

 REPUBLIKA E KOSOVËS - REPUBLIKA KOSOVA - REPUBLIC OF KOSOVO ZYRA E AUDITORIT TË PËRGJITHSHËM KANCELARIA GENERALNOG REVIZORA / OFFICE OF THE AUDITOR GENERAL	
DATA PRANUAR / DORËZUAR 27.07.2015	
Shifra e klasifikimit	Nr. Regl.
-10-	471

OFFICE OF THE AUDITOR GENERAL

**Independent Auditor's Report and Financial Statements
for the year ended December 31, 2014**

Contents

INDEPENDENT AUDITOR'S REPORT	3
1. Introduction	5
2. Basis of Preparation of the financial statements and accounting convention	5
2.1. Basis of preparation.....	5
2.2. Accounting convention.....	5
2.3. Reporting currency.....	5
2.4. Procurement	5
2.5. Commitments	6
2.6. Authorization Date.....	6
2.7. Budgets.....	6
2.8. Disclosue of Assets	6
Financial Statements for the year ended December 31, 2014.....	7

INDEPENDENT AUDITOR'S REPORT

To the Auditor General

We have audited the accompanying financial statements of the Office of the Auditor General, Republic of Kosovo (further referred to as "Organization" or "OAG") which comprise the Statement of Cash Receipts and Payments, Budget Execution Report for the year ended December 31, 2014 and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for financial statements

The management is responsible for the preparation and fair presentation of these financial statements in accordance with the guidelines set out in the Law No. 03/L-048 on Public Financial Management and Accountability and Law No. 04/L-194 on Amending and Supplementing Law No. 03/L-048 on Public Financial Management and Accountability amended and supplemented by laws No 03/L-221 and No 04/L-116 which specify that the financial statements should be prepared under International Public Sector Accounting Standard - Financial Reporting under the Cash Basis of Accounting. These responsibilities include: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the Statement of Cash Receipt and Payment and Budget Execution Report present fairly, in all material respects, the financial performance of the Office of the Auditor General for the year ended December 31, 2014 in accordance with International Public Sector Accounting Standards - Financial Reporting under the Cash Basis of Accounting.

Basis of Accounting

Without modifying our opinion, we draw attention to Note 2.2 to the Financial Statement, which describes the basis of accounting. The Financial Statements are prepared in accordance with the cash bases of accounting.



Prishtina, Kosova
July 3, 2015

1. Introduction

The Office of the Auditor General (OAG) was established in 2003 under the UNMIK Regulation 2002/18, dated 4 October 2002. Following the independence the mandate and the role of the Auditor General was specified in the Constitution¹. The UNMIK Regulation was repealed by the Law no. 03/L-075 on the Auditor General and the Office of the Auditor General dated June 5, 2008.

According to the Constitution (Article 138) the Auditor General (AG) shall annually report on the results of the audit (Annual Audit Report and reports on individual assignments) and on his activities (Annual Performance Report).

2. Basis of Preparation of the financial statements and accounting convention

2.1. Basis of preparation

Under the Law No. 03/L-048 on Public Financial Management and Accountability and Law No. 04/L-194 on Amending and Supplementing Law No. 03/L-048 on Public Financial Management and Accountability previously amended and supplemented by laws No 03/L-221 and No 04/L-116 the AG is required to prepare and submit Annual Financial Statements (AFS) in compliance with the financial and reporting requirements of the International Public Sector Accounting Standard (“IPSAS”) in accordance with the cash receipts and disbursement basis of accounting. In addition, these financial statements include disclosures required under the Financial Rule No. 03/2013 on Annual Financial Statements of Budget Organizations.

These policies have been consistently applied to all the years presented, unless otherwise stated. The additional requirements were developed through the years.

