

**KOSOVA DEMOKRATIK TURK PARTISI**

**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	Kosova Demokratik Türk Partisi
2	Acronym	KDTP
3	Address	Sheshi I Lidhjes pn
4	Municipality	Prizren
5	Tel	n/a
6	The reporting period	01.01.2012 - 31.12.2012
7	The registration number	600535639

Authorized Financial Representative

8	Name	Ergin
9	Surname	Kala
10	Personal Number	100051591
11	Address	Carraleva nr 21
12	Municipality	Prizren
13	Tel	044/128-291
14	E-mail	<a href="mailto:erginkala@gmail.com">erginkala@gmail.com</a>

# Statement of Financial Position

31 December 2012

Acronym: KDTP

<b>P</b>	<b>Assets</b>	<b>Notes</b>	<b>31 December</b>	<b>31 December 2011</b>
<b>P.1</b>	<b>Long-term assets</b>		<b>2012 Amount in Euro</b>	<b>Amount in Euro</b>
P.1.1	Property, plant and equipment	5	5,749.60	
P.1.2	Intangible assets		-	-
P.1.3	Other long term assets		-	-
	<b>Total long-term assets</b>		5,749.60	-
P2	Short-term assets			
P2.1	Accounts Receivable	6	-	-
P2.2	Prepayments		10,000.00	-
P2.3	Cash and cash equivalents	7	23,345.42	4,995.24
P2.4	Other short-term assets		-	-
	<b>Total other short-term assets</b>		33,345.42	33,345.42
	<b>Total assets P1+P2</b>		39,095.02	4,995.24
E	<b>Equity</b>			
E.1	Accumulated funds			
E.2	Surplus / (deficit) of the year		24,755.18	
	Total Equity		24,755.18	
D	<b>Liabilities</b>			
D.1	<b>Long-term liabilities</b>			
D.1.1	Payable loans		-	-
D.1.2	Deferred revenue		5,749.60	-
	<b>Total long term liabilities</b>		5,749.60	-
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	3,595.00	-
	<b>Total short term liabilities</b>		3,595.00	-
	<b>Total liabilities ( D.1 + D.2)</b>		9,344.60	-
	<b>TOTAL EQUITY AND LIABILITIES (E+D)</b>		34,099.78	-

## 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		94,500.00	-
H.2	Membership revenues		1,458.20	-
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>		95,958.20	-
SH	<b>Expenses</b>	2		
SH.1	Salaries and compensations	2	14,316.50	-
SH.2	Transportation costs	2	5,946.74	-
SH.3	Advertising, representation and conferences	2	22,015.09	-
SH.4	Campaign expenses	2	-	-
SH.5	Purchase of goods	2	8,792.07	-
SH.6	General expenses	2	18,096.52	-
SH.7	Other expenses	2	2,036.10	-
	<b>Total expenses</b>		71,203.02	-
	<b>SURPLUS (+) OR DEFICIDI (-) for the year (H-SH)</b>		24,755.18	-

