



Gradjanska Inicijativa Gore

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

01 January 2013 - 31 December 2013



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Independent Auditors' Report

To the council of Gradjanska Iniciativa Gore

Report on Special Purpose Financial Statement

Qualified Opinion

We have audited the financial statements of the Political Entity “**Gradjanska Iniciativa Gore**” (hereinafter referred to as “Political Entity” or “GIG” or “PE”), which comprise the statement of financial position as at December 31, 2013, the statement of income and expenses for the year then ended and other explanatory information.

In our opinion, except for the effects of the matters described in Basis for qualified opinion section, the financial statements presents fairly, in all material respects, the financial position of the Political Entity as of 31 December 2013, and its income and expenses for the year then ended in accordance with 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 15 Financial Reporting.

Basis for qualified opinion

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 Kosova, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

- As described in Note 2 "Expenses", the PE declared expenses in the amount of 36,670.80 Euro for the year ended on 31 December 2013. During our auditing we have found out that the PE does not have supporting documentation for expenses in the amount of 1,292.33 Euro. Furthermore, the political entity has wrongly categorized campaign expenses in the other expenses category.

Emphasis of matter

On our qualified opinion for the PE we draw attention to the following findings:

- 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 requirements regarding the publication of annual and campaign financial disclosure reports 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 15 Financial Reporting, paragraphs 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 scepticism 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 sh.p.k

Agron Mustafa
Statutory Auditor
29 November 2017

Gradjanska Inicijativa Gore

Financial Statements 01 January 2013 until 31 December 2013

Statements of Financial Position

Assets		31 December 2013	31 December 2012
Long-term assets	Notes	Amount in Euros	Amount in Euros
Property, plant and equipment	2	13,295.60	16,530.00
Intangible Assets			
Other long-term assets			
Total long-term assets		13,299.56	16,530.00
Current assets			
Accounts receivable			
Prepayments			
Cash and cash equivalents	3	3.96	84.48
Other current assets		-	-
Total current assets		3.96	84.48
Total Assets		13,299.56	16,614.48
Equity			
Accumulated Fund		(34.85)	
Surplus / (deficit) of the year		(106.43)	(34.85)
Total Equity		(141.28)	(34.85)
Liabilities			
Long-term liabilities			
Loans payable			
Deferred revenue	2	13,295.60	16,646.17
Total Long-term liabilities		13,299.56	16,646.17
Current liabilities			
Accounts payable and others			
Other current liabilities	4	141.28	119.33
Total current liabilities		141.28	119.33
Total Liabilities		13,440.84	16,649.33
Total equity and liabilities		13,299.56	16,614.48

Statement of income and expenses

	Notes	Year ending on 31 st December	
		2013	2012
Income			
Income from budget		33,249.97	20,314.85
Income from membership		0.00	0.00
Donations and cash contributions		0.00	0.00
Contributions in kind / goods and services		0.00	0.00
Income from campaigns		0.00	0.00
Income released from deferred revenues	2	3,314.40	0.00
Other income			
Total Income for the year		36,564.37	20,314.85
Expenses			
Wages and salaries	5	16,690.06	4,208.55
Transportation expenses	5	3,600.00	3,253.80
Advertising, representation and conferences	5	6,607.83	1,045.70
Campaign expenses	5	1,800.00	2,851.50
Purchase of goods	5	311.77	182.02
General expenses	5	7,325.14	5,232.58
Other expenses	5	336.00	3,575.55
Total expenses for the year		36,670.80	20,349.70
Surplus / (deficit) for the year		(106.43)	(34.85)

1. General Information

Name of Political Entity: Gradjanska Inicijativa Gore

Acronym: GIG

Council: Mursel Halili (Chairman)

Finance Representative:

Date of Establishment:

Address: Peja

The financial statements of the PE Gradjanska Inicijativa Gore 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 single bank account in BPB Bank Kosovo.

Note 2. 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	8,373.00	0.00	0.00	1,675.00	6,698.00
Office Equipment	1,855.00	80.00	0.00	379.00	1,556.00
Information technology equipment	6,116.50	0.00	0.00	1,223.30	4,893.20
Other Equipment	185.50	0.00	0.00	37.10	148.40
Total Property, plant and equipment	16,530.00	80.00	-	3,314.40	13,295.60

Note 3. Cash and cash equivalents

	31 December 2013 Amount in Euros	31 December 2012 Amount in Euros
Cash in bank		
Cash in hand	3.96	84.48
Total cash and cash equivalents	3.96	84.48

Note 4. Other current liabilities

	31 December 2013 Amount in Euros	31 December 2012 Amount in Euros
Liabilities for wages and taxes	104.91	
Liabilities for rent		
Liabilities for fines and penalties		
Other current liabilities	36.37	119.33
Total other current liabilities	141.28	119.33

Note 5: Expenses

Expenses	Expenses in Euro	Payment in Euro	Outstanding amount in Euro
Wages and salaries			
Net wages and salaries	14,420.00	14,420.00	-
Pension contributions of the employee	786.32	762.29	24.03
Pension contributions of the employer	786.32	762.29	24.03
Personal Tax income	697.42	640.57	56.85
Other benefits			
Total	16,690.06	16,585.15	104.91
Transportation expenses			
Borrowed motorized vehicles	0.00	0.00	-
Fuels	2,500.00	2,500.00	-
Airplane/bus/train/taxi etc. tickets	1,100.00	1,100.00	-
Car insurance and maintenance	0.00	0.00	-
Any other transportation expenses	0.00	0.00	-
Total transportation expenses	3,600.00	3,600.00	-
Advertising, representation and conferences			

Gradjanska Inicijativa Gore*Notes on Financial Statements 01 January 2013 until 31 December 2013*

Premises	0.00	0.00	-
Food	2,429.90	2,429.90	-
Cultural and recreation activities	0.00	0.00	-
Radio and TV advertisements	0.00	0.00	-
Newsstands and newspaper advertisements	4,177.93	4,177.93	-
Other advertising, representation and conferences expenses	0.00	0.00	-
Total advertising, representation and conferences expenses	6,607.83	6,607.83	-
Campaign expenses			
Campaign expenses	1,800.00	1,800.00	
Total campaign expenses	1,800.00	1,800.00	
Purchase of goods			
Supply of office	311.77	311.77	
Small equipment			
Total purchase of goods	311.77	311.77	
General expenses			
Rent of office space	1,689.99	1,689.99	
Telephone, internet and mail	1,850.00	1,850.00	
Electricity and other utilities (water and waste)	470.75	470.75	

Gradjanska Inicijativa Gore*Notes on Financial Statements 01 January 2013 until 31 December 2013*

Depreciation expenses of long-term assets	3,314.40	0.00	
Expenses related to in-kind contributions / goods and services	0.00	0.00	
Total general expenses	7,325.14	4,010.74	
Other expenses			
Maintenance of office space and equipment			
Expenses not included in any other category	336.00	336.00	
Total other expenses	336.00	336.00	
Total expenses	36,670.80	33,251.49	104.91