

**Istog Municipality**  
**Financial Statements**  
**as at and for the year ended 31 December 2009**  
**(with independent auditors' report on financial statements thereon)**



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## Independent Auditors' Report

To the Municipal Assembly  
Istog Municipality, Kosovo

Pristina, 18 June 2010

We were engaged to audit the accompanying financial statements of Municipality of Istog ('the Municipality'), which comprise the statement of cash receipts and payments for the year ended 31 December 2009, a comparison of budget and actual amounts, and a summary of significant accounting policies and other explanatory notes.

### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Cash Basis International Public Sector Accounting Standards (IPSAS) *Financial Reporting Under the Cash Basis of Accounting* and with the Administrative Instruction No.20/2009 *On Annual Reporting of Budget Organizations*. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditors' Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. Because of the matters described in the Basis for Disclaimer of Opinion paragraphs, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

### *Basis for Disclaimer of Opinion*

- 1 The Municipality should maintain listings of payments from third parties. Due to the nature of records kept in the accounting and operational systems for payments from third parties, as well as the absence of alternative controls implemented by management, we were not able to perform sufficient and appropriate audit tests to verify the completeness of the payments from third parties recognized for the year ended 31 December 2009.
- 2 The Municipality has only partially disclosed amounts in respect of property, plant and equipment in Note 27 to the financial statements. In addition, there are a number of deficiencies and uncertainties which affect the Municipality's financial reporting of property, plant and equipment in the following ways:
  - The Municipality has not maintained a comprehensive register of its property, plant and equipment.
  - The Municipality has no detailed and comprehensive list of real estate property including ownership documentation of such property and information on the registration status in the Municipality's name in the local Real Estate Register or Court.

Due to the nature of the records and other deficiencies as described above, we were not able to determine which alterations might be necessary to the financial information provided in the Municipality's financial statements.



- 3 The comparative information for the years 2008 and 2007 is not complete and accurate. In particular, the following was omitted or improperly disclosed in the financial statements:
- Section 10 *Budget Execution Report*: the cash inflows into the treasury account are not completed for the years 2008 and 2007. Furthermore, cash outflows from treasury account are not in accordance with the original budget as per regulation 2008/13.
  - The comparative information for the years 2007 in Section 9 *Statement of Cash Receipts and Payments* and Section 10 *Budget Execution report* is not accurate and complete. In addition, the comparative information for the year 2007 in Notes 2, 3, 5, 6, 7, 8 and 9 does not agree with Section 9 *Statement of Cash Receipts and Payments*.

Since the financial statements for the year ended 31 December 2008 received a disclaimer of opinion, the comparative figures described above may be materially misstated.

*Disclaimer of Opinion*

Because of the significance of the matters described in the Basis for Disclaimer of Opinion paragraphs we do not express an opinion on the financial statements.



## Review of Compliance

In addition to our audit of the financial statements, a compliance review was planned and performed to express a conclusion with limited assurance as to whether, in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them. The nature, timing and extent of the compliance work were limited compared to that designed to express an opinion with reasonable assurance on the financial statements.

### *Auditor's Responsibility*

Our responsibility is to express a conclusion based on our review. Our work was conducted in accordance with the ISSAI 4200 *Compliance Audit Guidelines Related to Audit of Financial Statements*. Those principles require that we comply with ethical requirements and plan and perform the review so as to obtain limited assurance as to whether the activities, financial transactions and information reflected in the financial statements are in compliance, in all material respects, with the authorities that govern them.

A review is limited primarily to analytical procedures and to inquiries, and therefore provides less assurance than an audit. We have not performed an audit, and, accordingly, express our conclusion in the form of limited assurance, which is consistent with the more limited work we have performed under this compliance review.

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

### *Conclusion on Compliance*

Based on our work described in this report, the activities, financial transactions and information reflected in the financial statements that have come to our notice during the review, are in all material respects, in compliance with the authorities which govern them.

### *Other matters*

We draw attention to the following:

- 1 The primary reliable source of information for the preparation of financial statements is Free Balance. However, since Free Balance is not being used to record payments from third parties, property, plant and equipment or outstanding invoices, it can not be used to produce comprehensive financial statements.
- 2 Although the Mayor and the Chief Financial Officer had signed the Declaration regarding presentation of the financial statements, the Municipality was not able to deliver a final draft of financial statements in Serbian by the end of our audit.

- 3 The Municipality has not implemented a comprehensive and automated billing system and does not maintain separate sub ledgers or lists of all its debtors regarding various taxes. Instead only cash collections from revenue streams are recorded. Whilst receivables are not required to be disclosed in the financial statements, lack of accuracy and completeness will impact revenues that Municipality can earn and the ability to prepare a reliable and accurate budget, to report an accurate collection ratio, and monitor the collection of the own source revenues on a timely basis.
- 4 The Municipality has not fully maintained listings of payments from third parties. The evidence available to us and the controls implemented by management to ensure that the payments from third parties were presented and managed in accordance with relevant legislation and therefore applied for the purposes intended by the legislature were limited.
- 5 We identified a number of non-compliances with Law No. 2003/17 'Law on Public Procurement in Kosovo' (amended). Such non-compliance related to required procedures which were not performed and documented by the Municipality.
- 6 Although the Municipality may be involved in several minor legal cases and future cash outflows might be required in the near future, the Municipality does not have in place any formal process that would ensure complete, adequate and reliable information for recording provisions and contingent liabilities.

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*Note*

- 1 Further explanation on the recommendations and management response to these suggestions is included as Appendix 1 to this report.
- 2 An explanation of the different forms of modifications to an audit opinion is included as Appendix 2 to this report.



## **Appendix 1**

### **1 General**

#### **1.1 Audit for 2009**

KPMG Albania Sh.p.k. – Kosovo Branch (“KPMG”) has been appointed to perform an audit of the Municipality of Istog (the “Municipality”) annual financial statements prepared in accordance with Cash Basis IPSAS *Financial Reporting Under The Cash Basis of Accounting*, for the year ended 31 December 2009.

Our advice in this document is limited to the conclusions specifically set forth herein and is based on the completeness and accuracy of the facts stated below, assumptions and representations. If any of the foregoing facts, assumptions or representations is not entirely complete or accurate, it is important that we be informed, as the inaccuracy or incompleteness could have a material effect on our conclusions. In rendering our advice, we are relying upon the relevant provisions of the current legislation in Kosovo, the regulations thereunder, and the judicial and administrative interpretations thereof. These authorities are subject to change, retroactively and/or prospectively, and any such changes could affect the validity of our conclusions. We will not update our advice for subsequent changes or modifications to the law and regulations or to the judicial and administrative interpretations thereof.

#### **1.2 Consequences**

This report is designed to include useful recommendations that may help to improve the accounting policies and accounting and control system of the Municipality and to avoid weaknesses that could lead to material loss or misstatement. It is your obligation to take the actions needed to remedy those weaknesses and should you fail to do so we shall not be held responsible if loss or misstatement occurs as a result.

#### **1.3 Fraud exclusion**

As agreed, you have also acknowledged that because of the importance to our work of the information and representations supplied to us by the Municipality, its directors, employees or agents, you shall not, other than in the event of our negligence, bad faith or willful default, hold us responsible or liable for any losses or other consequences if information material to our task is deliberately withheld or concealed from us or fraudulently represented to us.

#### **1.4 Structure of this report**

Each class of observations is described on a different page. For each observation the structure is: *observation and current year status (if applicable), risk, recommendation, and management response.*

## **2 Current year issues**

### **2.1 Preparation of financial statements**

#### **2.1.1 Observation**

The primary reliable source of information for the preparation of financial statements is Free Balance. However, since Free Balance is not being used to record payments from third parties, property, plant and equipment or outstanding invoices, it cannot be used to produce comprehensive financial statements.

Although the Mayor and the Chief Financial Officer had signed the Declaration regarding presentation of the financial statements, the Municipality had not prepared a draft of financial statements in Serbian language before the start of our audit. During our audit we spent significant time and resources in assisting the Municipality to improve the presentation of its financial statements in the English language. However, the Municipality was not able to deliver a final draft of financial statements in Serbian by the end of our audit.

Although the Municipality may be involved in several minor legal cases and future cash outflows might be required in the near future, the Municipality does not have in place any formal process that would ensure complete, adequate and reliable information for recording provisions and contingent liabilities.

As a consequence of the above weaknesses the following was omitted or improperly disclosed in the financial statements:

- There may be significant payments from third parties, for example when another party such as a ministry or foreign donor buys/contributes an asset for use by the Municipality, which because of not being recorded in Free Balance are not recorded in the financial statements.

#### **2.1.2 Risk**

The weaknesses in the internal controls related to the financial reporting system might expose the Municipality to risks and misstatements related to the following:

- Completeness and accuracy of the financial information;
- Integrity of data;
- Assets safeguard; and
- Non-recording of payments from third parties may result in such assets/services being used rent-free by parties other than the Municipality.

#### **2.1.3 Recommendation**

The preparation of the Municipality's financial statements should include procedures and tools that are designed to ensure that information required is recorded, processed, summarized and appropriately reported in the financial statements.



**2.1.4 Management response**

The Municipality agrees with auditor's comments.



## **2.2 Property, plant and equipment management**

### **2.2.1 Observation**

The Municipality has not maintained any register of its property, plant and equipment. Furthermore, the Municipality has not prepared a detailed and comprehensive list of real estate property including documentation of the ownership of such property and information about registration status in the Municipality's name in the local Real Estate Register or at Court.

The Municipality has not established a valuation committee for the purpose of registration and valuation of the assets.

We were not provided with proper evidence of the physical count of the assets as at 31 December 2009 and as a consequence no verification of the accounting records to a physical count was possible. The physical count documents contained only limited information related to furniture and equipment, including bar-coding some assets and detailing the users of these assets. The Municipality has not performed a physical count of its real estate property.

Due to the nature of these records, the Municipality was not able to:

- disclose the required information on property, plant and equipment in the financial statements as at 31 December 2009 and 31 December 2008; and
- provide us with a reconciliation of the information booked in the accounting registers, to either valuation tables or to any other analysis, prior to the approval of these financial statements.

### **2.2.2 Risk**

Lack of a comprehensive register of property, plant and equipment weakens the internal controls over these assets and may lead to assets being misappropriated and not being identified as such on a timely basis. Additionally, management may waste time and effort to identify the details and the carrying value of the assets, during any related decision making processes.

The Municipality may be unable to control the current use of its properties by any third party, and as a consequence may not collect rental revenues for such properties.

Due to the nature of its records and lack of a proper valuation of its assets, the Municipality may be unable to comply with the reporting requirements.

### **2.2.3 Recommendation**

We recommend the Mayor ensures that the Municipality considers the following:

- Maintain a comprehensive register of PPE.
- Involve additional resources in the registration and valuation of the assets of the Municipality. Involvement of independent and certified appraisers is recommended as the best practice in such cases.



- Perform regular physical counts to ensure the existence of the assets and their condition and agree the results of the counts with the accounting records and the register.
- Make additional efforts in relation to confirming the ownership and registration of real estate.

#### **2.2.4 Management response**

We agree with auditor's observations.