2.2. Accounting convention

The financial statements were prepared in accordance with the cash basis of accounting. Under this basis:

- a. Revenues are recognized when received. They are allocated from the funds available in the Kosovo Consolidated Budget (“KCB”), which are to be expended in respect of such appropriation and known as the “allocated funds” for that appropriation.
- b. Expenditures are recognized when they are paid from the KCB bank account.
- c. Non monetary assets are presented for disclosure purposes. Historical cost for such assets represents purchase costs and any additional expenses directly attributable to purchase of assets.

2.3. Reporting currency

The OAG’s books and records are maintained in Euro, being the legal currency in the Territory of Republic of Kosova.

2.4. Procurement

Contractual agreements for the purchase or rental of goods and services, including professional services, are entered into, on behalf of the OAG, by only those officials duly authorized. Purchasing or renting activities include, in addition to entering into contractual agreements, the calling for tenders, quotations or proposals with potential suppliers on the basis of detailed specifications as set out in Law no.04/L-042 on Public Procurement in Republic of Kosovo.

¹ Articles 136, 137, 138 and 157

2. Basis of Preparation of the financial statements and accounting convention (continued)

2.5. Commitments

Commitments as disclosed in the financial statements are recorded when a purchase related to the current budget year is ordered, although the goods and services are actually received/ rendered, and a liability incurred, in the next budget year.

2.6. Authorization Date

The Annual Financial Statements for the year ended December 31, 2014 were authorized for issue by Mr. Artan Venhari the Deputy Auditor General and Mr. Fatmir Uka Chief Financial Officer on January 31, 2015, and re-submitted after a modification on 13 March 2015.

2.7. Budgets

The Final Budget is included in the Kosovo Financial Management Information System and is also published as part of the consolidated financial statements of the Government of Kosovo.

2.8. Disclosure of Assets

Assets are held for use or for administrative purposes, and are stated at the disclosure note at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes purchase price of the assets.

OFFICE OF THE AUDITOR GENERAL

Financial Statements for the year ended December 31, 2014

OFFICE OF THE AUDITOR GENERAL
Statement of Cash Receipts and Payments in Cash
For the year ended December 31, 2014

Statement of Cash Receipts and Payments in Cash

	Notes	2014 Single Treasury Account KCB in Euro 000'	2014 Third Party Payments in Euro 000'	2013 Single Treasury Account KCB in Euro 000'	2013 Third Party Payments in Euro 000'	2012 Single Treasury Account KCB in Euro 000'
RECEIPTS						
Government Grant	1	2,112	-	1,985	-	1,815
Donors Designated Grants	2	57	-	21	7*	7
Total Receipts		2,169	-	2,006	7	1,822
Payments						
Operations						
Wages and Salaries	3	1,480	-	1,268	-	1,174
Goods and Services	4	644	-	614	7	561
Utilities	5	27	-	29	-	32
		2,151	-	1,911	7	1,767
Transfers and Subsidies	6	-	-	75	-	-
Capital Expenditure	7	18	-	20	-	55
Total Payments		2,169	-	2,006	7	1,822


 Artan Venhari
 Deputy Auditor General


 Fatmir Uka
 Chief Financial Officer

OFFICE OF THE AUDITOR GENERAL
Consolidated Statement of Comparison of Budget and Actual Amounts
For the year ended December 31, 2014

Consolidated Statement of Comparison of Budget and Actual Amounts

	2014		2013		2012	
	<u>Initial Budget (Appropriation)</u> A	<u>Final Budget (Appropriation)</u> B	<u>Actual</u> C	<u>Difference</u> D = C - B	<u>Actual</u> E	<u>Actual</u> F
Notes	in Euro 000'	in Euro 000'	in Euro 000'	in Euro 000'	in Euro 000'	in Euro 000'
Cash inflows in Treasury Account						
8 Donations	-	18	18	-	21	7
9 Other revenues	-	4	4	-	-	-
Total collected receipts to KCB	-	22	22	-	21	7
Cash outflows from Treasury Account						
10 Wages and Salaries	1,349	1,480	1,480	-	1,268	1,174
11 Goods and Services	712	666	644	(22)	614	561
12 Utilities	40	34	27	(7)	29	32
Transfers and Subsidies	-	-	-	-	75	-
13 Capital Expenditure	30	30	18	(12)	20	55
Total Payments made from KCB through STA	2,131	2,210	2,169	(41)	2,006	1,822

