



## **Iniciativa e Re Demokratike e Kosovës**

**Campaign Financial Disclosure Report with Independent Auditors'  
Report thereon**

**Extraordinary National Elections  
28 May 2014 – 06 June 2014**



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# **Independent Auditors' Report**

To the council of Iniciativa e Re Demokratike e Kosovës

## **Report on Special Purpose Financial Statement**

### **Disclaimer of Opinion**

We were engaged to audit the Campaign Financial Disclosure Report of the Political Entity “**Iniciativa e Re Demokratike e Kosovës**” (hereinafter referred to as “Political Entity” or “IRDK” or “PE”), which comprise the statement of financial position as at June 06, 2014, the statement of income and expenses for the period 28 May 2014 until 6 June 2014 and other explanatory information.

We do not express an opinion on the accompanying financial statements of the Political Entity “**Iniciativa e Re Demokratike e Kosovës**”. 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**

- The Political Entity has not disclosed notes on assets, liabilities and equity of the PE on 6 June 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 stated assets, liabilities and equity correctly reflect the state of the PE on 6 June 2014.
- The Political Entity has not submitted to the CEC copies of invoices on reported expenditures 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 if the reported expenses were accurate and correctly represent the activity of the PE.
- The Political Entity did not submit to the CEC the banking report for the period 28 May 2014 until 6 June 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 Political Entity has not reported income from cash donations, in the absence of supporting documentation, we were unable to verify whether the PE had or had not accepted cash donations.
- The Political Entity has not reported income from contributions in kind / goods and services, in the absence of supporting documentation we were unable to verify whether the PE had or had not accepted contributions in kind / goods and services.
- The Political Entity has not reported the payments made in the amount of over 5,000.00 EUR to a single recipient, in the absence of supporting documentation we were unable to verify whether the PE made payments in the amount of over 5,000.00 EUR to a single recipient.
- In the absence of confirmations by the bank, we were unable to verify if the PE had only one bank account 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 11, paragraph 3.

### **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 the law no.03/L-257 on amending and supplementing the law no.03/L-073 on General Elections in the Republic of Kosovo, 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

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Fatmir Mehmeti  
Statutory Auditor  
29 November 2017

### Statements of financial position

<b>Assets</b>	Notes	<b>Balance at the end of the period</b>	<b>Balance at the start of the period</b>
		<b>Amount in Euro</b>	<b>Amount in Euro</b>
<b>Long-term assets</b>			
Property, plant and equipment			
Intangible Assets			
Other long-term assets			
<b>Total long-term assets</b>			
<b>Current assets</b>			
Accounts receivable			
Cash and cash equivalents			
Other current assets			
<b>Total current assets</b>			
<b>Total Assets</b>			
<b>Equity</b>			
Accumulated Fund			
Surplus / (deficit) of the year		(4,550.00)	
<b>Total Equity</b>		(4,550.00)	
<b>Liabilities</b>			
<b>Long-term liabilities</b>			
Loans payable			
Deferred revenue			
<b>Total Long-term liabilities</b>			
<b>Current liabilities</b>			
Accounts payable			
Other current liabilities			
<b>Total current liabilities</b>			
<b>Total Liabilities</b>			
<b>Total equity and liabilities</b>		(4,550.00)	

## Statement of income and expenses

	Notes	<b>28 May 2014 – 06 June 2014</b>
<b>Income</b>		
Income from budget		
Income from membership		
Donations and cash contributions		<b>0.00</b>
Contributions in kind / goods and services		
Other income		
<b>Total Income for the period</b>		<b>0.00</b>
<b>Expenses</b>		
Wages and salaries	2	1,050.00
Transportation expenses	2	750.00
Advertising, representation and conferences	2	2,280.00
Purchase of goods	2	60.00
General expenses	2	410.00
Other expenses	2	0.00
<b>Total expenses for the period</b>		<b>4,550.00</b>
<b>Surplus / (deficit) for the period</b>		<b>(4,550.00)</b>

## **1. General Information**

Name of Political Entity: Iniciativa e Re Demokratike e Kosovës

Acronym: BSDK

Council: Xhevdet Neziraj (Chairman)

Finance Representative: Elbert Krasniqi

Date of Establishment:

Address: Peja

The financial statements of the PE Iniciativa e Re Demokratike e Kosovës 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.

**Note 2: Expenses**

Expenses	Expenses in Euro	Payment in Euro	Outstanding amount in Euro
<b>Wages and salaries</b>			
Net wages and salaries	1,050.00	1,050.00	0.00
Payments to observers	450.00	450.00	0.00
Pension contributions of the employee			0.00
Pension contributions of the employer			0.00
Personal Tax income			0.00
Other benefits			0.00
<b>Total</b>	<b>1,050.00</b>	<b>1,050.00</b>	<b>0.00</b>
<b>Transportation expenses</b>			
Borrowed motorized vehicles			
Fuels	750.00		750.00
Airplane/bus/train/taxi etc. tickets			0.00
Car insurance and maintenance			0.00
Any other transportation expenses			0.00
<b>Total transportation expenses</b>	<b>750.00</b>	<b>0.00</b>	<b>750.00</b>

<b>Advertising, representation and conferences</b>			
Premises	475.00		475.00
Food	905.00		905.00
Cultural and recreation activities	100.00		100.00
Radio and TV advertisements	100.00		100.00
Newsstands and newspaper advertisements			0.00
Other advertising, representation and conferences expenses	700.00		700.00
<b>Total advertising, representation and conferences expenses</b>	<b>2,280.00</b>	<b>0.00</b>	<b>2,280.00</b>
<b>Purchase of goods</b>			
Supply of office			
Small equipment	60.00		60.00
<b>Total purchase of goods</b>	<b>60.00</b>	<b>0.00</b>	<b>60.00</b>
<b>General expenses</b>			
Telephone, internet and mail	350.00		350.00
Electricity and other utilities (water and waste)	60.00		60.00
Expenses related to in-kind contributions / goods and services			
<b>Total general expenses</b>	<b>410.00</b>	<b>0.00</b>	<b>410.00</b>

**Iniciativa e Re Demokratike e Kosovës**

*Notes on Campaign Financial Disclosure Report*

*Extraordinary National Elections 28 May 2014 Until 6 June 2014*

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<b>Other expenses</b>			
Maintenance of office space and equipment			
Expenses not included in any other category			
<b>Total other expenses</b>			
<b>Total expenses</b>	<b>4,550.00</b>	<b>1,050.00</b>	<b>3,500.00</b>