## 2.3 Revenues

### 2.3.1 Observation

- *Billing systems.* An automated billing system exists only for tax on property. The Municipality's billing for business licenses as well as rental income is not recorded. Instead only cash collections from such revenue streams are recorded.
- *Collection of revenues.* Except for taxes on property, the Municipality management does not maintain separate sub ledgers or lists of all its debtors regarding various taxes. Without sufficient, detailed, and accurate records of debtors, the Municipality is unable to prepare a reliable and accurate budget, to report an accurate collection ratio, or follow up the collection of the own source revenues on a timely basis.
- *Reconciliation of Revenues.* There was no reconciliation between records kept by accounting, own source revenue officer and the operational departments for 2009. We were not provided with a detailed list of revenues by the Urbanism Office, Cadastral Office, Vehicle Registration Office, Property and Rent Office and Administrative Tax Office. We were not provided with a list of rent agreements for the year 2009.
- *Revenue from business licenses.* The Municipality does not obtain from the Ministry of Trade and Industry the total number of active businesses in the Municipality. Therefore, inactive or terminated businesses might be charged, while active or new businesses not be charged.
- *Revenue from construction licenses.* During our audit we identified two cases when payments for construction licenses were made using the code of administration tax for construction licenses. The department of construction licenses issued these payment slips using the wrong code leading to amounts collected being recorded in the category of administration tax for construction licenses instead of being recorded as revenue from construction licenses.
- *Weaknesses in the automated billing system.* During 2009, the tax on property billing system was centralized and the Municipality could not review and monitor appropriately the collection of revenue, as it was automatically done by the new system. According to the interview with the tax on property manager there are cases when the customer had paid property tax, but the collected amount was not recorded in the system and the customer was charged with penalty even though the tax was paid on time. Furthermore, the Municipality has not maintained a detailed register of receipts from tax on property.

### **2.3.2 Risk**

Whilst receivables are not required to be disclosed in the financial statements, lack of accuracy and completeness will impact revenues that Municipality can earn.

Improper and insufficient controls related to revenues and the related software and billing system, increase the risk of manipulation of figures and misuse of information. Such a system could lead to incomplete billing and incomplete revenues.

The manual recording and lack of interface of the billing and accounting system exposes the Municipality to additional risk of errors. In addition, it causes additional costs for the record keeping, review and reconciliation of information.

The detailed and updated list of individual tax payers, active businesses and debtors generated by the system is especially important in the current situation where the Municipality does not record each individual transaction in Free Balance. Consequently, except for taxes on property, the Treasury and Municipality are not provided with detailed list produced by the accounting system or the billing system. As a result, it is not possible to perform a proper reconciliation or analysis by debtor.

### **2.3.3 Recommendation**

We recommend the Mayor ensures that the Municipality takes steps to improve the billing and accounting systems in order to ensure safe, efficient and effective controls on billing and revenue. Improvement of the procedures related to such systems would enable management to monitor and manage significant risks, and to ensure that decisions related to budgeting, planning and collection of revenues are properly carried out. We recommend that the Municipality considers:

- Implement a billing system that includes updated details about the payers, their current address, history and collection rating. Such information should be accessible only to a limited number of persons and with the authorization of management.
- Enter and centrally control the approved tariffs and tax rates in the system in order to calculate and generate bills automatically. The generation of bills should also be authorized and reviewed.
- Automatically inter-connect the billing system with the accounting software so that information is automatically processed into the general ledger.
- Perform regular reconciliations between the two systems on a regular basis for all types of revenues. Any reconciling differences should be promptly followed up and cleared in a timely manner.
- Automatically link the operational and billing units and perform regular reconciliations between them, in cases where the billing is directly related to services supplied by the operational units. This is especially important where a high volume of transactions is executed.



**2.3.4 Management response**

We confirm that the auditor's observations are valid.

## 2.4 Expenditure

### 2.4.1 Observation

#### *Wages and salaries*

- In cases when a teacher resigns, it takes at least a month to notify the personnel office and the Ministry of Public Services in order that the Ministry can reflect the change in the payroll list. Given such a delay, a teacher may continue to receive compensation even after resignation.
- Although the Municipality has a payroll system, this system is not used as a reliable source of information to support the figures in the financial statements. Instead, the primary and most reliable source of information relates to the payroll lists which are provided by the Ministry of Public Services.
- From the review of personnel files that were part of our sample we noted that the recruitment process was not properly documented. The following documents were missing in our tested sample:
  - Interview documented and marks awarded - 2 cases
  - Birth Certificates - 6 cases
  - Decision for change in coefficient - 1 case
  - Identification document - 2 cases
  - Newspaper announcement - 2 cases
  - Performance evaluation - 3 cases

#### *Procurement procedures*

During our inspection of the documents for our sample of procurement files we noted several non compliances with procedures as required by Public Procurement Law PL 2003/17 (PPL). These non compliances are described below:

- We noted that the document from the respective department that appoints the technical acceptance committee is missing in the following procurement no.: 63309004121, 63309041521, 63309007421, 63309040521, 63309059521, 63309067521, 63309035R121, 63309050521, 63309027521, 63309048521, and 63309080521.
- We noted that the guarantee for the execution of the contract for procurement no. 63309067521 was not included in the file.

### *Expenses*

In two of the subsidies we tested no: 633090214 and 63390544, we noted that no invoices were provided to support the proper use of the funds.

### *Unpaid invoices*

- Section 13.1 of Administrative Instruction No.20/2009 on Annual Reporting of Budget Organizations states that: “For all goods and services received, regardless of the economic category, budget organizations must pay for them by end of fiscal year – December 31<sup>st</sup>, 2009”. We noted that the Municipality has presented unpaid invoices related to goods and service in section 13, Note 25 of the Financial Statements for the year ending 31 December 2009.
- The municipality presented 255 unpaid invoices in Note 25 of the Financial Statements as at 31 December 2009, out of which:
  - 49 invoices have no date specified;
  - 37 invoices are without invoice numbers;
  - 62 invoices are without invoice economic code; and
  - 73 invoices are without description of the reason for non payment

### **2.4.2 Risk**

Although the above findings do not have a material impact on the financial statements, lack of timely communication and approvals from authorities or incomplete documentation in the procurement files may lead to non-compliance with Laws or Regulatory requirements.

### **2.4.3 Recommendation**

We recommend the Mayor ensures that the Municipality takes further steps to improve controls over expenses and payments and strictly comply with laws and local regulatory requirements.

### **2.4.4 Management response**

#### *Wages and Salaries*

The Municipality agrees with auditor’s observations.



### *Procurement Procedures*

- We as the department of Urbanism, agree since the appointment of the “acceptance commission” is the responsibility of the respective departments and in the future to appoint the “acceptance commission” and to follow the procedures according to Procurement Law.
- For procurement no. 633-09-067-521, we did not identify a threat that the terms of the agreement would not be fulfilled. As such, we did not request a guarantee for execution according to Procurement Law article 60.

### *Expenses*

The Municipality agrees with auditor’s observations.



## **2.5 Internal audit**

### **2.5.1 Observation**

- The Municipality has not established an Audit Committee.

### **2.5.2 Risk**

The absence of an Audit Committee and lack of an approved audit plan increases the risk of failure in internal controls. In addition, it does not allow for the functions usually covered by the Audit Committee to be performed with the appropriate independence.

### **2.5.3 Recommendation**

We recommend the Mayor ensures that the Municipality considers the establishment of an Audit Committee with members having relevant expertise of financial reporting and internal controls. The Audit Committee should establish appropriate policies and procedures to ensure a high standard of corporate governance. The Audit Committee should review the current status and propose actions for improvement on the following:

- Municipality's accounting and financial reporting process;
- Assessment of internal control systems implemented by management;
- Internal and external audit processes;
- Compliance, reporting and control structures throughout the Municipality to ensure compliance with financial, regulatory and legal requirements;
- Internal Audit plan and follow-up of Internal Audit findings.

### **2.5.4 Management response**

Municipality agrees with above observation.

### **3 Prior year issues**

#### **3.1 Prior year observations**

The management letter for the year 2008 gave eight main recommendations. In our current audit, we have noted that some of the recommendations related to preparation of financial statements have been partially resolved, whereas others still remain to be implemented.

#### **3.2 Current year status**

- Preparation of financial statements - This point was partially resolved and its current year status is discussed in Section 2.1 of this letter.
- Property, plant and equipment management - This point remains outstanding and its current year status is discussed in Section 2.2 of this letter.
- Revenues - This point remains outstanding and its current year status is discussed in Section 2.3 of this letter.
- Expenditure - This point remains outstanding and its current year status is discussed in Section 2.4 of this letter.
- Internal audit - This point remains outstanding and its current year status is discussed in Section 2.5 of this letter.

## Appendix 2

### **Different forms of Audit Opinions applied by the Office of Auditor General in the Annual Audit Report 2009**

(Extract from ISSAI 4000)

9. An audit opinion is normally in a standard format, relating to the financial statements as a whole, thus avoiding the need to state at length what lies behind it but conveying by its nature a general understanding among readers as to its meaning. The nature of these words will be influenced by the legal framework for the audit, but the content of the opinion will need to indicate unambiguously whether it is unqualified or qualified and, if the latter, whether it is qualified in certain respects or is adverse (paragraph 14) or a disclaimer (paragraph 15) of opinion.

**10. An unqualified opinion** is given when the auditor is satisfied in all material respects that:

- (a) The financial statements have been prepared using acceptable accounting bases and policies which have been consistently applied;
- (b) The statements comply with statutory requirements and relevant regulations;
- (c) The view presented by the financial statements is consistent with the auditor's knowledge of the audited entity; and
- (d) There is adequate disclosure of all material matters relevant to the financial statements.

**11. Emphasis of Matter.** In certain circumstances the auditor may consider that the reader will not obtain a proper understanding of the financial statements unless attention is drawn to unusual or important matters. As a general principle the auditor issuing an unqualified opinion does not make reference to specific aspects of the financial statements in the opinion in case this should be misconstrued as being a qualification. In order to avoid giving that impression, references which are meant as "emphasis of matter" are contained in a separate paragraph from the opinion. However, the auditor should not make use of an emphasis of matter to rectify a lack of appropriate disclosure in the financial statements, nor as an alternative to, or a substitute for, qualifying the opinion.

12. An auditor may **not be able to express an unqualified opinion** when any of the following circumstances exist and, in the auditor's judgment, their effect is or may be material to the financial statements:

- (a) There has been limitation on the scope of the audit;
- (b) The auditor considers that the statements are incomplete or misleading or there is an unjustified departure from acceptable accounting standards; or
- (c) There is uncertainty affecting the financial statements.

**13. Qualified Opinion.** Where the auditor disagrees with or is uncertain about one or more particular items in the financial statements which are material but not fundamental to an understanding of the statements, a qualified opinion should be given. The wording of the opinion normally indicates a satisfactory outcome to the audit subject to a clear and concise statement of the matters of disagreement or uncertainty giving rise to the qualified opinion. It helps the users of the statements if the financial effect of the uncertainty or disagreement is quantified by the auditor although this is not always practicable or relevant.

**14. Adverse Opinion.** Where the auditor is unable to form an opinion on the financial statements taken as a whole due to disagreement which is so fundamental that it undermines the position presented to the extent that an opinion which is qualified in certain respects would not be adequate, an adverse opinion is given. The wording of such an opinion makes clear that the financial statements are not fairly stated, specifying clearly and concisely all the matters of disagreement. Again, it is helpful if the financial effect on the financial statements is quantified where relevant and practicable.

**15. Disclaimer of Opinion.** Where the auditor is unable to arrive at an opinion regarding the financial statements taken as a whole due to an uncertainty or scope restriction which is so fundamental that an opinion which is qualified in certain respects would not be adequate, a disclaimer is given. The wording of such a disclaimer makes clear that an opinion cannot be given, specifying clearly and concisely all matters of uncertainty.

16. It is customary for SAIs to provide a detailed report amplifying the opinion in circumstances in which it has been unable to give an unqualified opinion.

## II. DECLARATION REGARDING PRESENTATION OF FINANCIAL STATEMENTS

To: **Lulzim Ismajli, Director of Treasury**  
From: **Permanent Secretary (Chief Executive Officer)**

In our opinion, the attached financial statements and the notes to these statements for the year ended on 31 December 2009 have been prepared in accordance with the International Public Sector Accounting Standards "Financial Reporting Under the Cash Based Accounting", adhere to all reporting requirements of the Law on Public Finance and Accountability 03/L-048 and are based on properly maintained financial records.