OFFICE OF THE AUDITOR GENERAL
Notes to the financial statements
For the year ended December 31, 2014

Introduction

The Auditor General was appointed in 2009 by the International Civilian Representative for a five-year term. On June 2013, an agreement was signed between the Ministry of Finance and International Management Group for the continued support to appointees of the ICR whose appointments extended past the end of the supervised independence. Subsequent to this agreement, a Memorandum of Understanding was signed between the Ministry of Finance and the Office of the Auditor General for the transfer of funds from the budget of the Auditor General of Republic of Kosovo to the International Management Group for continued support to those appointees.

The Auditor General is responsible for the general running of the OAG and sets the development strategy of the Office. The OAG's Corporate Development Strategy (CDS) defines the OAG's mission and sets out a clear vision for this period.

OAG's strategic mission objective is to – based on timely quality audit of the public sector - contribute building sound financial management in the public administration characterized by strong managerial accountability for transparent use of public resources and policy results achieved. The Auditor General intends to build a fully functioning Kosovo National Audit Office ready to take its place amongst the Supreme Audit OAGs of Europe. Such an organization will be run entirely by Kosovo nationals and will be fully sustainable. The Acquis Communautaire and EPAP 2008 provide firm foundations upon which this mission and vision are based. The legal base is found in the Constitution, the Law on OAG and the general legal framework related to public financial management and administration.

The 2014 Annual Financial Statements are prepared in accordance with IPSAS Cash basis principles and with the Financial Rule No. 03/2013 on Annual Financial Statements of Budget Organizations.

Note 1

General Fund Appropriations

Economic Classification	Notes	2014	2013	2012
		KCB in Euro 000'	KCB in Euro 000'	KCB in Euro 000'
Wages and Salaries		1,480	1,268	1,174
Goods and Services		587	593	554
Utilities		27	29	32
Transfers and Subsidies		-	75	-
Capital expenditure		18	20	55
Total		2,112	1,985	1,815

The expenditures incurred as per the Note 1 relate to the funds received from the General Fund.

OFFICE OF THE AUDITOR GENERAL
Notes to the financial statements
For the year ended December 31, 2014

Note 2

Donor Designated Grants

Economic Classification	Notes	2014	2013	2012
		KCB in Euro 000'	KCB in Euro 000'	KCB in Euro 000'
Goods and Services		57	21	7
Total	2.1	57	21	7

2.1. These expenditures include:

- a) €7,000 - Donation given by the Swedish National Audit Office to co-finance the VI annual conference;
- b) €10,000 - Donation given by the European Union/Twinning Project to co-finance the VI annual conference;
- c) €837.7 - Donation given by the Swedish National Audit Office for a two-day rental of work premises;
- d) The expenditures of €39,029 recorded in the Treasury as a donation from the World Bank to finance a project focused on professional skills development in procurement systems audit have not been yet refunded during 2014;

The expenditures incurred as per the Note 2 relate to the funds received from Donors.

Note 3

Wages and Salaries

Description	Notes	2014	2013	2012
		KCB in Euro 000'	KCB in Euro 000'	KCB in Euro 000'
Net Salaries		1,240	1,066	988
Personal Income tax		96	77	71
Employer pension contribution		70	60	56
Employee pension contribution		70	60	56
Payments for Unions -0.10% to 0.50%		4	5	3
Total		1,480	1,268	1,174

OFFICE OF THE AUDITOR GENERAL
Notes to the financial statements
For the year ended December 31, 2014

