



Samostalna Liberalna Stranka

**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 Samostalna Liberalna Stranka

Report on Special Purpose Financial Statement

Disclaimer of Opinion

We were engaged to audit the financial statements of the Political Entity “**Samostalna Liberalna Stranka**” (hereinafter referred to as “Political Entity” or “SLS” 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 “**Samostalna Liberalna Stranka**”. 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

- As presented in the Statement of Financial Position, liabilities and funds of the Political Entity exceed the PE assets by 169,597.91 Euros, 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 SLS we were unable to determine if the PE overestimated the sources of funding or underestimated the assets presented.
- The Political Entity has not declared notes on Assets, Liabilities and Equity, Income and Expenses for the previous year 2013 despite the fact that the PE has carried out its activity throughout the year.
- During our auditing we found out that the Political Entity has not stated, in the Statement of Income and Expenses, the income from budget in the amount of 133,000.00 Euro and other income in the amount of 2,559.91 Euro thus underestimating the income for the year.
- During our auditing, we found out that the PE SLS has not presented notes on payments over 5,000 Euro to a single recipient despite the fact that the PE has made such payments.

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 made payments to a single recipient in amount of over 5,000 Euro during one day which is in violation of Law Nr:03/L0196 for preventing of money laundry and terrorist financing, Article 25, Paragraph 2 of this law. Additional obligations of political parties.
- 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

Nijazi Jakupi
Statutory Auditor
29 November 2017

Statements of Financial Position

Assets		31 December 2014	31 December 2013
Long-term assets		Amount in Euros	Amount in Euros
Property, plant and equipment		0.00	0.00
Intangible Assets			
Other long-term assets			
Total long-term assets		0.00	0.00
Current assets		0.00	0.00
Accounts receivable		0.00	0.00
Prepayments			
Cash and cash equivalents		0.00	0.00
Other current assets			
Total current assets		0.00	0.00
Total Assets		0.00	0.00
Equity			
Accumulated Fund		0.00	0.00
Surplus / (deficit) of the year		(169,597.91)	0.00
Total Equity		(169,597.91)	0.00
Liabilities			
Long-term liabilities			
Loans payable			
Deferred revenue		0.00	0.00
Total Long-term liabilities			
Current liabilities			
Accounts payable		0.00	0.00
Other current liabilities		0.00	0.00
Total current liabilities		0.00	0.00
Total Liabilities		0.00	0.00
Total equity and liabilities		(169,597.91)	0.00

Statement of income and expenses

	Notes	Year ending on 31 December	
		2014	2013
Income			
Income from budget		0.00	0.00
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		0.00	0.00
Other income			
Total Income for the year		0.00	0.00
Expenses			
Wages and salaries	2	47,918.80	0.00
Transportation expenses	2	9,017.90	0.00
Advertising, representation and conferences	2	9,536.00	0.00
Campaign expenses	2	0.00	0.00
Purchase of goods	2	20,199.01	0.00
General expenses	2	64,196.48	0.00
Other expenses	2	18,729.72	0.00
Total expenses for the year	2	169,597.91	0.00
Surplus / (deficit) for the year		(169,597.91)	0.00

1. General Information

Name: Samostalna Liberalna Stranka

Acronym: SLS

Council: Slobodan Petrovic (Chairman)

Finance Representative:

Establishment Date:

Address: Gracanica, Kosovo

The financial statements of the Samostalna Liberalna 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 the ProCredit Bank Kosovo.

Note 2: Expenses

Expenses	Expenses in Euro	Payment in Euro	Outstanding amount in Euro
Wages and salaries			
Net wages and salaries	40,920.00	40,920.00	0.00
Pension contributions of the employee	954.80	954.80	0.00
Pension contributions of the employer	1,084.00	1,084.00	0.00
Personal Tax income			
Other benefits	4,960.00	4,960.00	0.00
Total	47,918.80	47,918.80	0.00
Transportation expenses			
Borrowed motorized vehicles	0.00	0.00	0.00
Fuels	6,918.90	6,918.90	0.00
Airplane/bus/train/taxi etc. tickets	1,205.00	1,205.00	0.00
Car insurance and maintenance	831.00	831.00	0.00
Any other transportation expenses			0.00
Total transportation expenses	9,017.90	9,017.90	0.00
Advertising, representation and conferences			

Samostalna Liberalna Stranka

Notes on Financial Statements 01 January 2014 until 31 December 2014

Premises	0.00	0.00	0.00
Food	0.00	0.00	0.00
Cultural and recreation activities	0.00	0.00	0.00
Radio and TV advertisements	0.00	0.00	0.00
Newsstands and newspaper advertisements	9,536.00	9,536.00	0.00
Other advertising, representation and conferences expenses	0.00	0.00	0.00
Total advertising, representation and conferences expenses	9,536.00	9,536.00	0.00
Campaign Expenses			
Campaign expenses			0.00
Total campaign expenses	0.00	0.00	0.00
Purchase of goods			
Supply of office	3,788.08	3,788.08	0.00
Small equipment	16,410.93	16,410.93	0.00
Total purchase of goods	20,199.01	20,199.01	0.00
General expenses			
Rent of office space	21,841.00	21,841.00	0.00
Telephone, internet and mail	5,312.00	5,312.00	0.00
Electricity and other utilities (water and waste)	4,263.41	4,263.41	0.00

Samostalna Liberalna Stranka*Notes on Financial Statements 01 January 2014 until 31 December 2014*

Depreciation expenses of long-term assets	0.00	0.00	
Expenses related to in-kind contributions / goods and services	32,780.07	0.00	
Total general expenses	64,196.48	31,416.41	0.00
Other expenses			
Maintenance of office space and equipment	3,693.28	3,693.28	0.00
Expenses not included in any other category	15,036.44	15,036.44	0.00
Total other expenses	18,729.72	18,729.72	0.00
Total expenses			
	169,597.91	136,817.84	0.00