This declaration is provided in connection with the presentation of the Kosovo General Budget financial statements of the budget organizations for the year ending on December 31, 2009.

We confirm, to the best of our knowledge and belief, that:

There have been no irregularities involving management or employees which could have had a material effect on the financial statements.

The information provided and presented in the financial statements regarding the identification of funds and their expenditure related to the Kosovo Consolidated Budget is complete and accurate.

The information regarding collection of revenues is accurate.

There are no bank accounts related to the KCB other than the bank accounts specified in the financial statements and this specification is complete and accurate as of December 31, 2009.

There has been no non-compliance with requirements of regulatory authorities that could have a material effect on the financial statements in the event of non-compliance.

There are no (legal) claims pending that could have a material effect on the financial statements.

All liabilities, both actual and contingent, and all guarantees given to third parties have been recorded and/or disclosed, as appropriate.

All loans to external parties have been recorded and/or disclosed, as appropriate.

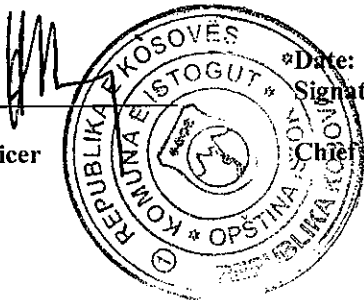
There have been no events subsequent to period end which require adjustment of or disclosure in the financial statements or Notes thereto.

Municipalities must send their reports to the Budget and Finance Committee in the Municipal Assemblies.

In our opinion, the attached the financial statements give a true and fair presentation of the finances and financial transactions for the year ended on 31 December 2009 of Municipality of Istog.

Date: 18 June 2010  
Signature and stamp:

Chief Administrative Officer



Date: 18 June 2010  
Signature and Stamp:

Chief Financial Officer

**Istog Municipality**  
**Section 9. Statement of Cash Receipts and Payments**  
**for the year ended 31 December 2009**

(Amounts in thousands of EUR, unless otherwise stated)

	2009			2008			2007		
	Single Treasury Account		Payments from third parties	Single Treasury Account		Payments from third parties	Single Treasury Account		Payments from third parties
	Kosovo Consolidated budget ('KCB')	OSR		KCB	OSR		KCB	OSR	
Notes	EUR '000	EUR '000	EUR '000	EUR '000	EUR '000	EUR '000	EUR '000	EUR '000	
<b>Receipts</b>									
General Fund Appropriations	2	4,396	789	3,335	782	-	-	-	
Special Purpose Fund Appropriations		-	-	-	-	-	-	-	
Designated Donor Grants	3	-	717	152	-	-	-	-	
Other Receipts	4	-	-	-	-	-	-	-	
<b>Total receipts</b>		<b>4,396</b>	<b>1,506</b>	<b>3,487</b>	<b>782</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Payments</b>									
<i>Operations</i>									
Wages and Salaries	5	2,878	58	2,516	29	-	2,264	-	
Goods and Services	6	460	165	366	324	2	324	-	
Utilities	7	112	8	135	-	-	122	-	
		<b>3,450</b>	<b>231</b>	<b>3,017</b>	<b>353</b>	<b>2</b>	<b>2,710</b>	<b>-</b>	
<i>Transfers</i>									
Transfers and Subsidies	8	-	196	-	80	-	-	-	
Capital Expenditures		-	-	-	-	-	-	-	
Property Plant and Equipment	9	946	1,079	470	349	150	245	-	
Other Payments	10	-	-	-	-	-	-	-	
<b>Total payments</b>		<b>4,396</b>	<b>1,506</b>	<b>3,487</b>	<b>782</b>	<b>152</b>	<b>2,955</b>	<b>-</b>	

**Istog Municipality**  
**Section 10. Budget Execution Report**  
**for the year ended 31 December 2009**

*(Amounts in thousands of EUR, unless otherwise stated)*

	Notes	2009		Actual Budget D=C-B EUR '000	2008		2007	
		Original Budget (Appropriation) EUR '000	Final Budget (Appropriation) EUR '000		Payments C EUR '000	Payments E EUR '000	Payments F EUR '000	
<b>Cash inflows into Treasury account</b>								
Taxation	11	-	-	-	-	-	-	-
Own Source Revenues 2009	12,28	578	780	511	(269)	-	-	-
Own Source Revenues 2008	12,28	298	298	278	(20)	-	-	-
General Fund		4,591	4,587	4,396	(191)	-	-	-
Grants and Aid	13	-	752	717	(35)	-	-	-
Capital receipts	14	-	-	-	-	-	-	-
Privatization Fund	15	-	-	-	-	-	-	-
Other	16	-	-	-	-	-	-	-
<b>Total Receipts collected for KCB</b>		<b>5,467</b>	<b>6,417</b>	<b>5,902</b>	<b>(515)</b>	-	-	-
<b>Cash outflows from Treasury account</b>								
Wages and Salaries	17	2,980	3,008	2,936	(72)	2,545	2,292	2,292
Goods and Services	18	651	783	625	(158)	690	513	513
Utilities	19	134	148	120	(28)	135	140	140
Transfers and Subsidies	20	203	233	196	(37)	80	69	69
Capital Expenditures	21	1,499	2,245	2,025	(220)	819	511	511
Privatization Fund	22	-	-	-	-	-	-	-
Other	23	-	-	-	-	-	-	-
<b>Total Payments made from KCB through STA</b>		<b>5,467</b>	<b>6,417</b>	<b>5,902</b>	<b>(515)</b>	<b>4,269</b>	<b>3,525</b>	<b>3,525</b>

# Istog Municipality

## Section 11. Notes to the financial statements

31 December 2009

(Amounts in thousands of EUR, unless otherwise stated)

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### 1. Accounting Policies

#### a) Basis of preparation

The financial statements have been prepared in accordance with Cash Basis IPSAS *Financial Reporting Under The Cash Basis of Accounting* and with the Administrative Instruction No. 20/2009 *On Annual Reporting Of Budget Organizations*.

The accounting policies have been applied consistently throughout the period.

#### b) Reporting entity

The financial statements are for a public sector entity: Municipality of Istog ('the Municipality').

The Municipality does not operate its own bank account. The Government operates a centralized treasury function which administers cash expenditures incurred by the Municipality during the financial year. This function is referred to as the "Treasury Single Account" or "TSA". Payments made on this account in respect of the Municipality are disclosed in the Treasury Account column in the Statement of Cash Receipts and Payments and other financial statements.

#### c) Payments by Third Parties

The Municipality benefits from goods and services purchased on its behalf as a result of cash payments made by third parties during the reporting period. The payments made by the third parties do not constitute cash receipts or payments of the Municipality but do benefit the Municipality. The Municipality presents separately by source the payments in the Statement of Cash Receipts and Payments and other financial statements.

#### d) Reporting currency

The reporting currency is Euro.

#### e) Receipts and payments

Receipts (Revenues) are recognized once they come under the control of the Government. This means cash which is transferred to the Treasury Account with Central Bank of Kosovo ('CBK'), cash held in commercial bank accounts awaiting transfer to the CBK Treasury account and cash collected by officers of the Municipality awaiting transfer to the CBK Treasury Account.

Apart from payments by third parties (refer 1c above), payments (Expenditures) are recognized once they are paid from the Kosovo Consolidated Fund ('KCF') bank account.

#### f) Transfers

Amounts are transferred to eligible recipients in accordance with the operating mandate and authority of the Municipality.

#### g) Budgets

The information presented under the original, reviewed and final budgets is publicly available and the primary source of information is as follows:

- The Original Budget is approved by the Law No. 03/L-105
- The Reviewed Budget is approved by Law No. 03/L-167
- 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.



# Istog Municipality

## Section 11. Notes to the financial statements

31 December 2009

(Amounts in thousands of EUR, unless otherwise stated)

### 2. General Fund Appropriations

Economic classification	2009			2008	2007
	KCB	OSR	Total		
	EUR '000	EUR '000	EUR '000	EUR '000	EUR '000
Wages and Salaries	2,878	58	2,936	2,545	2,292
Goods and Services	460	164	624	688	507
Utilities	112	8	120	135	140
Subsidies and Transfers	-	196	196	80	69
Capital Outlays	946	363	1,309	669	435
<b>Total</b>	<b>4,396</b>	<b>789</b>	<b>5,185</b>	<b>4,117</b>	<b>3,443</b>

### 3. Designated Donor Grants

	2009	2008	2007
	EUR '000	EUR '000	EUR '000
Wages and Salaries	-	-	13
Goods and Services	1	2	-
Utilities	-	-	-
Subsidies and Transfers	-	-	-
Capital Outlays	716	150	76
<b>Total</b>	<b>717</b>	<b>152</b>	<b>89</b>

### 4. Other Receipts

There were no other receipts during the year 2009.

### 5. Wages and Salaries

Description	2009			2008	2007
	KCB	OSR	Total		
	EUR '000	EUR '000	EUR '000	EUR '000	EUR '000
<b>Payments from KCF</b>					
Net salaries	2,435	58	2,493	2,129	1,947
Personal Income Tax	84	-	84	88	72
Employer pension contribution	140	-	140	121	109
Employee pension contribution	140	-	140	121	109
Payments for Unions-0.10% to 0.50%	8	-	8	4	-
Overtime payments	-	-	-	26	20
Daily payments for Parliament and committee members	-	-	-	-	35
Participation in Assembly	71	-	71	56	-
	<b>2,878</b>	<b>58</b>	<b>2,936</b>	<b>2,545</b>	<b>2,292</b>
<b>Payment from Grants</b>					
Full time salaries	-	-	-	-	-
Overtime wages	-	-	-	-	-
Contracted payments	-	-	-	-	-
	-	-	-	-	-
<b>Total</b>	<b>2,878</b>	<b>58</b>	<b>2,936</b>	<b>2,545</b>	<b>2,292</b>

# Istog Municipality

## Section 11. Notes to the financial statements

**31 December 2009**

*(Amounts in thousands of EUR, unless otherwise stated)*

### 6. Goods and Services

Description	2009			2008	2007
	KCB EUR '000	OSR EUR '000	Total EUR '000	EUR '000	EUR '000
<b>Payments from KCF</b>					
Travel Expenses	10	4	14	22	14
Telecommunication Expenses	28	4	32	12	41
Contractual Services	46	24	70	38	59
Court compensations	18	7	25	-	-
Furniture and Equipments	62	4	66	61	44
Other Expenses	75	48	123	4	3
Fuel (Vehicles)	119	20	139	57	43
Advances	-	-	-	-	-
Financial Services	8	2	10	10	5
Maintenance and Repairs	67	45	112	174	47
Rent	-	-	-	-	-
Marketing Expenses	4	3	7	7	8
Statute Expenses	-	-	-	5	4
Representation Expenses	-	-	-	26	19
Different Health services	-	-	-	3	4
Office supply	-	-	-	72	65
Food and Drinks (not business meals)	-	-	-	53	37
Other Supplies	-	-	-	39	25
Petroleum for Heating	22	4	26	105	47
	<b>459</b>	<b>165</b>	<b>624</b>	<b>688</b>	<b>465</b>
<b>Payment from Grants</b>					
Travel expenses	-	-	-	2	-
Telecommunication services	-	-	-	-	-
Contractual services	-	-	-	-	-
Court Compensations	-	-	-	-	-
Furniture and equipment	-	-	-	-	3
Other expenditures	-	-	-	-	-
Fuel	1	-	1	-	-
Advances	-	-	-	-	-
Financial services	-	-	-	-	-
Maintenance and repair	-	-	-	-	-
Rent	-	-	-	-	-
Marketing expenditures	-	-	-	-	-
Representation expenditures	-	-	-	-	-
	<b>1</b>	<b>-</b>	<b>1</b>	<b>2</b>	<b>3</b>
<b>Total</b>	<b>460</b>	<b>165</b>	<b>625</b>	<b>690</b>	<b>468</b>