Note 4

Goods and Services		2014	2013	2012
		KCB	KCB	KCB
Description	Notes	in Euro 000'	in Euro 000'	in Euro 000'
Payments from KCB				
Travel expenses inside	4.1	35	33	30
Travel expenses outside	4.2	35	31	21
Internet	4.3	1	3	3
Other telephone expenses		22	23	20
Telecommunication services		1	1	1
Training and education services	4.4	98	108	36
Different Intellectual services	4.5	66	57	77
Other contract expenditures		22	23	8
Technical services		1	1	2
Fee Expenditure		2	1	1
Furniture and equip (under 1000€)	4.6	9	2	10
Telephone (under1000€)		-	-	3
Computers (under1000€)	4.7	34	-	26
Hardware for IT(under1000€)		-	-	5
Other equipment's (under 1000€)		2	2	15
Office supplies	4.8	5	25	12
Supply with food and drinks	4.9	20	12	17
Cleaning supplies		-	2	3
Clothing supplies		-	1	-
Accommodation	4.10	23	5	5
Heating gas	4.11	8	12	6
Generator fuel		1	-	1
Vehicles fuel		8	11	8
Vehicles registration		1	1	-
Vehicles insurance	4.12	2	5	5
Office insurance and other		14	13	12
Car's maintenance and repairs	4.13	9	13	6
Maintenance of building		14	13	15
IT maintenance	4.14	10	14	12
Furniture's maintenance		1	1	2
Office rent		168	168	168
Rent -other use of facilities	4.15	24	19	16
Advertisement		1	1	3
Printing services – not marketing	4.16	5	9	10
Public Information		-	-	1
Business meals	4.17	1	3	1
Rent-use of space		1	1	-
Total		644	614	561

4.1 These expenditures reflect the work of audit teams in the field - hotel accommodation when auditing municipalities located more than 50 km away from Prishtina. The difference between expenditures for 2014 and 2013 relates to the increase in number of audits in municipalities with own resources thus more audit teams engaged.

4.2 The expansion of international co-operation is already part of our business portfolio and this reflected an increase in expenditures for 2014. The funds spent relate to participation of staff in workshops; conferences abroad and the costs used for the audit of embassies (Workshop in Albania, Sweden, Sarajevo, EUROSAI Congress, SAI network for EU potential candidates, Audit of embassies Brussels, France, Sweden and Germany, Frankfurt consulle office).

Note 4

Goods and services (continued)

4.3 Lower expenditures in 2014 compared to those of 2013 are as a result of a more convenient/lower price on supply with internet provided by the new economic operator contracted in December 2013 than the previous operator.

4.4 This amount presents fees for trainings held for auditors by SCAAK. The lower expenditures compared to 2013 are due to the finalization of a certain number of modules in the new public sector certification scheme during 2013. This expenditure includes the amount of €2,413 paid to UBT for having arranged the exam for the certification of our management staff in the "Quality Management Systems" – ISO 9001 Standard program.

4.5 This amount presents the payments made to the private audit firm KPMG for the audit of AFS 2013 of the Municipalities of Kosovo and to the private audit firm Deloitte Kosova for the interim audit of these municipalities for 2014. In addition, this expenditure includes the payments in amount of €28,700, a World Bank donation for the experts engaged in the project for development of professional skills in the audit of public sector procurement sector.

4.6 This year, we purchased 120 Pad Chairs for the needs in our training room making better use of space.

4.7. This amount presents the expenditures for supply with laptops.

4.8. The less expenditures in 2014 compared to 2013 are related to no purchase of office supply during this year. This is due to fact that there was no eligible economic operator through three procurement processes.

4.9 This amount includes: expenditures related to the sixth annual conference held in Tirana on 09-11 of July (€7,679 are paid by SNAO and EU Twinning Project); expenditures for food and drinks, expenditures for the end of year party, and reception expenditures for different events (see also explanatory note 2.1 under a and b). The higher expenditures in 2014 compared to 2013 are due to the fact that previously the co-financing by twinning project was presented as a Third Party Payments. This year the co-financing is transferred as a donation under Goods and Services.

