



AGJENCIA KOSOVARE E PRIVATIZIMIT
KOSOVSKA AGENCIJA ZA PRIVATIZACIJU
PRIVATISATION AGENCY OF KOSOVO

REPORT

January – December 2014

ANNUAL REPORT OF THE PRIVATISATION AGENCY OF KOSOVO

FOR THE ASSEMBLY OF THE REPUBLIC OF KOSOVO

31 MARCH 2015

FOR THE ATTENTION OF THE ASSEMBLY OF REPUBLIC OF KOSOVO:

This annual report has been prepared by PAK Management. Annual report meets the legal criteria for reporting pursuant to Article 20.1 of Law on PAK.

Subsequent to the Board appointment, this report shall be presented for discussion and approval by the Board and then it shall be re-submitted to the Assembly pursuant to Article 20.1 of the Law on PAK.

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1. EXECUTIVE SUMMARY

In the present chapter is presented a brief summary with regard to the following areas:

- Information on the Board of Directors and Management;
- Main achievements;
- Asset sales;
- Liquidation of Socially Owned Enterprises;
- Payments for the workers of Socially Owned Enterprises (20%);
- Administration and monitoring of SOEs;
- Treatment of usurped assets;
- Approval of regulations and procedures;
- Acceleration of the process for privatisation and liquidation of SOEs in the future periods;
- Main challenges in the future periods.

INFORMATION ON THE BOARD OF DIRECTORS AND MANAGEMENT

During 2014, the Agency was involved in many assignments resulting in great and significant achievements for development of privatisation and liquidation process, despite the continuous challenges the Agency has faced.

The following are some of the main challenges that took place during 2014:

- The absence of the three members of the Board of Directors (as of May 2013). As at 31 August 2014, the Board functioned with 5 Board members only (3 local and 2 international members), whereas, as of this date, the mandate of the 2 international Board members expired. Since from 1 September 2014 only 3 members of the Board had the mandate which did not constitute a quorum for decision making as set out in article 15 of the Law on PAK regarding competencies vested to the Board of Directors only. Due to the absence of the full composition of the Board, the Agency could not distribute the funds to creditors in liquidation procedures;
- The mandate of Managing Director expired on 26 January 2014. Although the recruitment process for the position of a new Managing Director was open, the Managing Director was not appointed, and as a consequence public vacancy announcement has been annulled in May 2014;
- Suspension of Liquidation Deputy Managing Director from the Board of Directors on 07 May 2014;
- Resignation of Sales Deputy Managing Director on 17 September 2014.

Currently, in the capacity of the Management is the acting Deputy Managing Director – Liquidation only, who exercises the function of the Management in accordance with article 3 (paragraph 1.15) of PAK Law, and also in accordance with the legal opinion of the Ministry of Public Administration issued on 15 October 2014 which provide that in absence of PAK Managing Director this position should legally be replaced by PAK Deputy Managing Director.

Besides the competencies vested in the Board of Directors in accordance with article 15 of the Law on PAK, which can not be delegated to the Management, all other competencies of the Agency have been carried out in a fully effective manner.

MAIN ACHIEVEMENTS

- Commitment of Agency's personnel in overcoming challenges;
- Signed contracts during Privatisation Waves and Liquidation Sales;
- Distribution of 20 % for the workers of Socially Owned Enterprises;
- Increased effectiveness of administration, control and monitoring of SOEs, Special Spin Offs, and privatizations with conditions;
- Treatment of usurped assets or used without any legal ground by the third parties;
- Cooperation with Municipalities;
- Preparation of a large number of Regulations.

ASSET SALES

During the year, PAK executed the following three (3) Liquidation Asset Sales: LAS 24 on 19 march 2014, LAS 25 on 23 April 2014, and LAS 26 on 20 August 2014.

Table of the results of sales (signed contracts):

	January – December 2014	The entire process
Sale of New Enterprises	24	769
Sale of Assets of SOEs in Liquidation	121	534
Total number of Contracts	145	1303

Since from the beginning of privatisation, in general, from the number¹ of around 520 SOEs that are under the administration of the Agency, 769 new enterprises have been established from 406 Socially Owned Enterprises, whereas 534 assets have been sold during liquidation process.

LIQUIDATION OF SOCIALLY OWNED ENTERPRISES

During 2014, liquidation procedures for 123 Socially Owned Enterprises have also been initiated, whereas the total number of procedures initiated for liquidation of SOEs is 460. During 2014, the number of submitted creditor claims is 12.452, whereas the number of reviewed decisions submitted to claimants is 33.745. Liquidation Authorities of SOEs in Liquidation have prepared final reports and distribution reports for 25 Socially Owned Enterprises, as well as 155 Draft Distribution Reports for the same number of Socially Owned Enterprises in Liquidation.

¹ A certain number of enterprises have been removed from PAK mandate.

From the total number of socially owned enterprises under liquidation process, the reports of only 25 SOEs such as, final reports, and final or interim reports for distribution of funds have been prepared. Liquidation procedures for 428 SOEs are ongoing.

Table of liquidation results:

	January – December 2014	The entire process
Number of SOEs in liquidation	123	460
Number of creditor claims	12,452	88,851
Number of reviewed claims	33,745	81,443
Number of closed SOEs in accordance with decisions issued by the Special Chamber of the Supreme Court of Kosovo	3	7
Number of final reports	0	6
Number of draft reports for distribution of payments to creditors	3	19

PAYMENTS FOR THE WORKERS OF SOCIALLY OWNED ENTERPRISES (20%)

During the reporting period, the Agency published 13 workers' lists (5 Initial Lists and 8 Final Lists), and carried out interim distribution of 20% to eligible workers of 209 Socially Owned Enterprises and subsequent asset sales.