# Istog Municipality

## Section 11. Notes to the financial statements

31 December 2009

(Amounts in thousands of EUR, unless otherwise stated)

### 7. Utilities

Description	2009			2008	2007
	KCB EUR '000	OSR EUR '000	Total EUR '000	EUR '000	EUR '000
Utilities paid from the KCF	112	8	120	135	140
Utilities paid from Grants	-	-	-	-	-
<b>Total</b>	<b>112</b>	<b>8</b>	<b>120</b>	<b>135</b>	<b>140</b>

### 8. Transfers and Subsidies

Description	2009			2008	2007
	KCB EUR '000	OSR EUR '000	Total EUR '000	EUR '000	EUR '000
<b>Payments from KCF</b>					
Subsidies	-	-	-	-	-
Subsidies for public entities	-	38	38	37	23
Subsidies for non-public entities	-	20	20	3	11
Payments for individual beneficiaries	-	138	138	40	35
Base pensions	-	-	-	-	-
Disabled pensions	-	-	-	-	-
Pensions or social assistance	-	-	-	-	-
Payments for war invalids	-	-	-	-	-
Payments for war victims families	-	-	-	-	-
Trepca provisional pensions	-	-	-	-	-
	-	196	196	80	69
<b>Payment from Grants</b>					
Subsidies	-	-	-	-	-
Subsidies for public entities	-	-	-	-	-
Subsidies for non-public entities	-	-	-	-	-
Payments for individual beneficiaries	-	-	-	-	-
	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>196</b>	<b>196</b>	<b>80</b>	<b>69</b>

# Istog Municipality

## Section 11. Notes to the financial statements

31 December 2009

(Amounts in thousands of EUR, unless otherwise stated)

### 9. Property, Plant and Equipment

Description	2009			2008	2007
	KCB EUR '000	OSR EUR '000	Total EUR '000	EUR '000	EUR '000
<b>Payments from KCF</b>					
Buildings	455	152	607	2	-
Road construction	356	81	437	238	199
Waste and water system	59	64	123	-	15
Water supply system	15	37	52	37	-
Energy, generation, transfer, and supply	55	11	66	15	-
Machinery	6	18	24	-	36
Other structures	-	-	-	322	185
Intangibles	-	-	-	44	-
Payment for court decisions	-	-	-	11	-
Other capital items	-	-	-	-	-
	<b>946</b>	<b>363</b>	<b>1,309</b>	<b>669</b>	<b>435</b>
<b>Payment from Grants</b>					
Buildings	-	116	116	-	-
Road construction	-	30	30	150	60
Waste and water system	-	61	61	-	16
Water supply system	-	17	17	-	-
Other capital items	-	492	492	-	-
	-	<b>716</b>	<b>716</b>	<b>150</b>	<b>76</b>
<b>Total</b>	<b>946</b>	<b>1,079</b>	<b>2,025</b>	<b>819</b>	<b>511</b>

### 10. Other Payments

There were no other payments during 2009.

### 11. Taxation

Description	Note	2009	2008 EUR '000	2007 EUR '000	% of total 2009	% of difference From 2008
		Original Budget EUR '000				
Customs	11.1	-	-	-	-	-
Tax Administration	11.2	-	-	-	-	-
Other tax	11.3	-	-	-	-	-
<b>Total</b>		-	-	-	-	-

# Istog Municipality

## Section 11. Notes to the financial statements

31 December 2009

(Amounts in thousands of EUR, unless otherwise stated)

### 12. Own source revenues

Description	Notes	2009 EUR '000	2008 EUR '000	2007 EUR '000	% of 2009 total	% of Difference from 2008
Income from tax on property	12.1	170	187	147	22	(9)
Income from administrative tax	13.1	-	-	-	-	-
Income from penalties		63	47	18	8	34
Income from licences		-	-	25	-	-
Inspection activities on field		52	66	-	7	(21)
Income from licences for use of		10	10	-	1	-
Income from use of land		2	-	103	-	100
Other income		-	-	23	-	-
Participation in tender		3	3	2	-	-
Construction licence		36	27	17	5	33
Birth certificates		40	29	32	5	38
Marriage certificates		8	4	6	1	100
Income from property registration		-	-	-	-	-
Death certificates		-	-	1	-	-
Other certificates		30	31	-	4	(3)
Administrative Tax		5	11	10	1	(55)
Income from geodesy and cadastre		-	-	55	-	-
Income from Rent		8	14	11	1	(43)
Vehicle registration tax		51	50	6	7	2
Income from sale of goods		6	-	-	1	100
Tax on document verification		4	-	-	1	100
Revenues from health and education		91	95	84	12	(4)
Court penalties		78	60	61	10	30
Tax on use of forests		-	-	7	-	-
Tax on construction licence		-	-	-	-	-
Tax on change of land destination		83	46	-	11	80
Licences for individual activities		8	17	-	1	(53)
Licence for professional services		10	7	-	1	43
Hotel licences		2	5	-	-	(60)
Other business licences		7	4	-	1	75
Licence for sale of fuel		2	1	-	-	100
Licence for sale on street		8	13	-	1	(38)
Revenue from public services		3	1	-	-	200
<b>Total</b>		<b>780</b>	<b>728</b>	<b>608</b>	<b>100</b>	<b>7</b>
Community Participations		-	261	-		
<b>Total Revenues</b>		<b>780</b>	<b>989</b>	<b>608</b>		
<b>Own source revenue carried forward from previous year</b>	<b>28</b>	<b>298</b>	<b>352</b>	<b>230</b>		

# Istog Municipality

## Section 11. Notes to the financial statements

31 December 2009

(Amounts in thousands of EUR, unless otherwise stated)

### 12.1 Own source revenues – Administrative tax

The details required in Note 12.1 are disclosed in Note 12.

### 13. Grants and Assistance

Description	2009	2008	2007
	EUR '000	EUR '000	EUR '000
World Bank	11	-	6
Danish Government	-	-	-
UNDP	630	-	16
OSBE	-	2	2
Community Participation	-	261	60
GTZ	-	-	8
<b>Total</b>	<b>641</b>	<b>263</b>	<b>92</b>
<b>Grants and assistance carried forward from previous year</b>	<b>111</b>	<b>-</b>	<b>-</b>

### 14. Capital receipts

Asset Type	Profit from Sale		
	2009	2008	2007
	EUR '000	EUR '000	EUR '000
Infrastructure	-	-	-
Manufacturing	-	-	-
Site and Equipment	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>

### 15. Privatization fund

POE	Profit from Privatization		
	2009	2008	2007
	EUR '000	EUR '000	EUR '000
POE #1	-	-	-
POE #2	-	-	-
POE #3	-	-	-
POE #4	-	-	-
POE #5	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>

# Istog Municipality

## Section 12 to 17. Notes to the financial statements

31 December 2009

(Amounts in thousands of EUR, unless otherwise stated)

### 16. Other

Receipt type	2009 EUR '000	2008 EUR '000	2007 EUR '000
Lottery games deposit	-	-	-
Regulatory committee deposit	-	-	-
ADD deposits	-	-	-
Special Chamber deposit	-	-	-
<b>Total</b>	-	-	-

### Notes 17 to 23

#### 17. Difference between payments and final budget for wages and salaries

The difference of EUR 72 thousand in the category of wages and salaries is as a result of a number of officers being involved in the competition for local elections during the November 2009 Municipality Assembly. Based on the Law for local elections, these officers were not paid their salary during their involvement with the elections.

Also, due to delay in administrative procedures the Municipality was unable to pay per diems to assembly members for the months of November and December 2009 before the end of the year.

#### 18. Difference between payments and final budget for goods and services

The difference of EUR 158 thousand in the category of goods and services is as a result of non payment before the year end of kindergarten suppliers for food and beverages supplied to kindergartens for the months of October, November and December 2009.

#### 19. Difference between payments and final budget for utilities

The difference of EUR 28 thousand in the category of utilities is as a result of the invoices received after the closing of the payment period in Free Balance.

#### 20. Difference between payments and final budget for transfers and subsidies

The difference is due to fewer cases of transfers and subsidies than originally anticipated. Unused amounts will be carried forward to be used in the year 2010.

#### 21. Difference between payments and final budget for capital expenditure

A joint investment of the Municipality and the Ministry of Administration and Local Government in the amount of EUR 100 thousand for the construction of the Istog sports centre was planned to be carried out in 2009. However, as at the year end the contract for this construction was not signed. The rest of the difference relates to fewer capital projects than anticipated. These funds will be carried forward to be used in the year 2010.

#### 22. Difference between payments and final budget for privatization fund

There were no budgeted or actual payments for the privatization fund during 2009.

#### 23. Difference between payments and final budget for other payments

There were no other payments budgeted or paid during 2009.

# Istog Municipality

## Section 12 to 17. Notes to the financial statements

31 December 2009

(Amounts in thousands of EUR, unless otherwise stated)

### Section 12.

#### 24. Reporting obligations under the LPFMA

No	Number of employees by department	Number of employees as per Budget Law 03/L-105	Actual number of employees in the beginning of 2009		Actual number of employees in the end of 2009	
			Full time employees	Part time employees	Full time employees	Part time employees
1	Mayor and assembly	3	3	-	3	-
2	Administration and personnel	44	44	-	43	-
3	Inspection	2	2	-	2	-
4	Procurement	3	3	-	3	-
5	Budget and finance	20	20	-	20	-
6	Public services	20	20	-	20	-
7	Community office	8	8	-	7	-
8	Agriculture	5	5	-	5	-
9	Economy	6	6	-	5	-
10	Cadastral	13	13	-	12	-
11	Urban planning	6	6	-	6	-
12	Health	138	136	-	136	-
13	Health performance	-	-	-	-	-
14	Culture and youth	9	9	-	9	-
15	Education	651	648	2	651	1
	<b>Total</b>	<b>928</b>	<b>923</b>	<b>2</b>	<b>922</b>	<b>1</b>



**Istog Municipality**  
**Section 12 to 17. Notes to the financial statements**  
**31 December 2009**

(Amounts in thousands of EUR, unless otherwise stated)

**Section 13.**

**25. Statement of Outstanding Invoices (Liabilities)**

No	Invoice Date	Invoice Number	Economic Code	Payment due date	Vendor	Purpose	Reason for non payment	Amount EUR'000
1	23.11.2009	KI.69	13	May-10	"Meshari"	Office supplies	Insufficient funds	7.285
2	04.08.2009	N/A	13	May-10	Fazli Stillaj	Software for business licenses	Insufficient funds	1.000
3	05.02.2008	N/A	13	May-10	Osman Sadikaj	Travel	Insufficient funds	0.592
4	02.12.2009	N/A	13	May-10	Osman Sadikaj	Travel	Insufficient funds	0.125
5	16.04.2009	29'09	13	May-10	"Ari"	Representation	Insufficient funds	0.043
6	28.08.2009	57'09	13	May-10	"Ari"	Representation	Insufficient funds	0.106
7	23.11.2009	68'09	13	May-10	"Ari"	Representation	Insufficient funds	0.080
8	03.12.2009	83'09	13	May-10	"Ari"	Representation	Insufficient funds	0.086
9	07.07.2009	49'09	13	May-10	Qebaptore "Bashkimi"	Representation	Insufficient funds	0.030
10	10.10.2009	61'09	13	May-10	Qebaptore "Bashkimi"	Representation	Insufficient funds	0.120
11	02.11.2009	84'09	13	May-10	Qebaptore "Bashkimi"	Food and beverages	Insufficient funds	0.120
12	09.12.2009	937222	13	May-10	D.P.SH.- Autoservis"ARTONI" Banje	Vehicle repair Passat,448K5331 Road asphaltng Surigane-Cerkolez- Kujavq FI	Insufficient funds	0.341
13	N/A	N/A	30	May-10	"Graniti"		Insufficient funds	19.169
14	16.12.2009	08366	30	May-10	"Guri"	Purchase of concrete pipes	N/A	4.976
15	10.12.2009	214957472009	14	May-10	TK	Phone expenses	N/A	0.042
16	31.12.2009	59'09	13	May-10	"Merkuri"	Food and beverages	N/A	0.045
17	31.12.2009	353'09	13	May-10	"Ibos"	Fuel	N/A	0.501
18	31.12.2009	0015865	13	May-10	"Emont"	Electric materials	N/A	0.416

