0.00	
Total current liabilities		4,200.00	
Total Liabilities		4,200.00	
Total equity and liabilities		4,200.00	

Statement of income and expenses

	Notes	Year ending on 31 st December	
		2019	2018
Income			
Income from budget			
Income from membership			
Donations and cash contributions	3		
Contributions in kind / goods and services	4		
Income from campaigns			
Income released from deferred revenues	5		
Other income			
Total Income for the year		0.00	0.00
Expenses			
Wages and salaries	2		
Transportation expenses	2		
Advertising, representation and conferences	2		
Campaign expenses	2		
Purchase of goods	2		
General expenses	2	4,320.00	
Other expenses	2	378.00	
Total expenses for the year		4,698.00	
Surplus / (deficit) for the year		(4,698.00)	0.00

1. General Information

Name of Political Entity: Partia e Drejtesise

Acronym: PD

Council: Ferid Agani (Chairman)

Finance Representative: Eroll Venhari

Address:

The financial statements of the PE Partia e Drejtesise 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 NLB bank.

Note 2. Expenses

Expenses	Expenses in Euro	Payment in Euro	Outstanding amount in Euro
Wages and salaries			
Net wages and salaries			
Pension contributions of the employee			
Pension contributions of the employer			
Personal Tax income			
Other benefits			
Total			
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			
Other advertising, representation and conferences expenses			
Total advertising, representation and conferences expenses			
Campaign Expenses			

Partia e Drejtësisë

Notes on Financial Statements 01 January 2019 until 31 December 2019

Campaign expenses			
Total campaign expenses			
Purchase of goods			
Supply of office			
Small equipment			
Total purchase of goods			
General expenses			
Rent of office space	4,200.00		4,200.00
Telephone, internet and mail			0.00
Electricity and other utilities (water and waste)	120.00		120.00
Depreciation expenses of long-term assets	0.00	////////////////////////////////////	////////////////////////////////////
Expenses related to in-kind contributions / goods and services	0.00	////////////////////////////////////	////////////////////////////////////
Total general expenses	4,320.00	0.00	4,320.00
Other expenses			
Maintenance of office space and equipment			
Expenses not included in any other category	378.00		378.00
Total other expenses	378.00	0.00	378.00
Total expenses	4,698.00	0.00	4,698.00

Note 3: Donations and cash contributions

Accepted by				Amount	Accepted by:	
Contributors	Address	ID Number	Date of contributions	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

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					
Buildings					
Vehicles					
Office Equipment					
Information technology equipment					
Other Equipment					
Total Property, plant and equipment					

Other notes

Note 6. Accounts Receivable	31 December 2019 Amount in Euros	31 December 2018 Amount in Euros
Total Accounts Receivable and Others	0.00	0.00

Note 7. Cash and cash equivalents	31 December 2019 Amount in Euros	31 December 2018 Amount in Euros
Cash in bank		
Cash in hand		
Total cash and cash equivalents		

Partia e Drejtesise*Notes on Financial Statements 01 January 2019 until 31 December 2019*

Note 8. Accounts payable and others	31 December 2019 Amount in Euros	31 December 2018 Amount in Euros
Other accounts payable		
Total accounts payable and others	0.00	0.00

Note 9. Other current liabilities	31 December 2019 Amount in Euros	31 December 2018 Amount in Euros
Liabilities for salaries and taxes		
Liabilities for rent		
Liabilities for fines and punishment		
Other current liabilities		
Total other current liabilities		0.00

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