SH	Expenses	Expenses in Euro	Payments in Euro	The remaining debt in Euro
SH.1	<b>Salaries and compensations</b>			
	Salaries and compensations, net	13,060.00	13,060.00	-
	Employee pension contribution	60.28	60.28	-
	Employer pension contribution	258.11	258.11	-
	Personal Income Tax	258.11	258.11	-
	Other Benefits	680.00	680.00	-
	<b>Total salaries and compensations</b>	<b>14,316.50</b>	<b>14,316.50</b>	<b>-</b>
SH.2	<b>Transportation costs</b>			
	Borrowed vehicles	987.74	987.74	-
	Fuels	3,359.00	3,359.00	-
	Tickets - airplane / bus, train, taxi, etc.	-	-	-
	Insurance and maintaining the vehicles	1,600.00	1,600.00	-
	Other transport insurance	-	-	-
	<b>Total transport costs</b>	<b>5,946.74</b>	<b>5,946.74</b>	<b>-</b>
SH.3	<b>Advertising, representation and conferences</b>			
	Offices	17,107.99	17,107.99	-
	Food	390.24	390.24	-
	Cultural and recreational activities	-	-	-
	Radio and television advertisements	2,126.66	2,126.66	-
	Billboards and advertisements in newspapers	2,390.20	2,390.20	-
	Other advertising costs, representation and conferences	-	-	-
	<b>Total advertising, representation and conferences</b>	<b>22,015.09</b>	<b>22,015.09</b>	<b>-</b>
SH.4	<b>Campaign expenses</b>			
	Campaign expenses	-	-	-
	<b>Total campaign expenses</b>	<b>-</b>	<b>-</b>	<b>-</b>
SH.5	<b>Purchase of goods</b>			
	Office supply	8,792.07	8,792.07	-
	Small equipment	-	-	-
	<b>Total purchases of goods</b>	<b>8,792.07</b>	<b>8,792.07</b>	<b>-</b>
SH.6	<b>General expenses</b>			
	Office rent	15,436.00	11,841.00	3,595.00
	Telephone, internet and Post	797.25	797.25	-
	Electricity, municipal services (water and waste)	1,863.27	1,863.27	-
	Depreciation costs of long-term assets			
	Costs associated with donations and in-kind contributions, goods and services			-
	<b>Total general expenses</b>	<b>18,096.52</b>	<b>14,501.52</b>	<b>3,595.00</b>
SH.7	<b>Other expenses</b>			
	Maintenance of equipment and offices	1,204.40	1,204.40	-
	Expenses that are not including in any other category	831.70	831.70	-
	<b>Total other expenses</b>	<b>2,036.10</b>	<b>2,036.10</b>	<b>-</b>
	<b>Total expenses ( from SH.1 to SH.7 )</b>	<b>71,203.02</b>	<b>67,608.02</b>	<b>3,595.00</b>

<b>Note 6. Accounts Receivable</b>	<b>31 December 2012 Amounts in Euro</b>	<b>31 December 2011 Amounts in Euro</b>
	0	0
	0	0
	0	0
	0	0
	0	0
	0	0
	0	0
<b>Total accounts receivable</b>	<b>0</b>	<b>0</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>
Cash in Bank	23,345.42	4,995.24
Cash	0	0
<b>In total cash and cash equivalents</b>	<b>23,345.42</b>	<b>4,995.24</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>
	0	0
	0	0
	0	0
	0	0
	0	0
	0	0
<b>Accounts payable and other</b>	<b>0</b>	<b>0</b>
<b>Total accounts payable and other</b>	<b>0</b>	<b>0</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>
	0	0
Rent liabilities	3,595.00	0
	0	0
<b>Total other short-term liabilities</b>	<b>3,595.00</b>	<b>0</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	-	4,573.60	-	-	4,573.60
Information technology equipment	-	1,176.00	-	-	1,176.00
Other equipment	-	-	-	-	-
<b>Total property, plant and equipment</b>	<b>-</b>	<b>5,749.60</b>	<b>-</b>	<b>-</b>	<b>5,749.60</b>

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

**Acronym :KDTP**

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: KDTP**

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 : KTDP**

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:**

The balance sheet does at equalized.

Waste of revenues at the end of the year 23,345.42 Euros, (it is high financing or financing of PP does not efficiently manage the revenues), even at the end of 2011 there were 4,995.24 Euros left.

Costs presented in IS are lower than they have been, there are presented 71,203.02 while according to the report of the bank are 77,608.02 Euros, difference 6,405.00, (see IS).

Payment December/2011- two month salary (for A.Bilkiqi and F.Corogli) accrual-principle.

There is no evidence on the report of bank that the rent tax is paid.

Payments for seven (7) employees on the occasion of the Eid holiday (from 50 euros), are calculated whereas there are not paid taxes and pension contributions.

Revenues from the membership 1,458.20 E are not presented in the form of donations and contributions in cash.

**Recommendations:**

PP must respect the principle of consistency (succession) from period to period to understand the connection between the periods and (revenues and expenses).

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

PP should review the financial resource left as they had financial resources left even in the previous year.

PP should pay TTTS and pension contributions for payments to physical persons and the rental tax.

Political entity upon receipt of donations from individuals must respect 03/L-174 Law on Financing of Political Parties, Article 5, paragraph 1, point 1.1 and Article 17 of Regulation 01/2008 on the registration and operation of political parties .

We recommend the establishment of PP's regulations and procedures for the operation of internal control.