**Istog Municipality**  
**Section 12 to 17. Notes to the financial statements**  
**31 December 2009**

(Amounts in thousands of EUR, unless otherwise stated)

**Section 13.**

**25. Statement of Outstanding Invoices (Liabilities) (continued)**

No	Invoice Date	Invoice Number	Economic Code	Payment due date	Vendor	Purpose	Reason for non payment	Amount EUR'000
19	31.12.2009	346/09	13	May-10	"Ibos"	Fuel	Insufficient funds	0.114
20	16.12.2009	132/2009	13	May-10	"Burimi-N"	Cocktail drinks	Insufficient funds	0.279
21	03.12.2009	006078	13	May-10	"Trofta"	Representation	Insufficient funds	0.053
22	30.11.2009	324/09	13	May-10	"Ibos"	Fuel UNDP Water and waste Gurr- Palok	Insufficient funds	0.363
23	N/A	N/A	30	May-10	"Inzhinjering"		Insufficient funds	1.863
24	10.10.2009	6/09	13130	May-10	"Floriant"	Teacher transportation	Insufficient funds	0.042
25	N/A	550044806	13250	May-10	ptk	Phone expenses	Insufficient funds	1.031
26	30.11.2009	937216	14010	May-10	DPSH"Artioni"	Vehicle repair	Insufficient funds	0.055
27	23.11.2009	5469	14020	May-10	"Elektrika"	Electricity repair	Insufficient funds	0.020
28	09.11.2009	5478	14020	May-10	"Elektrika"	Vehicle repair	Insufficient funds	0.266
29	13.11.2009	0020457	14020	May-10	DPZ"Univerzal"	Glasses	Insufficient funds	0.318
30	29.10.2009	886441	14020	May-10	"Elektrika"	Electricity repair	Insufficient funds	0.150
31	01.08.2009	7756	13470	May-10	"AgroJetoni"	Crowns	Insufficient funds	0.010
32	28.10.2009	02/09	13501	May-10	DPT"Senison"	Inventory	Insufficient funds	0.695
33	03.09.2009	21/09	31130	May-10	"Termomontimi"	Repair	Insufficient funds	5.674
34	18.06.2009	06/09	13130	May-10	"Çatia"-99	Pupil transportation	Insufficient funds	3.402
35	13.08.2009	15/09	14040	May-10	"Saturni"	Computer repair	Insufficient funds	0.100
36	19.11.2009	01/11	13509	May-10	NT"Gamaimpex"	Carpet	Insufficient funds	0.499
37	14.12.2009	7760	13470	May-10	DPT"AgroJetoni"	Crowns	Insufficient funds	0.015
38	04.11.2009	N/A	13310	May-10	NTSH"loisp"	Internet installation	Insufficient funds	0.130

**Istog Municipality**  
**Section 12 to 17. Notes to the financial statements**  
**31 December 2009**  
*(Amounts in thousands of EUR, unless otherwise stated)*

**Section 13.**  
**25. Statement of Outstanding Invoices (Liabilities) (continued)**

No	Invoice Date	Invoice Number	Economic Code	Payment due date	Vendor	Purpose	Reason for non payment	Amount EUR'000
39	10.08.2009	0017348/2009	14020	N/A	"Vellazerit Fetahaj"	Maintenance and repair	Insufficient funds	0.065
40	18.11.2009	5464	14020	N/A	NTSH"Elektrika"	Electricity repair	Insufficient funds	0.112
41	1.12.2009	5486	14020	N/A	NTSH"Elektrika"	Electricity repair	Insufficient funds	0.153
42	18.12.2009	10565	13509	N/A	DPT"SportShop"	Sport equipment	Insufficient funds	1.100
43	23.05.2009	112/09	13780	N/A	NBT"Jbos"	Fuel	Insufficient funds	0.020
44	27.05.2009	113/09	13780	N/A	NBT"Jbos"	Fuel	Insufficient funds	0.020
45	30.11.2009	321/09	13780	N/A	NBT"Jbos"	Fuel	Insufficient funds	0.134
46	31.12.2009	347/09	13780	N/A	NBT"Jbos"	Fuel	Insufficient funds	0.177
47	24.09.2009	35	13610	N/A	NTSH"Meshari"	Office supplies	Insufficient funds	0.496
48	20.11.2009	63	13610	N/A	NTSH"Meshari"	Office supplies	Insufficient funds	0.250
49	27.10.2009	49	13610	N/A	NTSH"Meshari"	Office supplies	Insufficient funds	0.080
50	27.10.2009	50	13610	N/A	NTSH"Meshari"	Office supplies	Insufficient funds	0.050
51	27.10.2009	51	13610	N/A	NTSH"Meshari"	Office supplies	Insufficient funds	0.028
52	08.10.2009	44	13610	N/A	NTSH"Meshari"	Office supplies	Insufficient funds	0.990
53	30.07.2009	75/2009	13620	Jul-10	NTSH"Burimi N"	Food and beverages	Insufficient funds	1.564
54	31.12.2009	129/2009	13620	N/A	NTSH"Burimi N"	Food and beverages	Insufficient funds	1.916
55	31.12.2009	128/2009	13620	N/A	NTSH"Burimi N"	Food and beverages	Insufficient funds	0.087
56	31.12.2009	127/2009	13620	N/A	NTSH"Burimi N"	Food and beverages	Insufficient funds	0.571
57	31.12.2009	125/2009	13620	N/A	NTSH"Burimi N"	Food and beverages	Insufficient funds	0.477
58	31.12.2009	126/2009	13620	N/A	NTSH"Burimi N"	Food and beverages	Insufficient funds	0.414
59	13.12.2009	121/2009	13620	N/A	NTSH"Burimi N"	Food and beverages	Insufficient funds	0.347

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**25. Statement of Outstanding Invoices (Liabilities) (continued)**

No	Invoice Date	Invoice Number	Economic Code	Payment due date	Vendor	Purpose	Reason for non payment	Amount EUR'000
60	13.12.2009	120/2009	13620	N/A	NTSH"Burimi N"	Food and beverages	Insufficient funds	0.513
61	13.12.2009	122/2009	13620	N/A	NTSH"Burimi N"	Food and beverages	Insufficient funds	0.097
62	20.12.2009	123/2009	13620	N/A	NTSH"Burimi N"	Food and beverages	Insufficient funds	1.915
63	04.12.2009	119/2009	13620	N/A	NTSH"Burimi N"	Food and beverages	Insufficient funds	0.535
64	30.12.2009	133/2009	13640	N/A	NTSH"Burimi N"	Office supplies	Insufficient funds	3.697
65	30.12.2009	130/2009	13620	N/A	NTSH"Burimi N"	Food and beverages	Insufficient funds	5.318
66	01.08.2009	73/2009	13620	Jul-10	NTSH"Burimi N"	Food and beverages	Insufficient funds	0.414
67	02.11.2009	108/2009	13620	Oct-10	NTSH"Burimi N"	Food and beverages	Insufficient funds	0.408
68	02.11.2009	110/2009	13620	Oct-10	NTSH"Burimi N"	Food and beverages	Insufficient funds	1.835
69	27.02.2009	119/2009	13620	Feb-10	NTSH"Burimi N"	Food and beverages	Insufficient funds	0.535
70	23.12.2009	14/2009	13130	N/A	"Çatia"-99	Pupil transportation	Insufficient funds	2.615
71	12.10.2009	8083	13509	N/A	"Fejza Com"	Inventory	Insufficient funds	0.177
72	18.12.2009	1.95	31130	N/A	"eurolab"	Physic laboratory	Insufficient funds	7.667
73	31.12.2009	56/2009	14310	N/A	"MERCURY"	Food and beverages	Insufficient funds	0.166
74	31.12.2009	55/2009	14310	N/A	"MERCURY"	Food and beverages	Insufficient funds	0.020
75	31.12.2009	50041	13230	N/A	Ambienti"	Waste	Insufficient funds	0.037
76	31.12.2009	50029	13230	N/A	Ambienti"	Waste	Insufficient funds	0.037
77	31.12.2009	50024	13230	N/A	Ambienti"	Waste	Insufficient funds	0.025
78	31.12.2009	50028	13230	N/A	Ambienti"	Waste	Insufficient funds	0.013
79	31.12.2009	50027	13230	N/A	Ambienti"	Waste	Insufficient funds	0.130
80	31.12.2009	50025	13230	N/A	Ambienti"	Waste	Insufficient funds	0.046

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**25. Statement of Outstanding Invoices (Liabilities) (continued)**

No	Invoice Date	Invoice Number	Economic Code	Payment due date	Vendor	Purpose	Reason for non payment	Amount EUR'000
81	31.12.2009	50095	13230	N/A	Ambienti"	Waste	Insufficient funds	0.013
82	31.12.2009	50026	13230	N/A	Ambienti"	Waste	Insufficient funds	0.037
83	31.12.2009	50042	13230	N/A	Ambienti"	Waste	Insufficient funds	0.331
84	31.12.2009	50023	13230	N/A	Ambienti"	Waste	Insufficient funds	0.019
85	31.12.2009	50011	13230	N/A	Ambienti"	Waste	Insufficient funds	0.019
86	31.12.2009	50010	13230	N/A	Ambienti"	Waste	Insufficient funds	0.019
87	31.12.2009	50107	13230	N/A	Ambienti"	Waste	Insufficient funds	0.019
88	31.12.2009	50109	13230	N/A	Ambienti"	Waste	Insufficient funds	0.223
89	31.12.2009	50112	13230	N/A	Ambienti"	Waste	Insufficient funds	0.056
90	31.12.2009	50113	13230	N/A	Ambienti"	Waste	Insufficient funds	0.056
91	31.12.2009	E050098	13220	N/A	"Hidrodrini"	Water	Insufficient funds	0.798
92	31.12.2009	E050024	13220	N/A	"Hidrodrini"	Water	Insufficient funds	2.119
93	31.12.2009	E050025	13220	N/A	"Hidrodrini"	Water	Insufficient funds	15.049
94	31.12.2009	E050026	13220	N/A	"Hidrodrini"	Water	Insufficient funds	2.090
95	31.12.2009	E050027	13220	N/A	"Hidrodrini"	Water	Insufficient funds	2.121
96	31.12.2009	E050041	13220	N/A	"Hidrodrini"	Water	Insufficient funds	1.546
97	31.12.2009	E050095	13220	N/A	"Hidrodrini"	Water	Insufficient funds	1.717
98	31.12.2009	E050028	13220	N/A	"Hidrodrini"	Water	Insufficient funds	4.474
99	31.12.2009	E050023	13220	N/A	"Hidrodrini"	Water	Insufficient funds	1.045
100	31.12.2009	E050011	13220	N/A	"Hidrodrini"	Water	Insufficient funds	3.150

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**25. Statement of Outstanding Invoices (Liabilities) (continued)**