Table of the results of 20%:

	January – December 2014	The entire process
The amount of 20% distributed to the workers of SOEs	16,077,386	96,216,840
Final workers lists	13	314
Final decisions issued by the Special Chamber of the Supreme Court of Kosovo		92
Pending lists to be reviewed by the court		217
Number of paid workers		43,000

The amount of cash to be distributed to the workers after review of claims by the special chamber		24,932,761
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ADMINISTRATION AND MONITORING OF SOE-S

During the present year, we have had a close cooperation with Kosovo Municipalities. This cooperation shall be intensified in the future with purpose to implement legal framework. PAK contribution for inter institutional cooperation was essential for establishing of a factory for processing of water in Shkabaj, Municipality of Obiliq, in which case the Board of Directors approved the transfero of the property in the name of Watersupply Prishtina as a main condition for commencement of the works for construction of water factory in Shkabaj. The Money from expropriation shall be transferred to the Agency at the moment required for payment of obligations in accordance with PAK Law.

TREATMENT OF USURPED ASSETS

Taking into account successive impediments presented by usurpers before and during sales process, on 21 November 2014, the Management resolved that hereinafter all assets that shall be published for sale should preliminarily be vacated from usurpers with the help of Kosovo Police in accordance with article 26 of the Law on PAK, and that no contract shall be concluded/ submitted to buyers without vacating the assets from usurpers. On 10 December 2014, the Management approved the Guideline for Treatment of Usurped Assets.

The decision has been forwarded to all 9 (nine) economic chambers in Kosovo and to all investors registered in Agency's database.

The table below presents the number of assets used by third parties:

Region	Number of Usurped Assets	Assets used by Local Institutions	Assets used by International Institutions
Prishtina	135	18	3
Peja	165	17	0
Prizreni	35	12	0
Gjilani	13	25	2
Mitrovica	143	13	1
Total	491	85	6

Vacating assets shall be one of the most advantageous news for the benefit of investors, and for improvement of Kosovo's image towards foreign investors.

Following the decision taken for vacating of usurped assets and the approval of the Guideline on 10 December 2014 until 28 January 2015, the data recorded on the number of SOEs assets to be vacated by usurpers and the number of signed contracts recorded are as follows:

Description	Gjilan	Mitrovica	Prishtina	Prizreni	Peja	Total
Vacated from Usurpers	1	3	5	2	6	17
Entry into contractual relationship with former users	11	23	30	3	7	74

As a consequence of actions undertaken by the Agency for vacating of usurped assets and the increase of effectiveness in administration of assets a significant increase of lease collections in 2014 has been produced compared to 2013:

Type of bank accounts	Revenues from collection of lease Year 2013	Revenues from collection of lease Year 2014	Increase of lease	Increase by %
Liquidation	431,925	1,021,556	589,631	137%
SOE money in trust	815,959	929,463	113,504	14%
TOTAL	1,247,884	1,951,020	703,135	56%

FINANCE AND BUDGET

Annual Budget Financial Statements

Financial statements for 2013 and 2014 have been submitted to Treasury Department in the Ministry of Finances within the legal time limit. Agency's main sources of budget financing are Dedicated Revenues covered by its administrative direct activities and operations in accordance with article 21 of the Law on PAK.

Trust Fund Financial Statements

Trust Fund Financial Statements for fiscal year 2013 and annual statements for 2014 have been submitted to Ministry of Finances within the legal time limits. Trust Fund budget for socially owned enterprises which shall enter into liquidation is around 15 million euros for liquidation expenditures and 20 million euros for Liquidation Authority. The budget covers the period from the entry of an Enterprise into liquidation until completion of its liquidation.

Summary of financial results from annual budget of dedicated revenues:

	JANUARY – DECEMBER 2014
Annual Budget	7,345,873
Annual allocations	6,494,892
Expenditures: (75 % of the budget or 84% of allocations)	5,468,210
Number of transactions	2669

Summary of trust fund financial results:

Major incomings throughout the process

Asset sale revenues (new enterprises and liquidation asset sales)	662,329,714
Commercialisation revenues	5,020,552
Lease revenues	10,018,905
Other Trust Funds of SOEs (before liquidation)	7,815,054
Revenues from bank interest (7, 2 million Euros have been generated from time deposits)	34,840,282

Number of incoming transactions	173,185
Number of outgoing transactions	67,148
Total	240,333

Balance as at 31 December 2014

PAK Charter Capital	1,109,549
Reserve Fund	1,514,217
Administrative Fee	17,435,553

BALANCE OF FUNDS IN THE CENTRAL BANK (INCLUDING 5 MILION EURO TIME DEPOSITS) 31 DECEMBER 2014	562,800,769
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REGULATIONS AND PROCEDURES APPROVED BY THE AGENCY DURING 2014

The following are the regulations and procedures approved during the reporting period:

1. Determined Sales Comparison Guideline – January 2014
2. Amendment of Liquidation Rules of Tender – approved on 27 February 2014.
3. Amendment of Privatisation Agency of Kosovo banking procedures (version of June 2012) – approved on 27 February 2014.
4. Regulation on Salaries for Agency’s employees – approved on 27 June 2014.
5. Staff Regulation for Agency’s employees – approved on 27 June 2014.
6. Regulation on the Use of Agency’s Official Vehicles – approved on 27 June 2014.
7. Amendment of Regulation on Compensation of Board Members – approved on 23 July 2014
8. Amendment of Rules of Procedures for the Sale of Apartments of SOEs – approved on 23 July 2014.
9. Rules of the Work of the Committee for Illegal Constructions in the property of Socially Owned Enterprises (and repealing of previous Rules) – approved on 26/31 August 2014.
10. PAK Regulation on Lease – approved on 26/31 August 2014.
11. Regulation on leasing of the assets of SOEs in liquidation (December 2014);
12. Rules of Procedure of the Committee for reviewing of workers’ initial lists (WLCRC) – approved on 26/31 August 2014;
13. Guideline for realising of assets from usurpers;
14. Regulation on the Procedures of Control and Supervision Unit during the Monitoring of Enterprises privatised through Special Spin Off method and with Conditions.
15. Regulation on Procedures for treatment of accounts receivable.
16. Guideline for managing of staff performance.

