

**JEDINSTVENA SRPSKA LISTA**

**REPORT OF ANNUAL FINANCIAL REPORT FOR THE YEAR 2012 AND INDEPENDENT AUDITOR'S REPORT**

PRISTINA , JUN , 2013

ANNUAL FINANCIAL REPORTS OF POLITICAL ENTITY		
	GENERAL INFORMATION	
1	Political Entity Name	Jedinstvena Srpska Lista
2	Acronym	JSL
3	Address	Gnjilane
4	Municipality	Gnjilane
5	Tel	038 576 014 044 290 833 064 155 13 44
6	The reporting period	01.01.2012 - 31.12.2012
7	The registration number	

Authorized Financial Representative

8	Name	Milos
9	Surname	Stankovič
10	Personal Number	1170449653
11	Address	S.Šilovo
12	Municipality	Gjilan
13	Tel	045 574 015
14	E-mail	<a href="mailto:milos_mista@hotmail.com">milos_mista@hotmail.com</a>

## Statement of Financial Position

31 December 2012

Acronym : JSL

P P.1	Assets Long-term assets	Notes	31 December 2012 Amount in Euro	31 December 2011 Amount in Euro
P.1.1	Property, plant and equipment	5		
P.1.2	Intangible assets			
P.1.3	Other long term assets			
	<b>Total long-term assets</b>			
P2	Short-term assets			
P2.1	Accounts Receivable	6		
P2.2	Prepayments			
P2.3	Cash and cash equivalents	7		
P2.4	Other short-term assets			
	<b>Total other short-term assets</b>			
	<b>Total assets P1+P2</b>			
E	<b>Equity</b>			
E.1	Accumulated funds			
E.2	Surplus / (deficit) of the year			
	Total Equity			
D	<b>Liabilities</b>			
D.1	<b>Long-term liabilities</b>			
D.1.1	Payable loans			
D.1.2	Deferred revenue			
	<b>Total current liabilities</b>			
D.2	<b>Short-term liabilities</b>			
D.2.1	Accounts payable and other	8		
D.2.2	Payable loans			
D.2.3	Other short-term liabilities	9		
	<b>Total short term liabilities</b>			
	<b>Total liabilities ( D.1 + D.2)</b>			
	<b>TOTAL EQUITY AND LIABILITIES (E+D)</b>			

## Statement of Incomes and Expenses

In the end of the year 31 December 2012

		Note	In the end of year 31.12.2012	In the end of year 31.12.2011
H	<b>Income</b>			
H.1	Revenues from budget		139,844.16	
H.2	Membership revenues		-	
H.3	Donations and contributions in cash	3	-	
H.4	Contributions in kind, goods and services	4	-	
H.5	Campaign incomes		-	
H.6	Revenues released from deferred revenues	5	-	
H.7	Other Revenues		-	
	<b>Total incomes</b>		<b>139,844.16</b>	
SH	<b>Expenses</b>	2		
SH.1	Salaries and compensations	2	-	
SH.2	Transportation costs	2	31,781.89	
SH.3	Advertising, representation and conferences	2	56,309.38	
SH.4	Campaign expenses	2	-	
SH.5	Purchase of goods	2	11,957.29	
SH.6	General expenses	2	16,649.50	
SH.7	Other expenses	2	23,145.91	
	<b>Total expenses</b>		<b>139,843.97</b>	
	<b>SURPLUS (+) OR DEFICIDI (-) for the year (H-SH)</b>		<b>0.19</b>	

SH	Expenses	Expenses in Euro	Payments in Euro	The remaining debt in Euro
SH.1	<b>Salaries and compensations</b>			
	Salaries and compensations, net	-	-	
	Employee pension contribution	-	-	
	Employer pension contribution	-	-	
	Personal Income Tax	-	-	
	Other Benefits	-	-	
	<b>Total salaries and compensations</b>	-	-	
SH.2	<b>Transportation costs</b>			
	Borrowed vehicles	11,700.00	11,700.00	
	Fuels	16,939.39	16,939.39	
	Tickets - airplane / bus, train, taxi, etc.	3,142.50	3,142.50	
	Insurance and maintaining the vehicles	-	-	
	Other transport insurance	-	-	
	<b>Total transport costs</b>	<b>31,781.89</b>	<b>31,781.89</b>	
SH.3	<b>Advertising, representation and conferences</b>			
	Offices			
	Food	22,714.12	22,714.12	
	Cultural and recreational activities	-	-	
	Radio and television advertisements	12,000.00	12,000.00	
	Billboards and advertisements in newspapers			
	Other advertising costs, representation and conferences	21,595.26	21,595.26	
	<b>Total advertising, representation and conferences</b>	<b>56,309.38</b>	<b>56,309.38</b>	
SH.4	<b>Campaign expenses</b>			
	Campaign expenses	-	-	
	<b>Total campaign expenses</b>	-	-	
SH.5	<b>Purchase of goods</b>			
	Office supply	10,513.89	10,513.89	
	Small equipment	1,443.40	1,443.40	
	<b>Total purchases of goods</b>	<b>11,957.29</b>	<b>11,957.29</b>	
SH.6	<b>General expenses</b>			
	Office rent	15,600.00	15,600.00	
	Telephone, internet and Post	1,049.50	1,049.50	
	Electricity, municipal services (water and waste)	-	-	
	Depreciation costs of long-term assets	-	-	
	Costs associated with donations and in-kind contributions, goods and services	-	-	
	<b>Total general expenses</b>	<b>16,649.50</b>	<b>16,649.50</b>	
SH.7	<b>Other expenses</b>			
	Maintenance of equipment and offices	18,405.91	18,405.91	
	Expenses that are not including in any other category	4,740.00	4,740.00	
	<b>Total other expenses</b>	<b>23,145.91</b>	<b>23,145.91</b>	
	<b>Total expenses ( from SH.1 to SH.7 )</b>	<b>139,843.97</b>	<b>139,843.97</b>	