No	Invoice Date	Invoice Number	Economic Code	Payment due date	Vendor	Purpose	Reason for non payment	Amount EUR'000
101	31.12.2009	E050010	13220	N/A	"Hidrodrini"	Water	Insufficient funds	2.398
102	31.12.2009	E050042	13220	N/A	"Hidrodrini"	Water	Insufficient funds	2.509
103	31.12.2009	E050029	13220	N/A	"Hidrodrini"	Water	Insufficient funds	3.377
104	31.12.2009	E050087	13220	N/A	"Hidrodrini"	Water	Insufficient funds	0.385
105	31.12.2009	E050090	13220	N/A	"Hidrodrini"	Water	Insufficient funds	0.328
106	31.12.2009	E050093	13220	N/A	"Hidrodrini"	Water	Insufficient funds	1.632
107	31.12.2009	E050094	13220	N/A	"Hidrodrini"	Water	Insufficient funds	1.489
108	31.12.2009	E050096	13220	N/A	"Hidrodrini"	Water	Insufficient funds	0.480
109	31.12.2009	E050099	13220	N/A	"Hidrodrini"	Water	Insufficient funds	1.907
110	31.12.2009	E050102	13220	N/A	"Hidrodrini"	Water	Insufficient funds	0.694
111	31.12.2009	E050105	13220	N/A	"Hidrodrini"	Water	Insufficient funds	0.736
112	31.12.2009	E050106	13220	N/A	"Hidrodrini"	Water	Insufficient funds	0.053
113	31.12.2009	E050107	13220	N/A	"Hidrodrini"	Water	Insufficient funds	0.135
114	31.12.2009	DPE 9008539	13210	N/A	KEK-PEJÈ	Electricity	Insufficient funds	0.003
115	31.12.2009	DPE 9008403	13210	N/A	KEK-PEJÈ	Electricity	Insufficient funds	0.065
116	31.12.2009	DPE 9008723	13210	N/A	KEK-PEJÈ	Electricity	Insufficient funds	0.003
117	31.12.2009	DPE 9008600	13210	N/A	KEK-PEJÈ	Electricity	Insufficient funds	0.010
118	31.12.2009	DPE 9008737	13210	N/A	KEK-PEJÈ	Electricity	Insufficient funds	0.209
119	31.12.2009	DPE 9008655	13210	N/A	KEK-PEJÈ	Electricity	Insufficient funds	0.003
120	31.12.2009	DPE 9008699	13210	N/A	KEK-PEJÈ	Electricity	Insufficient funds	0.470

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**25. Statement of Outstanding Invoices (Liabilities) (continued)**

No	Invoice Date	Invoice Number	Economic Code	Payment due date	Vendor	Purpose	Reason for non payment	Amount	
								EUR'000	EUR'000
121	31.12.2009	DPE 9008679	13210	N/A	KEK-PEJĚ	Electricity	Insufficient funds		0.179
122	31.12.2009	DPE 9008520	13210	N/A	KEK-PEJĚ	Electricity	Insufficient funds		0.003
123	31.12.2009	DPE 9008404	13210	N/A	KEK-PEJĚ	Electricity	Insufficient funds		0.003
124	31.12.2009	DPE 9008599	13210	N/A	KEK-PEJĚ	Electricity	Insufficient funds		0.115
125	31.12.2009	DPE 9008657	13210	N/A	KEK-PEJĚ	Electricity	Insufficient funds		0.009
126	31.12.2009	DPE 9008621	13210	N/A	KEK-PEJĚ	Electricity	Insufficient funds		0.332
127	31.12.2009	DPE 9008715	13210	N/A	KEK-PEJĚ	Electricity	Insufficient funds		0.003
128	31.12.2009	DPE 9008506	13210	N/A	KEK-PEJĚ	Electricity	Insufficient funds		1.210
129	31.12.2009	DPE 9027539	13210	N/A	KEK-PEJĚ	Electricity	Insufficient funds		0.003
130	31.12.2009	DPE 9008562	13210	N/A	KEK-PEJĚ	Electricity	Insufficient funds		1.562
131	31.12.2009	DPE 9008492	13210	N/A	KEK-PEJĚ	Electricity	Insufficient funds		0.987
132	31.12.2009	DPE 9024443	13210	N/A	KEK-PEJĚ	Electricity	Insufficient funds		0.186
133	31.12.2009	DPE 90264334	13210	N/A	KEK-PEJĚ	Electricity	Insufficient funds		0.264
134	31.12.2009	DPE 9029480	13210	N/A	KEK-PEJĚ	Electricity	Insufficient funds		0.003
135	31.12.2009	DPE 9029484	13210	N/A	KEK-PEJĚ	Electricity	Insufficient funds		0.251
136	31.12.2009	DPE 9029482	13210	N/A	KEK-PEJĚ	Electricity	Insufficient funds		0.088
137	31.12.2009	DPE 9008576	13210	N/A	KEK-PEJĚ	Electricity	Insufficient funds		0.104
138	31.12.2009	DPE 9031131	13210	N/A	KEK-PEJĚ	Electricity	Insufficient funds		0.072
139	31.12.2009	DPE 9029415	13210	N/A	KEK-PEJĚ	Electricity	Insufficient funds		0.003
140	31.12.2009	DPE 9030833	13210	N/A	KEK-PEJĚ	Electricity	Insufficient funds		0.003

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**25. Statement of Outstanding Invoices (Liabilities) (continued)**

No	Invoice Date	Invoice Number	Economic Code	Payment due date	Vendor	Purpose	Reason for non payment	Amount EUR'000
141	31.12.2009	DPE 9031060	13210	N/A	KEK-PEJË	Electricity	Insufficient funds	0.003
142	31.12.2009	DPE 2000266	13210	N/A	KEK-PEJË	Electricity	Insufficient funds	0.003
143	31.12.2009	DPE 9008676	13210	N/A	KEK-PEJË	Electricity	Insufficient funds	0.003
144	31.12.2009	DPE 9029483	13210	N/A	KEK-PEJË	Electricity	Insufficient funds	0.003
145	31.12.2009	550045074	13210	N/A	PTK	Phone expenses	Insufficient funds	0.073
146	31.12.2009	550044279	13210	N/A	PTK	Phone expenses	Insufficient funds	0.111
147	31.12.2009	550044345	13210	N/A	PTK	Phone expenses	Insufficient funds	0.181
148	31.12.2009	550044281	13210	N/A	PTK	Phone expenses	Insufficient funds	0.131
149	31.10.2009	1602	13130	N/A	AT"Sadri Haxhiqaj	Travel	Insufficient funds	0.281
150	31.12.2009	10,11,12-2009	22200	N/A	STUDENTAT	Scholarship	N/A	9.000
151	31.12.2009	0909/2009	N/A	N/A	Balkan International	Building Security KFOR	N/A	10.912
152	31.11.2009	0822/2009	N/A	N/A	Balkan International	Building Security KFOR	N/A	10.560
153	19.11.2009	2473	N/A	N/A	Zyra e Kryeministrit	Official newspapers	N/A	0.060
154	31.12.2009	61/09	N/A	N/A	NTH "Mërkuri"	Food and beverages	N/A	0.045
155	N/A	N/A	22	N/A	Zizë Bujupaj	Travel	N/A	0.167
156	N/A	N/A	22	N/A	Gëzim Ademaj	Travel	N/A	0.167
157	30.11.2009	303-II/09	N/A	N/A	Gazeta "Zëri"	Publications	N/A	0.518
158	31.12.2009	486-II/09	N/A	N/A	Gazeta "Zëri"	Publications	N/A	0.611
159	08.12.2009	N/A	N/A	N/A	KEK	Public lightening	N/A	0.161
160	10.12.2009	215227652009	N/A	N/A	PTK	Phone expenses	N/A	0.143



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**25. Statement of Outstanding Invoices (Liabilities) (continued)**

No	Invoice Date	Invoice Number	Economic Code	Payment due date	Vendor	Purpose	Reason for non payment	Amount EUR'000
161	08.11.2009	8	N/A	N/A	Avc GROUP	Purchase and repair of sound system for assembly	N/A	0.204
162	16.10.2009	390	N/A	N/A	AIT-KOS	Intranet maintenance	N/A	1.173
163	30.11.2009	1430	N/A	N/A	Gazeta "Zëri"	Publications	N/A	0.266
164	31.10.2009	264-II	N/A	N/A	Gazeta "Zëri"	Publications	N/A	0.549
165	31.12.2009	355	N/A	N/A	IBOS	Fuel	N/A	0.423
166	30.11.2009	319	N/A	N/A	IBOS	Fuel	N/A	0.435
167	30.11.2009	320	N/A	N/A	IBOS	Fuel	N/A	0.187
168	07.12.2009	937220	N/A	N/A	DPSH "Artoni"	Vehicle maintenance	N/A	0.200
169	04.12.2009	937219	N/A	N/A	DPSH "Artoni"	Vehicle maintenance	N/A	0.300
170	30.11.2009	937217	N/A	N/A	DPSH "Artoni"	Vehicle maintenance	N/A	0.106
171	02.12.2009	1/09	N/A	N/A	Te Valoni	Vehicle wash	N/A	0.072
172	25.12.2009	KI/65/A	N/A	N/A	NTSH "Meshari"	Office supplies	N/A	0.886
173	7.12.2009	3913635	N/A	N/A	KEK	Electricity KFOR	N/A	1.960
174	05.01.2010	1	N/A	N/A	KRM "Ambienti"	Waste	N/A	0.037
175	11.01.2010	N/A	N/A	N/A	KUR "Hydrodrini"	Water	N/A	0.226
176	31.10.2009	286	N/A	N/A	IBOS	Fuel and anti freeze	N/A	0.568
177	31.10.2009	287	N/A	N/A	IBOS	Fuel and anti freeze	N/A	0.245
178	11.01.2010	217524222010	N/A	N/A	PTK	Phone expenses	N/A	0.097
179	23.12.2009	005002	N/A	N/A	Trofta	Food and beverages - OSCE meeting	N/A	0.105
180	11.01.2010	N/A	N/A	N/A	KEK	Electricity	N/A	0.391

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**25. Statement of Outstanding Invoices (Liabilities) (continued)**

<b>No</b>	<b>Invoice Date</b>	<b>Invoice Number</b>	<b>Economic Code</b>	<b>Payment due date</b>	<b>Vendor</b>	<b>Purpose</b>	<b>Reason for non payment</b>	<b>Amount EUR'000</b>
181	21.10.09	0014501	N/A	N/A	NNP"Vellezrit Zogaj" Dubove	Water and waste Duboves	N/A	4.990
182	31.12.09	349/09	N/A	N/A	IBOS-Istog	Fuel	N/A	0.147
183	03.12.09	937218 21472764/200	N/A	N/A	DPSH"ARTONI"Banje	Vehicle maintenance Toyota 530KS571	N/A	0.055
184	10.12.09	9	N/A	N/A	PTK	Phone expenses	N/A	0.041
185	N/A	15/2009	14020	N/A	NN.HIDRO&TERMO"-ISTOH	Purchase of heating equipment -QKMF	Insufficient funds	4.879
186	N/A	37790	14010	N/A	DPSH."ARTONI" BANJË	Vehicle maintenance 572-KS- 351	Closing of payment period in KFMIS	0.207
187	N/A	37791	14010	N/A	DPSH."ARTONI" BANJË	Vehicle maintenance 530-KS- 925	Closing of payment period in KFMIS	0.147
188	N/A	110/09	13430	N/A	INST. I MJEK.SISË SË PUNËS - OBILIQ	Rontgen	Closing of payment period in KFMIS	0.060
189	N/A	88/03	13430	N/A	INST. KOMBËTAR I SHËND.PUBLIK-PEJË	Water control services IV/2009	Closing of payment period in KFMIS	0.500
190	N/A	4503	14310	N/A	SH.P.K."TROFTA"-ISTOG	Official lunch	Closing of payment period in KFMIS	0.103
191	N/A	131/2009	13620	N/A	N.T.SH."BURIMI-N"-ISTOG	Food and beverages	Insufficient funds	5.318
192	N/A	132/2009	13640	N/A	N.T.SH."BURIMI-N"-ISTOG	Office supplies	Insufficient funds	3.697
193	N/A	KI-45	13610	N/A	N.T.SH."MESHARI"-ISTOG	Office supplies	Closing of payment period in KFMIS	1.101
194	N/A	327/09	13780	N/A	N.B.T."IBOS"-ISTOG	Fuel, November 2009, QKMF	Insufficient funds	1.221
195	N/A	316/09	13780	N/A	N.B.T."IBOS"-ISTOG	Fuel, November, social and welfare center	Insufficient funds	0.253