1.1. WORK PLAN FOR 2015 AND THE MAIN OBJECTIVES

The Management has defined the requirements for preparation of annual plan for 2015 and submitted respective Memorandum on 24 December 2014 in which it established the main work objectives for 2015.

On 08 January 2015, an executive meeting of Management, Directors, and Heads of PAK Organisational Units was held in Prishtina in Prishtina. In this meeting, the participants discussed the objectives in detail and came to a comprehensive conclusion in final determination of work objectives for 2015.

Preparation of annual plan is obligatory for all organizational units of the Agency (departments, all commissions, organizational units which report to the Managing Director or Deputy Managing Director.

Purpose:

The purpose of the annual plan is to define as follows:

- main objectives of the Agency;
- measurable indicators of performance;
- sufficient human resources; and
- sufficient budget resources.

The objectives have been prepared regarding the future finction of Privatisation Agency of Kosovo (PAK) during the period 2015-2017.

The Management has defined a clear dynamic/timely plan for preparation of the detailes of objectives for 2015, and also prepared the Matrix of PAK Objectives for 2015.

All the activities of the Agency which are not under the exclusive competence of the Board of Directors in accordance with article 15 of the Law on Agency or any other legal provision shall be carried out by the Management.

Since the objectives for 2015 have already been defined on 24 December 2014, the details of these objectives for 2015 shall be defined during January 2015. A detailed plan shall be approved by the Management in consultation with the three members of the Board of Directors whose mandate expires on 20 February 2015.

As soon as the Board of Directors has quorum, this plan shall be presented to them for approval as pursuant to the applicable law the annual work plan must be approved by the Board of Directors.

By the end of 2015, the management shall also define clear objectives for 2016, whereas, in 2017, the Agency is likely to enter into the period for handing over of its duties (treatment of remaining claims, etc) to another government body.

The issues presented in the objectives for 2015 are set to comply with general interest of Kosovo in order to complete privatisation and liquidation process of Socially Owned Enterprises (SOEs) without further delays².

Four year Contract³ entered into with Professional Service Provider⁴ – PSP for liquidation process is signed on 10 July 2012 and expires on 10 July 2016 for completion of Liquidation Authority⁵ duties.

The following are the two main impediments which shall affect the process of liquidation of Socially Owned Enterprises as at 10 July 2016:

1. The Agency has not yet sold around 1500 assets of SOEs; and
2. There are around 10,000 creditor claims⁶ submitted against SOEs, and 6780 claims with 9980 claimants in the SOEs workers lists which are still being reviewed by the Special Chamber of the Supreme Court of Kosovo (SCSC).

For this reason it is of critical importance that:

- I. Issues which are under Agency's control such as liquidation/sale of assets to be completed by April 2016 in order that Liquidation Authority reports be presented to the Board of Directors before 10 July 2016; and
- II. Relevant institutions of the Republic of Kosovo shall prepare relevant strategies to expedite reviewing of court cases by the Special Chamber of Supreme Court of Kosovo.

It is clear that Socially Owned Enterprises shall not be liquidated unless the assets of SOEs in liquidation are liquidated as well as all creditor claims including ownership claims over assets of SOEs in liquidation are reviewed by SCSC.

Liquidation Authority/ Agency may, however, make interim distribution of payments to creditors in accordance with the approval of the Board of Directors (it is a precondition to know the number of claims and the amount of claims submitted to SCSC).

² The preamble of the Law no. 04/L-034 on PAK sets forth establishment of Privatisation Agency of Kosovo and delegation in this Agency of public and administrative authorizations on the enterprises and assets including but not limited to the mandate and authority for the sale or transferring of these enterprises and/or assets to private investors, or their liquidation through an open, transparent, competitive process without any delay.

³ The contract is signed between the consortium "Deloitte Central Europe and Tashko&Pustina".

⁴ PSP: see article 2.1 paragraph 1.13 of the annex of the Law on PAK.

⁵ See part III of the annex of the Law on PAK on the duties of Liquidation Authority.

⁶ SCSC submitted to the Authorities for Liquidation of SOEs around 1,200 Responses to Orders to creditor claims. According to claim samples and the number of SOEs may be expected more than 8.800 claims for which PAK has not yet been informed by SCSC. The total number of creditor claims shall be 10.000. According to SCSC press conference held on December 2014, the number of claims related to privatisation process is around 13.000.

MAIN OBJECTIVES⁷ FOR 2015:

1. Organisational structure of the Agency;
2. Completion of status determination reports for more than 30 Enterprises under Agency's administration;
3. Placement of more than 30 Socially Owned Enterprises in liquidation⁸;
4. Liquidation of remaining assets and eventual review of alternative sales methods (besides those used currently by the Agency);
5. Removal of usurpers from the assets of SOEs during 2015;
6. Enhancement of cooperation with stakeholders for finding of opportunities for revitalization of Trepça;
7. Distribution of residual funds of SOEs in liquidation for the Government of Kosovo;
8. Payments to creditors of SOEs in liquidation;
 - Interim distribution, when possible; or
 - Final distribution of funds to creditors of SOEs.
9. Preparation of final reports for closing of liquidation of Socially Owned Enterprises;
10. Preparation and publication of workers lists of SOEs that have entered into liquidation⁹;
11. Distribution of 20% to eligible employees;
12. Review of expenditure policies estimating decrease of Agency's annual budget for economic category "goods and services" and "subsidies";
13. Implementation of recommendations (of all previous years) given by Office of General Auditor of Kosovo and PAK Internal Audit Unit no later than 30 June 2015.
14. Review of current regulations and legal provisions, where necessary, in order to effectively implement the set objectives in order to successfully close privatization and liquidation process of Socially Owned Enterprises.
15. Complete reviewing of all requests and prepare contracts for the sale of apartments of SOEs by 31 December 2015;
16. Treatment of illegal constructions¹⁰ in the assets of SOEs by the Committee for Illegal Constructions;
17. Establish a mechanism for treatment of assets located outside Kosovo through diplomatic channels (Ministry of Foreign Affairs);
18. Inclusion of all PAK regulations, guidelines, and procedures in one Directory.

