



Partia Liberale Egjiptiane

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

01 January 2014 - 31 December 2014



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Independent Auditors' Report

To the council of Partia Liberale Egjiptiane

Report on Special Purpose Financial Statement

Disclaimer of Opinion

We were engaged to audit the financial statements of the Political Entity “**Partia Liberale Egjiptiane**” (hereinafter referred to as “Political Entity” or “PLE” or “PE”), which comprise the statement of financial position as at December 31, 2014, and the statement of income and expenses for the year then ended and other explanatory information.

We do not express an opinion on the accompanying financial statements of the Political Entity “**Partia Liberale Egjiptiane**”. 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 sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

Basis for Disclaimer of opinion

- As presented in the accompanying Financial Statements, the liabilities and funds of the Political Entity exceed the PE assets by 4,640.25 Euros as at 31st December 2014, as a result there is a mismatch between the assets presented and the sources of financing, taking into account the nature of the records kept by the PE we were unable to determine if the PE overestimated the sources of funding or underestimated the assets presented.
- The Political Entity did not submit to the CEC the banking report for the year 2014 as required by 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. In the absence of supporting documentation we were unable to verify whether the reported bank balance is accurate and at the same time whether the reported revenues and expenses correctly represent the activity of the PE.
- The PE has paid wages and salaries on the amount of 2,290.00 Euro without accounting and declaring taxes and tax contributions as required by the law nr.03/L-161 on Taxes and Personal Income, Articles 6 and 7.

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 applicable accounting standards 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 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

Muhamet Feka
Statutory Auditor
30 November 2017

Statements of Financial Position

Assets		31 December 2014	31 December 2013
Long-term assets	Notes	Amount in Euros	Amount in Euros
Property, plant and equipment	2	2,646.00	
Intangible Assets			
Other long-term assets			
Total long-term assets		2,646.00	
Current assets			
Accounts receivable		0.00	
Prepayments			
Cash and cash equivalents		0.00	
Other current assets		0.00	
Total current assets		0.00	
Total Assets		2,646.00	
Equity			
Accumulated Fund		0.00	
Surplus / (deficit) of the year		4,640.25	
Total Equity		4,640.25	
Liabilities			
Long-term liabilities			
Loans payable			
Deferred revenue		2,646.00	
Total Long-term liabilities		2,646.00	
Current liabilities			
Accounts payable		0.00	
Other current liabilities		0.00	
Total current liabilities		0.00	
Total Liabilities		2,646.00	
Total equity and liabilities		7,286.25	

Statement of income and expenses

	Notes	Year ending on 31 st December	
		2014	2013
Income			
Income from budget		15,745.00	
Income from membership			
Donations and cash contributions		0.00	
Contributions in kind / goods and services			
Income from campaigns			
Income released from deferred revenues		0.00	
Other income			
Total Income for the year		15,745.00	
Expenses			
Wages and salaries	3	2,290.00	
Transportation expenses	3	1,502.00	
Advertising, representation and conferences	3	3,457.95	
Campaign expenses	3	0.00	
Purchase of goods	3	851.00	
General expenses	3	2,956.00	
Other expenses	3	47.80	
Total expenses for the year		11,104.75	
Surplus / (deficit) for the year		4,640.25	

1. General Information

Name of Political Entity: Partia Liberale Egjiptiane

Acronym: PLE

Council: Veton Berisha (PE Chairman)

Finance Representative:

Date of Establishment:

Address: Peja

The financial statements of the Progresivno Demokratska Stranka 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.

The Political Entity maintains a single bank account on ProCredit Bank Kosovo.

Note 2. Property, plant and equipment

Description	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					0.00
Office Equipment		851.00			851.00
Information technology equipment		1,795.00			1,795.00
Other Equipment					0.00
Total Property, plant and equipment	0.00	2,646.00	0.00	0.00	2,646.00

Note 3. Expenses

Expenses	Expenses	Payment	Outstanding amount
Wages and salaries			
Net wages and salaries		2,290.00	(2,290.00)
Pension contributions of the employee			-
Pension contributions of the employer			-
Personal Tax income			-
Other benefits			-
Total	-	2,290.00	(2,290.00)
Transportation expenses			
Borrowed motorized vehicles			-
Fuels		1,727.00	(1,727.00)
Airplane/bus/train/taxi etc. tickets			-
Car insurance and maintenance			-
Any other transportation expenses			-
Total transportation expenses	-	1,727.00	(1,727.00)
Advertising, representation and conferences			
Premises			-
Food		2,521.35	(2,521.35)
Cultural and recreation activities			-
Radio and TV advertisements			-
Newsstands and newspaper advertisements			-
Other advertising, representation and conferences expenses		996.60	(996.60)
Total advertising, representation and conferences expenses	-	3,517.95	(3,517.95)
Campaign expenses			
Campaign expenses			-

Partia Liberale Egjiptiane

Notes on Financial Statements 01 January 2014 until 31 December 2014

Total Campaign expenses	-	-	-
Purchase of goods			
Supply of office		832.60	(832.60)
Small equipment		18.40	(18.40)
Total purchase of goods	-	851.00	(851.00)
General expenses			
Rent of office space		1,000.00	(1,000.00)
Telephone, internet and mail		177.00	(177.00)
Electricity and other utilities (water and waste)		1,795.00	(1,795.00)
Depreciation expenses of long-term assets	0.00		
Expenses related to in-kind contributions / goods and services			
Total general expenses	-	2,972.00	(2,972.00)
Other expenses			
Maintenance of office space and equipment			-
Expenses not included in any other category	0.00	249.50	(249.50)
Total other expenses	-	249.50	(249.50)
Total expenses	-	11,607.45	(11,607.45)