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**25. Statement of Outstanding Invoices (Liabilities) (continued)**

<b>No</b>	<b>Invoice Date</b>	<b>Invoice Number</b>	<b>Economic Code</b>	<b>Payment due date</b>	<b>Vendor</b>	<b>Purpose</b>	<b>Reason for non payment</b>	<b>Amount EUR'000</b>
196	N/A	345/09	13780	N/A	N.B.T."IBOS"-ISTOG	Fuel, December 2009, QKMF	Closing of payment period in KFMIS	1.378
197	N/A	356/09	13780	N/A	N.B.T."IBOS"-ISTOG	Fuel December 2009, social and welfare center	Insufficient funds	0.463
198	N/A	N/A	14050	N/A	N.SH."NA&BA"-PRISHTINË	Maintenance of dental chair	Closing of payment period in KFMIS	0.483
199	N/A	N/A	11200	N/A	QKMF-ISTOG	Payment for health employees December 2009	Insufficient funds	12.847
200	N/A	N/A	11200	N/A	QKMF-ISTOG	Overtime October 2009	Insufficient funds	3.056
201	N/A	N/A	11200	N/A	QKMF-ISTOG	Overtime November 2009	Insufficient funds	2.713
202	N/A	N/A	11200	N/A	QKMF-ISTOG	Overtime December 2009	Insufficient funds	2.710
203	N/A	S. Dec /2009	13210	N/A	KEK - PEJË	Electricity December 2009 for Health	Closing of payment period in KFMIS	4.474
204	N/A	S. Dec /2009	13210	N/A	KEK - PEJË	Electricity December 2009 in Ambulance of Osojan	Closing of payment period in KFMIS	6.516
205	N/A	21492292/2009	13250	N/A	TELEKOMI KOSOVËS	Phone expenses November 2009 for QKMF	Closing of payment period in KFMIS	0.109
206	N/A	21463194/2009	13250	N/A	TELEKOMI KOSOVËS	Pune expenses December 2009	Closing of payment period in KFMIS	0.089
207	N/A	S. Dec /2009	13220	N/A	PEJË, Përfaqësia-Istog	Water for December 2009 for Health	Closing of payment period in KFMIS	0.297
208	N/A	S. Dec /2009	13230	N/A	K.R.M."AMBIENTI"-PEJË	Waste	Closing of payment period in KFMIS	0.190
209	N/A	N/A	13780	ASAP	IBOS-Istog	N/A	Insufficient funds	0.576
210	N/A	N/A	13780	ASAP	IBOS-Istog	Fuel	Insufficient funds	0.752

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**25. Statement of Outstanding Invoices (Liabilities) (continued)**

<b>No</b>	<b>Invoice Date</b>	<b>Invoice Number</b>	<b>Economic Code</b>	<b>Payment due date</b>	<b>Vendor</b>	<b>Purpose</b>	<b>Reason for non payment</b>	<b>Amount EUR'000</b>
211	N/A	N/A	13780	ASAP	IBOS-Istog	Fuel	Insufficient funds	0.476
212	N/A	N/A	13780	ASAP	IBOS-Istog	Fuel	Insufficient funds	0.746
213	N/A	N/A	13780	ASAP	IBOS-Istog	Fuel	Insufficient funds	0.399
214	N/A	N/A	13250	ASAP	PTK	Phone expenses	Insufficient funds	0.015
215	N/A	N/A	13250	ASAP	PTK	Phone expenses	Insufficient funds	0.056
216	N/A	N/A	13250	ASAP	PTK	Phone expenses	Insufficient funds	0.071
217	N/A	N/A	14010	ASAP	D.P.Z. Te Valoni Istog	Vehicle wash	Insufficient funds	0.097
218	N/A	N/A	13460	ASAP	K.R.M. Ambienti Istog	Cleaning of town	Insufficient funds	1.596
219	N/A	N/A	13460	ASAP	K.R.M. Ambienti Istog	Cleaning of town	Insufficient funds	1.596
220	N/A	N/A	14310	ASAP	NHT-Merkuri	Official lunch	Insufficient funds	0.045
221	N/A	N/A	13460	ASAP	K.R.M. Ambienti Istog	Cleaning of town	Insufficient funds	1.596
222	N/A	N/A	13140	ASAP	Sokol Berisha	Travel	Insufficient funds	0.269
223	N/A	N/A	13140	ASAP	Bedri Hasanaaj	Travel	Insufficient funds	0.269
224	N/A	N/A	31130	ASAP	NTP-Termomontimi Pr.	Additional works for public lightening	Insufficient funds	7.183
225	N/A	N/A	14010	ASAP	autoservis "Beti"	Vehicle repair	Insufficient funds	0.720
226	N/A	N/A	31300	ASAP	Hidromont-Klinë	Additional works for water and waste in Istog I Poshtëm	Insufficient funds	3.344
227	N/A	N/A	14030	ASAP	NT-Guri Vrellë	Maintenance of roads in Zhavoriv IV	Insufficient funds	17.000
228	4.12.2009	40827003264	N/A	27.12.2009	PTK- Vala 900	Phone expenses of Mayor	N/A	1.230
229	4.12.2009	40827003265	N/A	27.12.2010	PTK- Vala 901	Phone expenses of Vice - Mayor	N/A	0.180
230	N/A	N/A	N/A	N/A	NTSHT 'Kelmendi'	Payment for daily newspapers	N/A	0.051

**Istog Municipality**  
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**Section 13.**

**25. Statement of Outstanding Invoices (Liabilities) (continued)**

No	Invoice Date	Invoice Number	Economic Code	Payment due date	Vendor	Purpose	Reason for non payment	Amount EUR'000
231	28.11.2009	130	N/A	N/A	NTSH "Burimi-N"	Flag day celebration	N/A	0.227
232	31.12.2009	131	N/A	N/A	NTSH "Burimi-N"	New years eve party 2009	N/A	0.449
233	31.12.2009	31-12-H	N/A	N/A	Trofta	Food and beverages	N/A	0.410
234	30.11.2009	30-11-H	N/A	N/A	Trofta	Food and beverages	N/A	0.464
235	31.12.2009	66/09	N/A	N/A	NHT "Mërkuri"	Food and beverages	N/A	0.206
236	31.12.2009	64/09	N/A	N/A	NHT "Mërkuri"	Food and beverages	N/A	0.210
237	31.12.2009	63/09	N/A	N/A	NHT "Mërkuri"	Food and beverages	N/A	0.266
238	31.12.2009	62/09	N/A	N/A	NHT "Mërkuri"	Food and beverages	N/A	0.228
239	31.12.2009	67/09	N/A	N/A	NHT "Mërkuri"	Food and beverages	N/A	0.046
240	24.09.2009	240909/i	N/A	N/A	kompania "pbc"	Printers	N/A	0.128
241	24.09.2009	240909/i	N/A	N/A	kompania "pbc"	Computers and printers	N/A	0.857
242	31.12.2009	348	N/A	N/A	kompania "IBOS"	Fuel	N/A	0.135
243	30.11.2009	326	N/A	N/A	kompania "IBOS"	Fuel	N/A	0.175
244	02.12.2008	5097	N/A	N/A	"Te Valoni"	Vehicle wash	N/A	0.124
245	31.12.2009	10/2009	N/A	N/A	"Te Valoni"	Vehicle wash	N/A	0.092
246	28.11.2009	7757	N/A	N/A	AgroJetoni	Crowns	N/A	0.030
247	10.12.2009	7759	N/A	N/A	AgroJetoni	Crowns	N/A	0.030
248	23.12.2009	7764	N/A	N/A	AgroJetoni	Crowns	N/A	0.020
249	25.12.2009	KI/65	N/A	N/A	NTSH "Meshari"	Office supplies	N/A	1.700
250	12.10.2009	01Nr.191	N/A	N/A	Sadet Hysenaj	Subsidies	N/A	0.150

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*(Amounts in thousands of EUR, unless otherwise stated)*

**Section 13.**

**25. Statement of Outstanding Invoices (Liabilities) (continued)**

No	Invoice Date	Invoice Number	Economic Code	Payment due date	Vendor	Purpose	Reason for non payment	Amount EUR'000
251	07.12.2009	01Nr.268	20	N/A	Rabë Sahitaj	Subsidies	N/A	0.100
252	07.12.2009	01Nr.267	20	N/A	Lirie Krasniqi	Subsidies	N/A	0.100
253	07.12.2009	01Nr.272	20	N/A	Arlinda Malaj	Subsidies	N/A	0.200
254	07.12.2009	01Nr.275	N/A	N/A	Zylë Bytyçi	Subsidies	N/A	0.150
255	31.12.2009	N/A	N/A	N/A	Fazli Stollaj	Assembly staff compensation	N/A	0.720
251	07.12.2009	01Nr.268	N/A	N/A	Rabë Sahitaj	Subsidies	N/A	0.100
252	07.12.2009	01Nr.267	N/A	N/A	Lirie Krasniqi	Subsidies	N/A	0.100
253	07.12.2009	01Nr.272	N/A	N/A	Arlinda Malaj	Subsidies	N/A	0.200
254	07.12.2009	01Nr.275	N/A	N/A	Zylë Bytyçi	Subsidies	N/A	0.150
255	31.12.2009	N/A	N/A	N/A	Fazli Stollaj	Assembly staff compensation	N/A	0.720
<b>Total</b>								<b>287.662</b>

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**Section 14.**

**26. Statement of Unjustified Advances and Loans**

<b>Issuance Date</b>	<b>CPO No.</b>	<b>Purpose</b>	<b>2009 EUR '000</b>
			-
<b>Total</b>			-

**Section 15.**

**27. Summary of Non-Financial Assets Possessed by Budget Organizations**

<b>Assets Classification</b>	<b>2009 EUR '000</b>	<b>2008 EUR '000</b>	<b>2007 EUR '000</b>
Land	-	-	-
Equipment	187	-	-
Vehicles	188	-	-
Inventory	3	-	-
Non-residential Buildings	-	-	-
Other Constructed Structures	5,950	-	-
Roads Construction	-	-	-
Other Capitals	35	-	-
Watering System	238	-	-
Sewage	46	-	-
<b>Total</b>	<b>6,647</b>	-	-

<b>ID Category</b>	<b>Category</b>	<b>2009 EUR '000</b>
		-
		-
		-
<b>Total</b>		-

**Istog Municipality**  
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*(Amounts in thousands of EUR, unless otherwise stated)*

**28. Summary of Carried Forward Own Source Revenues**

	2009	2008	2007
	EUR '000	EUR '000	EUR '000
Own Source Revenues carried forward from the previous year	298	351	230
Own Source Revenues received this year in accordance with Note 12	780	728	609
<b>Available total for appropriation in the current year</b>	<b>1,078</b>	<b>1,079</b>	<b>839</b>
Wages and Salaries	(58)	(29)	(28)
Goods and Services	(165)	(323)	(182)
Utilities	(8)	-	(18)
Transfers and subsidies	(196)	(80)	(69)
Capital Outlays	(363)	(349)	(190)
Other	-	-	-
<b>Total paid in 2009</b>	<b>(790)</b>	<b>(781)</b>	<b>(487)</b>
<b>Carried forward amount</b>	<b>288</b>	<b>298</b>	<b>352</b>

**Section 16.**

**29. Contingent Liabilities**

		2009	2008	2007
Contingency Liability Type	Reason for Liabilities	EUR '000	EUR '000	EUR '000
		-	-	-
		-	-	-
		-	-	-
		-	-	-
<b>Total</b>		<b>-</b>	<b>-</b>	<b>-</b>