⁷ The order does not determine the priority for action.

⁸ So far, 460 SOEs have been placed into liquidation. Around 30 enterprises out of 57, which have not been placed in to liquidation, shall be placed into liquidation in the first months; 5 enterprises are subject to preliminary injunction issued by SCSC; for 7 SOEs there is no need for broad consultation with the Government of the Republic of Kosovo (such as Palace of Youth, Brezovica, Kosovafilm, etcj), whereas, 13 assets located in the north of Kosovo are ready for liquidation.

⁹ So far, 314 workers lists have been published, and it is expected that during 2015 to prepare and publish the lists of all SOEs which have been put into liquidation process (currently, there are 460 SOEs in liquidation).

¹⁰ According to previous records, as of 2000, there are around 2,000 illegal constructions in the property of SOEs.

ACCELERATION OF PRIVATISATION AND LIQUIDATION PROCESS IN THE FUTURE PERIODS

The Agency restates its urgent need for completion of the Board of Directors in order for the Agency to be able to fully exercise its legal mandate, in particular, to close liquidation of socially owned enterprises.

PAK remains committed to its objectives in order to fulfil its legal mandate, to avoid obstacles and to contribute in consolidation of Kosovo's economy.

The Agency shall cooperate closely with central institutions in order to successfully complete sales process along with liquidation of Socially Owned Enterprises, as well as identification of main challenges during the process such as the sale of assets with cadastral problems, illegal constructions, and delays in treatment of court cases from the Special Chamber of the Supreme Court of the Republic of Kosovo (employees, creditors, and third parties claims, etc).

MAIN CHALLENGES IN THE FUTURE PERIOD

- Acceleration of Privatization and Liquidation process;
- Completion of the Board;
- Completion of the Management;
- Trepça;
- Releasing of usurped assets Cooperation with municipalities;
- Cooperation with municipalities, provision of cadastral services;
- Delays in treatment of cases from Special Chamber of the Supreme Court of the Republic of Kosovo;
- Delays in treatment of cases from Basic Courts;
- Treatment of assets located outside Kosovo.

2. LEGAL FRAMEWORK

Privatisation Agency of Kosovo is established in accordance with the Law on Privatisation Agency of Kosovo (Law no. 03/L-067) which entered into force on 01 July 2008 as amended by the Law no. 04/L-034 which entered into force on 21 September 2011 (hereinafter the “Law”).

Privatisation Agency of Kosovo is established as the successor of Kosovo Trust Agency (KTA) established in accordance with UNMIK Regulation no. 2002/12 on “Establishment of Kosovo Trust Agency” as amended by UNMIK Regulation no. 2005/18 and provides that all assets and responsibilities of the Kosovo Trust Agency on Socially Owned Enterprises shall be transferred to Privatisation Agency of Kosovo.

The Privatization Agency of Kosovo is an independent public body that carries out its functions and responsibilities with full autonomy. The Agency possesses full judicial personality and in particular the capacity to enter into contracts, acquire, hold and dispose of property and have all implied powers to fully discharge the tasks and powers conferred upon it by the present law; and to sue and be sued in its own name.

PAK SUBNORMATIVE ACTS

1. PAK Charter Capital
2. The Statute of PAK Board of Directors
3. PAK Operational Policies and its Annexes:
 - 1) Rules of tender for privatization
 - 2) Rules of tender for liquidation
 - 3) Rules of Procedure of the workers lists claim review Committee.
4. PAK Financial and Banking Procedures;
5. PAK Personnel Policies;
6. Liquidation Guide and its Annexes:
 - 1) A list with Forms/ Liquidation Forms;
 - 2) The guide for Reviewing of Certain Employment Claims (employment relationship)
 - 3) The guide for Reviewing of Ownership Claims (against SOEs) during transformation period.
 - 4) Annex to Liquidation Guide for Processing of Collective Claims under liquidation procedure.
7. Regulation on remuneration of the members of the Board;
8. The guide to Procedure for distribution of 20 % of the proceeds;
9. The guide no. 01/2012 on procurement procedures for use by Socially Owned Enterprises;
10. Internal Procedures of the Executive Secretariat of the Board of Directors;
11. PAK Banking Procedures;
12. Regulation no. 01/2012 on Protection of PAK Integrity;
13. Regulation on the use of the official stamps of the Agency and on Authorization allowing the use of the official stamps of the Agency by Liquidation Authority;

14. The Statute of Internal Audit Unit (IAU);
15. Regulation on determination of methods for remuneration of managers and other employees of SOEs under the administration of Direct Administration Unit;
16. Rules of Procedure of the Committee for reviewing of illegal constructions on the property of socially owned enterprises;
17. Internal Regulation of the Agency in accordance with articles 16.3 and 14.1 of the Agency related to the procedures for recruitment of Managing Director, two Managing Directors, and the Director of the Executive Secretariat of the Board of Directors;
18. Regulation on staff development and capacity building;
19. Regulation on procedures and measures required for protection of persons entering or leaving PAK premises;
20. Internal Regulation of the Agency for Assessment of the Performance of the Management;
21. Policy on interim payment to workers;
22. The Procurement Guide for Trepça Enterprise under PAK Administration;
23. Banking Procedures of Privatization Agency of Kosovo;
24. Regulation on the Salaries of the employees of the Agency;
25. Personnel Regulation for the employees of the Agency;
26. Regulation on the Use of official vehicles of the Agency;
27. Rules of Procedure for Selling of SOEs' Apartments;
28. Rules of Work of the Committee for illegal constructions in the property of socially owned enterprises;
29. PAK Lease Regulation;
30. Regulation on leasing of the assets of SOEs in liquidation;
31. Rules of Procedure for reviewing of initial workers lists (WILRC);
32. Decision for vacating of usurped assets of SOEs (21 November 2014) and the Guide for vacating of usurped assets (10 December 2014);
33. Rules of Procedures of the Control and Supervision Unit during the Monitoring of Enterprises Privatized through Special Spin Off method and with Conditions;
34. Rules of Procedure for treatment of accounts receivable;
35. Personnel Performance Management Guide;
36. Sales Comparison procedures defined by the Management and brought to the attention of the Board.