4.10. This amount presents the accommodation for our staff and delegations participating in the sixth annual conference. It also includes: a) the payment of €10,329, a World Bank donation for the accommodation of experts engaged by WB during their missions in the OAG; and b) the payment of €10,000, a donation from SNAO and European Union for co-financing the conference held in Tirana.

4.11. Due to good weather conditions, a quantity of heating oil unused in 2013 has been used during 2014.

4.12 The lower expenditures during 2014 are due to the new contract entered into in 2013 for official vehicles insurance wherein a considerable discount was made in the CASCO insurance for all types of vehicles (approximately 77%).

4.13. This amount presents expenditures for maintenance and servicing of official vehicles. The difference compared to 2013 relates to the fact that the replacement with new tires was not needed and less breakdowns of our vehicles.

4.14. The lower expenditures compared to 2013 are due to no requests for laptop batteries and servicing of IT equipments.

OFFICE OF THE AUDITOR GENERAL
Notes to the financial statements
For the year ended December 31, 2014

Note 4

Goods and services (continued)

4.15 This amount presents the expenditures on renting of the Time Registration Software, renting of the simultaneous translation equipments during the conference held in Tirana, and renting of the photocopy machines for the needs of staff. Given that the technical specifications for the rent of photocopy machines are more technologically advanced than the previous ones, expenditures have increased in 2014.

4.16. The lower expenditures compared to 2013 are due to lower prices provided by the economic operator contracted in 2014 for printing and binding of APR and AAR.

4.17 These expenditures relate to visits of delegations paid to our institutions.

Note 5

Utilities

Description	Notes	2014	2013	2012
		KCB	KCB	KCB
		in Euro 000'	in Euro 000'	in Euro 000'
Electricity		19	18	19
Water		1	2	1
Garbage		1	1	1
PTK - Fix	5.1	6	8	11
Total		27	29	32

5.1 The implementation of the business package, for mobile telephony resulted in a reduction of costs for landline services.

Note 6

Transfers and Subsidies

Description	Notes	2014	2013	2012
		KCB	KCB	KCB
		in Euro 000'	in Euro 000'	in Euro 000'
Salary Contribution		-	75	-
Total		-	75	-

OFFICE OF THE AUDITOR GENERAL
Notes to the financial statements
For the year ended December 31, 2014

Note 7

Capital Expenditure

Description	Notes	2014	2013	2012
		KCB in Euro 000'	KCB in Euro 000'	KCB in Euro 000'
Purchase of licenses for IDEA software			-	-
Purchase of servers		-	-	55
Intranet software		3	6	-
Other Equipment's (Scanners and File cabinets)		-	10	-
Software for report design (Adobe Suite)		-	4	-
Software for Human Resource Management		8	-	-
Software for time registration		7	-	-
Total		18	20	55

Note 8

Donations

Donor's Name	Notes	Project no	Name of the Project	2014
				in Euro 000'
World Bank	8.1	94134	Professional skills development in procurement systems audit	43
Swedish Government		96207	Co-finance of VI Annual Office Conference	7
Swedish Government		96208	Rent of conference room	1
European Union/Twinning Project		94916	Co-finance of VI Annual Office Conference	10
Total				61

8.1 The amount of €43,334 has been transferred from Kosovo Budget to the World Bank Fund. Out of which €39,029 have been spent and the same have not been refunded by the World Bank donation.

Note 9

Other Revenues

The below amounts present revenues generated through our audit of donor funds. These revenues go directly to Kosova Budget and are not in use by us.

a) 2,720€ - Audit of the financial statements of DANIDA Program for year ended on 31.12.2013 (Agreement MEST/DANIDA);

Note 9

Other Revenues (continued)

b) 1,005€ - Audit of the financial statements of TAMAD for the period September 2012 - December 2013 (Agreement with TAMAD);

c) 860€ - Audit of the project: Reconstruction of the road ""Brigadat Kosovare"" - Peja (Agreement with UN Habitat No. 09/2013);

d) 635€ - Audit of the project: Development of natural park ""MORONICA"" - Junik (Agreement with UN Habitat No. 09/2013).