<b>Note 6. Accounts Receivable</b>	<b>31 December 2012 Amounts in Euro</b>	<b>31 December 2011 Amounts in Euro</b>
<b>Total accounts receivable</b>	<b>0.00</b>	<b>0.00</b>
<b>Note 7. Cash and cash equivalents</b>	<b>31 December 2012 Amounts in Euro</b>	<b>31 December 2011 Amounts in Euro</b>
<b>In total cash and cash equivalents</b>	<b>0.00</b>	<b>0.00</b>
<b>Note 8. Accounts payable and other</b>	<b>31 December 2012 Amounts in Euro</b>	<b>31 December 2011 Amounts in Euro</b>
<b>Total accounts payable and other</b>	<b>0.00</b>	<b>0.00</b>
<b>Note 9. Other short-term liabilities</b>	<b>31 December 2012 Amounts in Euro</b>	<b>31 December 2011 Amounts in Euro</b>
<b>Total other short-term liabilities</b>	<b>0.00</b>	<b>0.00</b>

	Balance at beginning of year (historical cost)	Purchases during the year	Accumulated depreciation	Depreciation of the year	Balance at end of year (net)
Property					
Facilities					
Vehicles					
Equipment for office					
Information technology equipment					
Other equipment					
<b>Total property, plant and equipment</b>					

**Contributions in kind, goods and services**  
**In the end of year 31 December 2012**

**Acronym : JSL**

Goods / services description	Received by			Date when contribution is provided	Amount in Euro
	Contributor	Address	Personal Number		
<b>Total in-kind contribution, goods and services :</b>					

**Donations and contributions in cash**  
**In the end of year 31 December 2012**

Acronym : JSL

Received by			Date when contribution is provided	Amount in Euro	Accepted through	
Contributor	Address	Personal Number			Bank	Checkout
<b>Total donations and contributions in cash :</b>						

**Payments over 5,000.00 Euro**  
**In the end of year 31 December 2012**

Acronym : JSL

Purpose of Payment	Received by			Date when payment is made	Amount in Euro
	Personal / Institutional	Address	Personal Number		
<b>Total payments over 5,000.00 Euro :</b>					



**Findings:**

Column is not completed for the previous year for the revenues and expenditures.

During the payment is not for the TTS and contributions to income and rents for TTS.

Contract for rent of land between related persons Sreten Ivanovic deputy for issuing land rent price of EUR 2,000.00 / per month- is not documented because there is no valid documentation which certifies maintenance activities.

Invoice dated 19.10.2012 No. 059/12 in the amount of Euro 2,100.00 for maintenance of computers for the months July, August and September by NIK-Gjilan without business registration number and fiscal number, on behalf of the person Vesimir Savic as purchaser, is identical invoice in both Q3 and Q4 quarters.

Stanković Yugoslavian contracts for the course of English language -and for all other contracts with rental of premises, equipment and facilities should be kept and there should be paid tax on the income-PP has not provided any evidence that the tax is paid.

Fuel consumed during Q3 in the amount of 6,224.50 Euros but no supporting documentation, who, which vehicle and the amount of fuel is spent.

There are not submitted invoices for printing, advertising-under contract No. 174/12-hoodies - 4,800.00 E, no 173/12-t-shirts-3, 500.00 E and no. 175/12-2, 200.00 Euros of the same date dated 01.09.2012.

Purchase with fiscal coupons.

**Recommendations:**

We recommend that the political entity must respect the principle of consistency (succession) from period to period and to understand the connection between the periods.

Political entity in order to respect the principle of transparency should liquidate from the bank account and by cash payments.

The accrual principle should be respected and only revenues and expenses in the reporting period should be reported.

PP should use tax invoices because they are in the status of the legal person whereas coupons, fiscal coupons are issued tax for physical persons.

PP should record only documentation which meets the criteria of validity of an accounting document.

Must adhere to Article 15 paragraph 3 of the Law Nr.03/L-174-Ligji for financing of political parties, for the content of documents in an annual financial report.

Political Entity is recommended to implement the applicable tax laws of the Republic of Kosovo, especially for TTS, pension contributions and the personal income tax on rent.

PP is recommended to pay TTS and pension contributions for payments to physical persons

Non-payment of taxes and contributions on time may have implications based on the tax laws.

PP should increase the level of professionalism of financial representative or the person responsible for keeping records and compilation of financial reports through training or continuing professional education.