3. DESCRIPTION OF THE INSTITUTION

3.1. MISSION AND VISION

Mission

The Agency is authorized to administer, including authorization to sell, transfer, and/or liquidate Socially Owned Enterprises and their assets.

To fulfill this mission, the Agency holds and administers each enterprise (under its mandate) in trust and for the good of their owners and creditors, and sells or liquidates the enterprises and assets in accordance with the law.

Vision

The Agency is resolved to quickly address the substantial economic and social impact and to promote investments in the concerned Socially Owned Enterprises, and providing the Privatization Agency of Kosovo with broad public administrative authority over such enterprises and assets, including, but not limited to, the mandate and authority to sell or otherwise transfer such enterprises and/or assets to private investors, or liquidate them, in an open, transparent and competitive process and without delay.

3.2. COMPETENCES OF THE AGENCY IN ACCORDANCE WITH THE LAW

The Privatization Agency of Kosovo (hereinafter the “Agency”) is an independent public body that shall carry out its functions and responsibilities with full autonomy. The Agency possesses full legal personality and in particular the capacity to enter into contracts, acquire, hold and dispose of property and have all implied powers to discharge fully the tasks and powers conferred upon it by the present Law; and to sue and be sued in its own name.

During the reporting period, the overall activities of the Agency have been managed by Managing Director¹¹, Deputy Managing Director - Sales and Deputy Managing Director - Liquidation.

The Agency is composed of the following departments:

- Sales Department;
- Department for Coordination of Liquidation;
- Department for Regional Coordination;
- Legal Department;
- Budget and Finance Department;
- Administration Department; and
- Procurement Department.

The Agency has also established its Internal Audit Unit and Executive Secretariat of the Board of Directors. The main office of the Agency is located in Prishtina. It has established five (5) regional offices (Prishtina, Peja, Prizren, Mitrovica, and Gjilan), and three (3) offices (Graçanica, Shtërpçë and Leposaviq).

Organisational structure of the Agency is presented in the end of the annual report of the Agency.

¹¹ The mandate of the Managing Director expired on 26 January 2014.

4. SCOPE OF WORK COVERED BY THE AGENCY

Around 604 companies in Kosovo have been identified by former KTA as Socially Owned Enterprises (SOE) or working units of SOE.

SOEs operated in a variety of sectors including metal processing, plastics, paper, hotels, mining, agro-industry, agriculture, forestry, building materials, construction, textile, winery and vineyards, brewing, tobacco, retail and wholesale trade.

SOEs represent about 90 % of Kosovo's industry and mining, 50% of commercial retail space, and less than 20% of agricultural land including all commercial agricultural land and the vast majority of Kosovo's forests.

Most of Kosovo's industrial assets, agricultural land, forests, urban commercial land, and commercial properties are owned by SOEs. Privatization of these assets and attraction of international investors and those from diaspora, region, and Kosovo shall have a positive impact on the economy and in creation of new job opportunities.

There are 86 out of 604 enterprises which are not considered to be placed into liquidation or that are out of Agency's mandate depending on the case (Trepça is under PAK administration):

1.	Trepça	19
2.	Forest Economies	24
3.	Kosovatrans and coordination offices of Kosovatrans	13
4.	Withdrawn from PAK competencies in accordance with the law	30

The total number of SOEs under Agency's mandate is 518 and 460 of them have started the liquidation process. There are 57 more SOEs which have not been placed into liquidation yet awaiting appointment of new Board members, whereas New Co Grand Hotel and New Co Kino ABC shall enter into liquidation on 02 February 2015 as the decision on these two New Cos has already been taken by the Board in August 2014.

PAK is proceeding with privatisation of SOEs through two methods:

1. "**Spin-Off**" – Assets and a limited number of responsibilities of SOEs shall be transferred to limited liability companies ("New Co L.L.C") with the shares of New Cos tendered for sale to private investors. Remaining liabilities towards creditors and workers remain with the Socially Owned Enterprise; and
2. "**Voluntary Liquidation**" – Assets of SOEs shall be liquidated /sold in accordance with the law and Agency's operational policies.

BOARD OF DIRECTORS

The Board of Directors is the highest body of the Agency and possesses full authority over the Agency. PAK Board of Directors conducts its meetings on regular basis in order to carry out its functions and responsibilities in accordance with the law. The Board of Directors consists of eight (8) members; five (5) local members appointed by the Assembly of the Republic of Kosovo, and three (3) international members appointed by the International Civilian Representative in conformity with the Law on Privatization Agency of Kosovo.

During 2008, the Board of Directors held six (6) meetings.

During 2009, the Board of Directors held eleven (11) meetings.

During 2010, the Board of Directors held twelve (12) meetings.

During 2011, the Board of Directors held eleven (11) meetings.

During 2012, the Board of Directors held eight (8) meetings.

During 2013, the Board of Directors held eleven (11) meetings.

During 2014, the Board of Directors held nine (9) meetings

In March 2014, PAK submitted the Annual Report for 2013, approved by the Board of Directors, to the Kosovo Assembly, and posted it in its website.