The amounts under a) and b) have been received by and recorded in Treasury as our own source revenues generated by providing professional services, whilst the amounts under c) and d) have been generated by OAG and recorded in the Budget's main account. We did not use any of these amounts.

Note 10

Wages and Salaries

€1,349,253 was approved for Wages and Salaries in the Law on Budget 2014. The Government's decision for increasing the salaries of all civil servants by 25% started to be implemented as of April 2014. As a result, the final allocated budget for this category by the end of 2014 was €1,480,232.

The difference of €130,979 was compensated by reducing allocations in the Goods and Services category (see Explanatory Notes 11 and 12), whilst the difference of €18,254 was allocated by the Ministry of Finance – Contingency for salaries.

Note 11

Goods and Services

€711,500 was approved for Goods and Services in the Law on Budget 2014. Based on the Government's Decision No. 07/172, dated 27.02.2014, on savings from Budget Organizations at 15% of the allocated budget appropriations for Goods and Services, €106,725 have been reduced in the fourth quarter from the allocation in this category. The same amount was transferred to Wages and Salaries. During 2014, €61,172 in donations have been transferred to Goods and Services (See Note 8).

Note 12

Utilities

€40,000 was approved for Utilities in the Law on Budget 2014. Based on the Government's Decision No. 07/172, dated 27.02.2014, on savings from Budget Organizations at 15% of the allocated budget appropriations for Utilities, €6,000 have been reduced in the fourth quarter from this allocation. The same amount was transferred to the Wages and Salaries.

Note 13

Capital Expenditures

According to the Law on Budget 2014, we had two approved capital projects, Time Registration Software (TRS) and HR Management Software. TRS has been fully finalized. HR Management software partly finalized. E-recruitment (lot 2 of HRIS) failed to be procured due to no sufficient eligible economic operators (See also Explanatory Note 6).

OFFICE OF THE AUDITOR GENERAL
Notes to the financial statements
For the year ended December 31, 2014

Disclosure of liabilities (Article 15)

Statement of liabilities of the Budget Organization

Summary

2014

Invoice Date	Invoice number	Payment deadline	Supplier	Description	Reason for not paying	Amount
3.12.2014	14-210-001-962	30 days	Zëri	Advertisement	Commitment deadline due	120.00
14.01.2015	2596/14	30 days	Petroll company	Oil for vehicles	These payments received in January this year reflect the liabilities on services delivered by relevant providers during December 2014.	88.29
9.01.2015	123114414-15	30 days	Dardafon	Mobile Telephony		1,994.76
8.01.2015	dpr16303	30 days	KEDS	Electricity		2,087.49
9.01.2015	Dec-15	30 days	KIOSK	Daily newspapers		67.60
9.01.2015	D890	30 days	DELTA SECURITY	Security		526.71
6.01.2015	K00020	30 days	MSS	Building maintenance		1,168.00
5.01.2015	1	30 days	ART HOUSE	Rent of photocopy machines		1,514.63
Total:						7,567.48

Contingent Liabilities

Description	Notes	2014	2013	2012
		KCB in Euro 000'	KCB in Euro 000'	KCB in Euro 000'
Rent	15.1	10	10	10
Total		10	10	10

15.1 The amount presented is an estimation for eventual compensations covering repairs of our former office which may be requested by the landlord based on lawsuit.

