



Nova Demokratska Stranka - NDS

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

**Extraordinary national elections
11 May 2017 - 11 June 2017**



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Independent Auditors' Report

To the council of Nova Demokratska Stranka

Report on Special Purpose Financial Statement

Qualified Opinion

We have audited the Campaign Financial Disclosure Report of the Political Entity "Nova Demokratska Stranka" (hereinafter referred to as "Political Entity" or "NDS" or "PE"), which comprise the statement of financial position as at June 11, 2017, the statement of income and expenses for the period 11 May 2017 until 11 June 2017 and other explanatory information.

In our opinion, except for the effects of the matters described in Basis for qualified opinion section, the campaign financial disclosure report presents fairly, in all material respects, the financial position of the Political Entity as of 11 June 2017, and its income and expenses for the period from 11 May 2017 until 11 June 2017 in accordance with 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.

Basis for qualified opinion

- As presented in the Statement of Income and Expenses the PE has stated total expenses on the amount of 12,843.06 Euro. Taking into account the nature of records kept by the political entity and the lack of supporting documentation we were unable, while applying standard and alternative auditing procedures, to verify whether expenses on the amount of 6,450.00 Euro were accurate and belonged within the reporting period.

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Political Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Kosova, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Codes. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 for the conducted purchases did not apply any procurement procedures which would enable a more efficient, cost-effective, transparent and fair use of political entity funds
- 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 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.

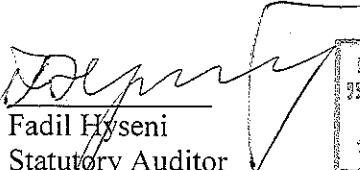
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

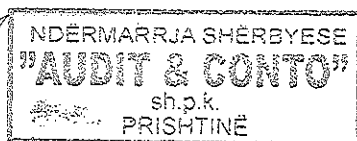
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- 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 L.L.C


Fadil Hyseni
Statutory Auditor
12 April 2019



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Statement of financial position

Assets		Balance at the end of the period Amount in Euro	Balance at the start of the period Amount in Euro
Long-term assets	Notes		
Property, plant and equipment	5		
Intangible Assets			
Other long-term assets			
Total long-term assets		0.00	0.00
Current assets			
Accounts receivable	6		
Prepayments			
Cash and cash equivalents	7		3,924.04
Other current assets			
Total current assets		0.00	3,924.04
Total Assets		0.00	3,924.04
Equity			
Accumulated Fund		3,924.04	
Surplus / (deficit) of the period		(12,843.06)	3,924.04
Total Equity		(8,919.02)	3,924.04
Liabilities			
Long-term liabilities			
Loans payable			
Deferred revenue		0.00	
Total Long-term liabilities		0.00	
Current liabilities			
Accounts payable and others	8	0.00	
Loans payable			
Other current liabilities	9	8,919.02	
Total current liabilities		8,919.02	0.00
Total Liabilities		8,919.02	0.00
Total equity and liabilities		0.00	3,924.04

Financial Statement of the Political Entity have been approved by the council on 24 July 2018

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Statement of income and expenses

	Notes	11 May 2017 11 June 2017
Income		
Income from budget		
Income from membership		
Donations and cash contributions	3	
Contributions in kind / goods and services	4	
Other income		
Total Income for the period		0.00
Expenses		
Wages and salaries	2	10,319.02
Transportation expenses	2	509.90
Advertising, representation and conferences	2	878.00
Purchase of goods	2	575.00
General expenses	2	233.400
Other expenses	2	327.74
Total expenses for the period		12,843.06
Surplus / (deficit) for the period		(12,843.06)

1. General Information

Name of Political Entity: **Nova Demokratska Stranka**

Acronym: NDS

Council: Elmija Rexhepi (Chairman)

Finance Representative: Naser Meta

Date of Establishment:

Address: Street "Qazim Berisha" – Bazhdarana no.2

The financial statements of the **Nova 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.

According to Article 19, Paragraph 2, Item 7 of Law no.04/L-212 on amending and supplementing Law Nr. 03/L-174 on Financing of Political Entities, amended and supplemented by Law Nr. 04/L-058, the registered political entity within five (5) business days from receiving the draft auditing reports has submitted the revised financial reports and explanations regarding errors and omissions identified by the auditors.

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

Note 7. Cash and cash equivalent

	Balance at the end of the period Amount in Euros	Balance at the start of the period Amount in Euros
Cash in bank	0.00	100,74
Cash in hand	0.00	3,823.30
Total cash and cash equivalent	0.00	3,924.04

Note 8. Accounts payable and others

	Balance at the end of the period Amount in Euros	Balance at the start of the period Amount in Euros
Other accounts payable	8,550.00	
Total Account payable and others	8,550.00	0.00

Note 9. Other Current Liabilities

	Balance at the end of the period Amount in Euros	Balance at the start of the period Amount in Euros
Liabilities for tax and contribution	169,02	
Liabilities for rent	200.00	
Liabilities for fines and penalties		
Other current liabilities		
Total other current liabilities	369.02	0.00

Note 2. Expenses

Expenses	Expenses in Euro	Payment in Euro	Outstanding amount in Euro
Wages and salaries			
Net wages and salaries	150.00	0.00	150.00
Payments for observers	10,150.00	1,600.00	8,550.00
Pension contributions of the employee	8.05	0.00	8.05
Pension contributions of the employer	8.05	0.00	8.05
Personal Tax income	2.92	0.00	2.92
Other benefits			0.00
Total	10,317.92	1,600.00	8,719.02
Transportation expenses			
Borrowed motorized vehicles			0.00
Fuels	509.90	509.90	0.00
Airplane/bus/train/taxi etc. tickets			0.00
Car insurance and maintenance			0.00
Any other transportation expenses			0.00
Total transportation expenses	509.90	509.90	0.00

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Advertising, representation and conferences			
Premises			0.00
Food	478.00	478.00	0.00
Cultural and recreation activities			0.00
Radio and TV advertisements			0.00
Newsstands and newspaper advertisements			0.00
Other advertising, representation and conferences expenses	400.00	400.00	0.00
Total advertising, representation and conferences expenses	878.00	878.00	0.00
Purchase of goods			
Supply of office	575.00	575.00	0.00
Small equipment			0.00
Total purchase of goods	575.00	575.00	0.00
General expenses			
Rent of office space		-	
Telephone, internet and mail	233.40	233.40	0.00
Electricity and other utilities (water and waste)			0.00
Fines and Penalties			0.00
Expenses related to in-kind contributions / goods and services			
Total general expenses	233.40	233.40	0.00

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Other expenses				
Maintenance of office space and equipment				0.00
Expenses not included in any other category	327.74		127.74	200.00
Total other expenses	327.74		127.74	200.00
Total expenses	12,841.96		3,924.04	8,919.02