The sixty-first (61) meeting of PAK Board of Directors (the Board) was held on 31 January 2014. In this meeting the Board approved Procurement Plan for 2014 for Trepça Enterprise and appointed Mr Ahmet Tmava as Manager of Trepça Enterprise. In this meeting have been approved as follows: a) transactions of Liquidation Asset Sale (LAS)23, b) deposits for LAS 24 and c) announcement of privatisation Wave 60. Board also resolved to lease assets which are under administration of the Agency and also to change the budget of EUP Engineering Enterprise which is under liquidation procedure. Board also issued decision for interim distribution of 20% to eligible workers of the following SOE: “Emin Duraku” – Gjakovë/Pejë. The Board suspended the vacancy announcement for Managing Director of the Agency.

The sixty-second (62) meeting of PAK Board of Directors (the Board) was held on 27 February 2014. In this meeting the Board approved the leasing of several assets of Trepça Enterprise. In this meeting, the Board updated the following two sub-normative acts of Agency: a) Liquidation Rules of Tender, and b) Agency’s Banking Rules. Socially Owned Enterprise Genci in Prishtina was placed under Agency’s direct Administration, whereas New Co Rilindja Industrial Zone was released from Commitment Agreement Terms. Part of this meeting were the following Reports of Committees: a) SDR Committee Report (3 cases), and b) Report of the Committee for the sale of SOE apartments (28 cases). The Board has also approved proposals for budget amendment for 3 SOEs in liquidation.

In the period between the meeting of 27 February 2014 and the meeting of 26 March 2014 through written voting method, on 11 March 2014, the Board resolved to approve the proposal for interim distribution of

funds of 20% in accordance with new Strategy of 29 August 2013 for distribution of 20% - in this case for 195 enterprises.

The sixty-third (63) meeting of PAK Board of Directors (the Board) was held on 26 March 2014. In this meeting the Board resolved to continue the mandate of the following Committees: a) Bid Receiving Committee and Bid Opening Committee, and b) Continuation of the mandate of the Committee for Sale of SOE Apartments. In this meeting was also approved PAK Annual Report for 2013, which on 31 March 2014 was submitted to the Assembly of Kosovo. In this meeting have been approved transactions of Liquidation Asset Sale (LAS) 24. In this meeting was issued decision to approve leasing of 11 assets and to commence liquidation procedure for 45 SOEs. The Board also approved Memorandum of Understanding with Kosovo Police aiming to secure inter-institutional cooperation in the process of verification of respective data from the police, for the winning bidders of the sales organized by PAK of SOEs and their assets. The Board also issued the decision for interim distribution of 20% to eligible employees of SOE "Farming and Ploughing," Arbana (Dushanova)- Prizren. In this meeting, after having reviewed presented conditions, was resolved to withdraw from an asset of SOE Aromatiku, whereas for the asset of SOE Zdrukthtaria was resolved to enter into direct negotiations.

The sixty-fourth (64) meeting of PAK Board of Directors (the Board) was held on 26 April 2014. As regard Trepça Enterprise, the Board in this Meeting resolved to approve the sale of concentrate produced during 2014, and also resolved to approve the proposal for re-systematization and organization of Trepça Unit. As regards privatisation, the Board resolved to approve the updated list for announcement of wave 60 of privatisation, and also approved the list of assets to be announced as LAS 26. During this meeting, the Board established interim Managing Board for SOE Genci, whereas the legal entity "Institute for Hydroeconomy has been released from PAK competencies. As regards committees: a) the mandate of the Evaluation Committee for Registration of Qualified Bidders was extended for 1 more year, b) SDR Report Committee has been approved (3 cases); c) Committee Report for sale of SOE apartments has been approved (50 cases). The Board also resolved to announce leasing of 27 assets. As regards the lists of employees, it is approved the interim distribution for 20% in accordance with decision of the Board of Directors dated 29.08.2013 for the list of employees of SOE Industrial Battery Factory IBF "Trepça" in Peja.

The sixty-fifth (65) meeting of PAK Board of Directors (the Board) was held on 07 May 2014. According to the situation created with several officers and former officers regarding the case with special spin off of Iron-bar Factory FAN Podujeva, on 30 April 2014, the Board held urgent meeting and resolved to: i) temporarily dismiss the Deputy Managing Director, Liquidation Division for a time period of up to 6 months with 50% payment starting from 30 April 2014; and ii) Mr Avni Jashari, Director of Budget and Finance be appointed acting Deputy Managing Director, Liquidation Division, in a period of 6 months from the date of issuing this decision. After proposal submitted on this meeting, the Board resolved to amend the decision of the Board of Directors dated 26 March 2014 with regard to initiation of liquidation for 45 enterprises, respectively only to postpone the deadline for commencement of liquidation of 3 above-mentioned groups of enterprises.

The sixty-sixth (66) meeting of PAK Board of Directors (the Board) was held on 30 May 2014. As regards the situation of Management, in this period they resolved to establish Management Performance Appraisal Committee and also to annul the suspended vacancy announcement for Managing Director of Agency. As regards privatisation, Board resolved to approve transaction of LAS 25. As regards Committees, the SDR Committee Report was approved (5 cases). As regards the lists of employees, interim distribution of 20% has been approved in accordance with decision of the Board of Directors dated 29.08.2013 for the lists of employees of a) SOE “Vreshtaria”, Landovice/RO Prizren; and b) SOE “Zadruga”, Shterrpce/RO Gjilan.

In the period between the meeting of 30 May 2014 and the meeting of 27 June 2014, through the written voting method, on 16 June 2014, the Board resolved to approve the proposal to dismiss two members of the Committee for illegal construction and to appoint two new members.