Disclosure of assets (Article 16)

16. a) Summary of non-financial assets (over EUR 1,000) owned by the budget organization

Description	Notes	2014	2013	2012
		KCB in Euro 000'	KCB in Euro 000'	KCB in Euro 000'
Vehicles	16a.1	-	-	23
IT equipment	16a.2	35	63	83
Other equipment		7	11	9
Intangible assets	16a.3	27	10	-
Total		69	84	115

16a.1. All official vehicles (six cars and one van) have reached zero net value by the end of 2013. However, our office is using all of them.

16a.2 The difference between 2014 and 2013 is related to depreciation mainly in servers. The IT equipments have high rate of depreciation.

16a.3 New purchases in 2014 under this code amount to €15,196 (See Explanatory Note 7). The development of Intranet Software started in 2013 and was finalized early 2014. The first and second instalments have been paid in 2013 and registered in KFMIS as Ongoing Investment while the last instalment €2,595 in 2014 and registered in KFMIS as intangible asset with its total contracted value €8,649.

16. b) Summary of non-financial assets (under EUR 1,000) owned by the budget organization

Description	Notes	2014	2013	2012
		Net book value in Euro 000'	Net book value in Euro 000'	historical value in Euro 000'
Furniture and equipments		97	101	115
Total	16b.1	97	101	115

16b.1 New purchases in 2014 amount to €47,580 for 60 laptops. The amount of €38,743 presents the depreciation value.

16.c). Summary of stocks by the end of the period

Asset Classification

Asset Classification	Notes	2014	2013	2012
Description		in Euro 000'	in Euro 000'	in Euro 000'
Office supplies		12	15	13
Heating gas		4	5	5
Total		16	20	18

OFFICE OF THE AUDITOR GENERAL

Notes to the financial statements

For the year ended December 31, 2014

Appendix 1

Reconciliation of preliminary and final budget appropriations

Authorized adjustments by LPFMA

Category of Appropriations	Notes	Original Budget Appropriations		Amendments according to Article 30, Law no. 03/L-048		Amendments according to article 29, Law no.03/L-048 / Final Budget		Differences in the own source revenues	Differences in Donor Designated Grants	Budget final appropriations KFMIS	Differences of Initial budget
		in Euro 000'	in Euro 000'	in Euro 000'	in Euro 000'	in Euro 000'	in Euro 000'				
		a	b	c	e	f					
Revenues											
Government grant											
Donor designated grants	18.1							18		18	
Other revenues	18.2						4	4		4	
							4	18		22	
Outflows (budget)											
Wages and Salaries	18.3	1,349	1,349	1,480						1,480	8.8%
Goods and Services	18.4	712	712	605				61		666	(6.8%)
Public Services	18.5	40	40	34						34	(17.6%)
Transfers and Subsidies		-	-	-						-	-
Capital Investment Privatization Fund		30	30	30						30	-
Total		2,131	2,131	2,149			61	61		2,210	3.7%

OFFICE OF THE AUDITOR GENERAL
Notes to the financial statements
For the year ended December 31, 2014

Notes:

- 18.1. See Explanatory Note 8
- 18.2. See Explanatory Note 9
- 18.3. See Explanatory Note 10
- 18.4. See Explanatory Note 11
- 18.5. See Explanatory Note 12

Appendix 2 (Article 19)

Number of employees

Department	No of employees within Law on Budget 04/L-233	Actual number of employees in the beginning of 2014	Actual number of employees in the end of 2014
Staff (Auditors & Support)	146*	148**	147***

Note:

* The actual staff ceiling is 146 including the Auditor General and the Acting Director General that are outside the payroll system. The Auditor General is expected to be appointed during the first quarter of 2015. The Acting Director General is since beginning of September paid through Goods and Services until the adoption of the new law.

** The actual number of employees in the beginning of the year was 148 due to the fact that four (4) substitutes were hired substituting staff on maternity leave. This number does not include the Auditor General and Acting Director General.

*** In the end of 2014, the total number of employees included in payroll lists was 147 including the four substitutes replacing the staff on maternity leave. The difference between the beginning of the year and end of the year is related to one staff member whose contract was terminated.