**Istog Municipality**  
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**Section 17.**

**30. Reconciliation between Original and Final Budget Appropriations**

Appropriation Category	Original Budget Appropriation Law on Appropriations (Law No. 03/L-105) EUR '000	Authorized reconciliations by Law on Public Financial Management and Accountability ('LPFMA')				Final Budget Appropriation KFMIS (a) EUR '000	Adjustment from Original Budget EUR '000
		Changes pursuant to Sec.29 Law 03/L-048 EUR '000	Changes pursuant to Sec.30 Law 03/L- 048 EUR '000	Changes pursuant to Sec.31 Law 03/L- 048 EUR '000	ORS Changes EUR '000		
<b>Inflows</b>							
Tax	-	-	-	-	-	-	-
General Grant	4,591	-	(4)	-	4,587	-	-
Own source Revenues	578	-	-	202	780	35%	-
Own source Revenues 2008	298	-	752	-	298	100%	-
Grants and Aid	-	-	-	-	752	-	-
Capital Receipts	-	-	-	-	-	-	-
Privatization Fund	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
<b>Total</b>	<b>5,467</b>	<b>748</b>	<b>748</b>	<b>202</b>	<b>6,417</b>	<b>17%</b>	
<b>Outflows</b>							
Wages and Salaries	2,980	-	(3)	31	3,008	1%	-
Goods and Services	651	-	19	113	783	20%	-
Utilities	134	-	-	14	148	10%	-
Transfers and Subsidies	203	-	-	30	233	15%	-
Capital Expenditures	1,499	-	732	14	2,245	50%	-
Privatization Fund	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
<b>Total</b>	<b>5,467</b>	<b>748</b>	<b>748</b>	<b>202</b>	<b>6,417</b>	<b>17%</b>	

# Istog Municipality

## Section 12 to 17. Notes to the financial statements

31 December 2009

(Amounts in thousands of EUR, unless otherwise stated)

Budget Execution Report						
Description	Original Budget Law No. 03/L-105	Final Budget KFMIS	Payments	Progress in % e=(d-b)/b	Progress in % f=(d-c)/c	
A	b	c	d	e=(d-b)/b	f=(d-c)/c	
<b>Total Payments</b>	<b>5,467</b>	<b>6,417</b>	<b>5,902</b>	<b>8</b>	<b>(8)</b>	
<b>1+2+3+4</b>	<b>5,467</b>	<b>6,417</b>	<b>5,902</b>	<b>8</b>	<b>(8)</b>	
<b>1</b>	<b>4,591</b>	<b>4,587</b>	<b>4,396</b>	<b>(4)</b>	<b>(4)</b>	
Payments from the General Grant						
Wages and Salaries	2,951	2,949	2,878	(2)	(2)	
Goods and Services	464	463	460	(1)	(1)	
Utilities	124	124	112	(10)	(10)	
Subsidies and Transfers	-	-	-	-	-	
Capital Investments	1,052	1,051	946	(10)	(10)	
<b>2</b>	<b>578</b>	<b>780</b>	<b>512</b>	<b>(11)</b>	<b>(34)</b>	
Payments from Own Source Revenues of 2009						
Wages and Salaries	25	56	55	120	(2)	
Goods and Services	80	194	65	(19)	(66)	
Utilities	-	14	-	-	100	
Subsidies and Transfers	87	116	85	(2)	(27)	
Capital Investments	386	400	307	(20)	(23)	
<b>3</b>	<b>298</b>	<b>298</b>	<b>277</b>	<b>(7)</b>	<b>(7)</b>	
Payments from Own Source Revenues carried Forward from 2008						
Wages and Salaries	4	3	3	(25)	-	
Goods and Services	107	107	3	(97)	(97)	
Utilities	10	10	99	890	890	
Subsidies and Transfers	116	117	8	(93)	(93)	
Capital Investments	61	61	111	82	(82)	
<b>4</b>	<b>-</b>	<b>752</b>	<b>717</b>	<b>100</b>	<b>(5)</b>	
Payments from the pre-assigned Grant						
Wages and Salaries	-	-	-	-	-	
Goods and Services	-	19	1	100	(95)	
Utilities	-	-	-	-	-	
Subsidies and Transfers	-	-	-	-	-	
Capital Investments	-	733	716	100	(2)	

**Istog Municipality**  
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**Report of Payments under Programs**

	1+2+3+4	311	265	Administrati on and assembly	Personnel	Inspection	Procurement	Budget and Finance	Public services	Community office	Agriculture	Economy	Cadastre	Urban planning	Health	Health performance	Culture and youth	Education	Total
<b>Total Payments</b>	<b>1+2+3+4</b>	<b>311</b>	<b>265</b>			<b>15</b>	<b>12</b>	<b>76</b>	<b>296</b>	<b>106</b>	<b>52</b>	<b>1,029</b>	<b>40</b>	<b>513</b>	<b>725</b>	<b>21</b>	<b>58</b>	<b>2,383</b>	<b>5,902</b>
<b>Payments from the General Grant</b>	<b>1</b>	<b>156</b>	<b>246</b>			<b>14</b>	<b>12</b>	<b>67</b>	<b>207</b>	<b>100</b>	<b>42</b>	<b>178</b>	<b>39</b>	<b>510</b>	<b>500</b>	<b>21</b>	<b>27</b>	<b>2,277</b>	<b>4,396</b>
Wages and salaries		116	109			10	9	54	57	23	18	20	31	21	363	12	22	2,013	2,878
Goods and services		36	55			4	3	13	46	12	9	12	8	7	73	9	5	168	460
Utilities		1	46			-	-	-	4	1	-	-	-	-	38	-	-	22	112
Subsidies and transfers		-	-			-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital Investments		3	36			-	-	-	100	64	15	146	-	482	26	-	-	74	946
<b>Payments from Own Source Revenues of 2009</b>	<b>2</b>	<b>56</b>	<b>-</b>			<b>-</b>	<b>-</b>	<b>-</b>	<b>78</b>	<b>3</b>	<b>4</b>	<b>97</b>	<b>-</b>	<b>-</b>	<b>175</b>	<b>-</b>	<b>31</b>	<b>68</b>	<b>512</b>
Wages and salaries		-	-			-	-	-	-	-	-	-	-	-	55	-	-	-	55
Goods and services		3	-			-	-	-	-	-	-	-	-	-	35	-	-	27	65
Utilities		-	-			-	-	-	-	-	-	-	-	-	-	-	-	-	-
Subsidies and transfers		-	-			-	-	-	6	3	4	-	-	-	5	-	31	36	85
Capital Investments		53	-			-	-	-	72	-	-	97	-	-	80	-	-	5	307
<b>Payments from Own Source Revenues of 2008</b>	<b>3</b>	<b>99</b>	<b>19</b>			<b>1</b>	<b>-</b>	<b>9</b>	<b>12</b>	<b>3</b>	<b>6</b>	<b>37</b>	<b>1</b>	<b>3</b>	<b>50</b>	<b>-</b>	<b>1</b>	<b>36</b>	<b>277</b>
Wages and salaries		-	-			-	-	-	-	-	-	-	-	-	3	-	-	-	3
Goods and services		15	19			1	-	9	12	3	3	12	1	3	10	-	1	10	99
Utilities		-	-			-	-	-	-	-	-	-	-	-	4	-	-	4	8
Subsidies and transfers		84	-			-	-	-	-	-	3	-	-	-	2	-	-	22	111
Capital Investments		-	-			-	-	-	-	-	-	25	-	-	31	-	-	-	56
<b>Grants</b>	<b>4</b>	<b>-</b>	<b>-</b>			<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>717</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>717</b>
Wages and salaries		-	-			-	-	-	-	-	-	-	-	-	-	-	-	-	-
Goods and services		-	-			-	-	-	-	-	-	1	-	-	-	-	-	-	1
Utilities		-	-			-	-	-	-	-	-	-	-	-	-	-	-	-	-
Subsidies and transfers		-	-			-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital Investments		-	-			-	-	-	-	-	-	716	-	-	-	-	-	-	716

**Istog Municipality**  
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Report of Receipts under Programs		Code	Administration and Personnel	Agriculture and Forestry	Budget and				Total
					Finance	Education	Health	Public Services	
Description									
Active inspection in locations for measurement	50504	-	-	-	-	-	-	52	52
Administrative tax for request form	50019	1	-	-	3	-	-	-	4
Birth certificate	50013	39	-	-	-	-	-	-	39
Education and Health participation	50409	-	-	-	-	44	48	-	92
License for advertising and publishing on public property	50212	-	-	-	-	-	-	3	3
License for individual activities	50201	-	-	-	8	-	-	-	8
License for professional services	50206	-	-	-	10	-	-	-	10
License for street shopping, kiosks and other open services	50202	-	-	-	8	-	-	-	8
License for fuel retail sale	50308	-	-	-	2	-	-	-	2
License for hotelier	50221	-	-	-	2	-	-	-	2
Licenses other business	50290	-	-	2	1	-	-	-	6
Property Tax	40110	-	-	-	171	-	-	-	171
Rent from public owned facilities	50408	-	-	-	6	2	-	2	10
Sale of goods	50403	2	-	-	-	-	4	-	6
Tax for change of land destination	50012	-	-	70	-	-	-	13	83
Tax for construction licenses	50009	-	-	-	-	-	-	36	36
Tax for martial certificates	50014	8	-	-	-	-	-	-	8
Tax for other administrative certificates	50016	30	-	-	-	-	-	-	30
Tax for tender participation	50020	3	-	-	-	-	-	-	3
Tax for vehicle registration	50001	1	-	-	51	-	-	-	52
Tax for verification of other documents	50017	4	-	-	-	-	-	-	4
Court penalties	N/A	78	-	-	-	-	-	-	78
Traffic penalties	N/A	10	-	-	-	-	-	-	10
Income from licences of forests	N/A	63	-	-	-	-	-	-	63
<b>Total</b>		<b>239</b>	<b>72</b>	<b>262</b>	<b>46</b>	<b>52</b>	<b>6</b>	<b>103</b>	<b>780</b>

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**Section 12 to 17. Notes to the financial statements**  
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*(Amounts in thousands of EUR, unless otherwise stated)*

**Payments from the General Fund ('KCF') and Own Source Revenue ('OSR')**

	Economic classification					Total
	Wages and salaries	Goods and services	Utilities	Subsidies and Transfers	Capital Outlays	
Functional classification						
Social protection	-	-	-	-	-	-
General public services	322	298	55	130	1,093	1,898
Defense	24	-	-	-	-	24
Public order and safety	-	-	-	-	-	-
Economic affairs	95	-	-	-	-	95
Environmental Protection	-	-	-	-	-	-
Housing and Community Amenities	51	-	-	-	-	51
Health	409	129	40	8	137	723
Recreation, Culture and Religion	22	-	-	2	-	24
Education	2,013	197	25	56	79	2,370
<b>TOTAL</b>	<b>2,936</b>	<b>624</b>	<b>120</b>	<b>196</b>	<b>1,309</b>	<b>5,185</b>

**Payments from Designated Grants**

	Economic classification					Total
	Wages and salaries	Goods and services	Utilities	Subsidies and Transfers	Capital Outlays	
Functional classification						
Social protection	-	-	-	-	-	-
General public services	-	1	-	-	716	717
Defense	-	-	-	-	-	-
Public order and safety	-	-	-	-	-	-
Economic affairs	-	-	-	-	-	-
Environmental Protection	-	-	-	-	-	-
Housing and Community Amenities	-	-	-	-	-	-
Health	-	-	-	-	-	-
Recreation, Culture and Religion	-	-	-	-	-	-
Education	-	-	-	-	-	-
<b>TOTAL</b>	<b>-</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>716</b>	<b>717</b>