The sixty-seventh (67) meeting of PAK Board of Directors (the Board) was held on 27 June 2014. The Board, after performance appraisal, resolved to extend mandate of the Director of Executive Secretariat for one more mandate. As regards Trepça, the Board resolved as follows: a) to authorize PAK Management to submit the claim with SCSC regarding postponement of Reorganization Plan of Trepça Enterprise; and b) to approve the request of Trepça Management to allow financial means and reactivate production in Zinc Oxide Factory. After an incident that happened on the day of sale/bid opening for wave 60 and LAS 26 and after proposal of Management, The Board re-approved/confirmed decision of Management to annul bid opening day for LAS 26 and Wave 60. As regards liquidation, the Board on this meeting resolved to approve the proposal for commencement of liquidation of 11 SOEs. During this meeting, the Board approved the following subnormative acts: a) Regulation on Salaries for employees of PAK, b) Staff Regulation for PAK employees (update), c) Regulation on use of PAK official vehicles. As regards committees: a) SDR Committee Report has been approved (8 cases), b) (report dated 16.06.2014 of the Committee for SOE apartments (50 cases), and c) ELRC Report for SOE “Prizren-Trans” in Prizren. As result of non-fulfillment of obligations, the Board resolved to approve proposal for penalties for purchaser of Llamkos, for Coresteel in Kosovo and in Dubai.

In the period between the meeting of 27 June 2014 and meeting of 23 July 2014, through written voting, on 18 March 2014, the Board resolved to approve the proposal for annulment of Wave 60 of Privatisation, since as result of commencement of liquidation in many enterprises, for Wave 60 had remained only one New Co and that is not seen appropriate to proceed with Privatisation Wave with only one New Co.

The sixty-eighth (68) meeting of PAK Board of Directors (the Board) was held on 23 July 2014. One of the most important decisions made in meeting was approval of PAK Budget for 2015. As regards privatisation, the Board resolved to approve announcement of the list for LAS 27. As regards various requests, the Board resolved to approve the request of purchaser “Jugoterm” with regard to extension of investment deadline and also resolved to approve the request of New Co Grand Management for increasing of salaries for employees of the hotel. As regards Committees: a) SDR Committee Report was approved (2 cases), b) Report of the Committee for SOE apartments (60 cases), and Committee’s change of composition, and c) ELRC Report for SOE Kosovarja – Artizanati Prishtina. During this meeting, the Board approved the proposal to update the Regulation for compensation of Board members.

In the period between the meeting of 22 July 2014 and the meeting of 26/31 August 2014 through written voting, on 21 August 2014, the Board resolved to approve the following proposals: a) the Proposal to

remove Grand Hotel from Direct Administration of PAK, b) the Proposal to remove SOE Fapol from Direct Administration of PAK, c) Report of the Committee for sale of SOE apartments dated 08 August 2014 (33 cases), d) The list of employees and interim distribution for SOE “Pharmacies of Prishtina”, and e) Trepça Zvecan – Request to approve the annex contract for the sale of Zinc Concentrate.

The Sixty-ninth meeting (69) of PAK Board of Directors (the Board) was held on 26 and 31 August 2014. On this meeting, the Board of Directors resolved to extend the suspension from work to Mr N. A, and continue with Avni J. Jashari as acting DMD for Liquidation until further Board decision. Considering that the Board after 31 August 2014 shall not have sufficient quorum for meetings, the Board made decision on how the Agency is going to operate after 31 August 2014 – Supervision of Management by 3 remaining members, coordination and reporting for the period when the Board of Directors is not functional. As regards Trepça, the Board of Directors, after probation period of 6 months, resolved to extend the appointment of Trepça Manager and also to re-announce a new tender regarding hiring procedure of Professional Service Provider. As regards privatisation, transactions of LAS 26 have been reviewed and approved and announcement of the List of assets for LAS 28 has been approved as well. As regards the work of committee, the Board resolved as follows: a) SDR Committee Report has been approved (3 cases), b) Work Plan has been approved and the Rules of Procedure of the Committee for Illegal Constructions in SOE properties has been updated, c) Initial List Review Committee has been established and the Committee’s Rules of Procedures have been approved, d) Report of the Committee for sale of SOE apartments dated 22 August 2014 has been approved (27 cases), and e) it is resolved in favour of interim distribution of 20% to eligible workers of the following SOEs: SOE AC Zhegra in Zhegra – Gjilan. In this Meeting, the Board resolved to approve lease regulation of PAK and also resolved to lease several agricultural lands. As regards liquidation, the Board in this meeting resolved to approve the proposal regarding commencement of liquidation to 15 SOEs, whereas as regards contract management with LA, several changes have been conducted in appointment of respective committees for supervision/implementation of this contract. In this meeting was also resolved for enhancement of existing budget of all SOEs in liquidation. The following decisions were also made regarding liquidation: a) to enhance initial budget of two SOEs in liquidation, b) to reset the start date of liquidation, c) allocation of funds from the sale of Hotel Palace between Trepça Hotel and Lux has been approved d) the result of direct negotiations was approved for SOE Zdrukthëtaria, e) several data regarding commencement of liquidation to SOE Tregu has been changed. As regards enterprises with Special Spin Off, the following decisions have been made: a) MIM Golesh – execution of the decision for call-option dated 16 December 2011 and placement of enterprise in direct administration of PAK has been approved, dhe b) Agrokosova Holding – the term of investment was extended to 31.12.2014 and then was resolved to take place audit of the whole period from the start date of the contract until 31.12.2014. During this meeting, the Board of Directors approved Memorandum of Understanding entered into between PAK and Kosovo Agency of Statistics that is to be approved by the Board of Directors, and also resolved to approve transfers of AIC Kosova Export SOE Bujqesia parcels in the name of Regional Watersupply Company – Prishtina with regard to building Water Supply Factory in Shkabaj.

Development after 31 August 2014

Since 1 September 2014, the Board of Directors lacks quorum to hold standard decision-making meetings. According to Appointment Act issued by International Civilian Representative, the mandate of International Board members Mr. Hubert Warsmann and Mr. Mohammed Omran has expired on 31 August 2014. The local members of the Board of Directors, Mr. Skender Komoni – Vice Chairman and members Mrs. Maja Milanovic and Mr. Haxhi Arifi have a mandate until 20 February 2015.

According to Board decision dated 26/31 August 2014 three remaining Board members shall be responsible for the following issues:

1. Pursuant to article 11.2 of PAK Law, the Board of Directors shall delegate all its competencies to PAK Managing Director and/or two Deputy Managing Directors acting jointly from 1 September 2014 until new Board composition with sufficient quorum, not latter than 20 February 2015, unless competencies reserved according to article 15 of the same law.
2. If the Management during this period suspects whether or not a certain decision falls under article 15 of the law, this shall be unanimously resolved by remaining members of the Board, after they have consulted Director of Legal Department and Director of Executive Secretariat.
3. During this period, the Board members together and separately shall be authorized to exercise general supervision, monitoring and giving advices to Management in exercising Agency's common activity within its mission and mandate. This authorization is spread but not limited to as follows:
 - a. Chairman of the Board (in its absence - Vice Chairman) is authorized to carry out all administrative works related to approval of leaves, official trips, and expenses or similar for Management and Director of Executive Secretariat.
 - b. Board members, Management and Director of Executive Secretariat shall meet at least once a week in order to coordinate all activities regarding implementation of Agency's mandate within legal framework. Summaries of these meetings shall be prepared in shape of report that will be at disposal of the Board when the quorum is sufficient.
 - c. The management shall report once a month regarding its work. These monthly reports of Management shall be at Board's disposal when the quorum will be sufficient.
 - d. Decisions on budget requests for 2015 in the Ministry of Finance should be discussed among Board members.

According to above-mentioned decision, three members of the Board, since 1 September 2014 until 31 December 2014 have held 13 regular weekly meetings with Management (acting Deputy Managing Director – liquidation). Minutes of these meetings shall be submitted to the Board of Directors – immediately after being completed.

Management has also drafted monthly reports for September, October, November and December 2014 which shall also be submitted to the Board of Directors – immediately after being completed.

ORGANISATION, ACTIVITY, HUMAN RESOURCES AND SALARIES, ASSETS

As regards this subchapter, the reporting has been made as in the following:

- a) organization – organizational structure of the Agency is presented in the annex of the annual report;
- b) The activities of the Agency and respective organizational units – is presented in the chapter “Activities during the reporting period”;
- c) The number of employees and the salaries of the Agency – are presented in the annex in the format required by Parliamentary Commission for Budget and Finances;
- d) Assets – the report of assets is presented in the annex (financial statements of annual budget) in the format required by the Ministry of Finance.

The Head Office of the Agency is located in “Ilir Konushevci” street no. 8, Prishtina. There is an extraordinary lack of working space area in the Agency because of outdated building.

The Agency received a request from the Municipality of Prishtina to vacate the premises because of Municipal development plans. The Ministry of Public Administration has been informed about this matter, and the discussions for the Agency to move its offices in the building of former Bank of Lubljana building, which is a socially owned property, are ongoing.

5. ACTIVITIES FOR THE REPORTING PERIOD

5.1. SALES DEPARTMENT

Privatisation of Socially-owned Enterprises (SOE) shall have large positive impact in municipalities of Kosovo by various sectors of economy while enabling increase and development of private sector. It is important that this process be carried out as soon as possible in a due and transparent manner and in accordance with the law.

Sales Department is comprised of:

1. Preparation and Sale Closing Unit;
2. Sales Document Review Unit; and
3. Cadastre Unit.

Sales Department is responsible for privatisation according to methods presented below:

“Spin-Off” – Assets and limited number of obligations shall be transferred to the newly established joint stock companies (New Co) with shares of New Co and then shall be tendered for sale to private investors.

Liabilities to potential creditors remain obligations of Socially-owned Enterprises and these issues shall be settled through liquidation process. Considering that most of Socially-owned Enterprises already entered the process of liquidation, the Regular Spin off Sale is not expected.

“Voluntary Liquidation” shall enable:

- a) The sale of assets which were not sold through privatisation; and
- b) Review of creditor claims and distribution of funds realized in accordance with priorities provided by law.

During the reporting period have been published Liquidation Asset Sales 24, 25 and 26.

During the year, PAK realized the following three Liquidation Asset Sales: LAS 24 on 19 March 2014, LAS 25 on 23 April 2014 and LAS 26 on 20 August 2014.

Results of of sale presented on the table (signed contracts)

	January – December 2014	The whole process
Sale of New Cos	24	769
Sale of SOE assets in liquidation	121	534
Total number of contracts	145	1303

Liquidation sales during the period January – December 2014 are presented on the table below:

Liquidation sales	Date of sale	No of assets	No of received bids	Total value of bids EUR	Withdrawals, Annulments EUR	Total value EUR	No of assets annulled by the BoD, withdrawals	Accomplished sales	Unrealized sales – in process
24	19 March 2014	50	130	9,870,871	8,465,030	1,405,841	29	20	1*
25	23 April 2014	62	100	4,707,403	1,793,695	2,913,708	41	21	-
26	20 August 2014	54	95	8,212,876	5,234,810	2,978,066	32	19	3**
Total	3 sales	166	325	22,791,150	15,493,535	7,297,615	102	60	4

STATUS OF PAYMENTS

Asset sale 24:

- Background verification for all purchasers has been completed.
- All payments have been completed.
- All contracts have been completed except Item 25: Land and Building in the centre of Mitrovica (parcel 1451-1), due to cadastral problems.

Asset sale 25:

- Background verification for all purchasers has been completed.
- All payments have been completed.
- All contracts have been completed.

Asset sale 26:

- Background verification for all purchasers has been completed.
- All payments have been completed.

- Three purchasers failed to carry out payment. Their deposit is confiscated and sales have been annulled.
- Purchaser's contracts have been submitted.

SIGNING CONTRACTS WITH BUYERS

- During the period January – December 2014 have been signed and submitted to buyers 145 contracts in total (Liquidation 102, Spin-Off 24). Some of these contracts are from the sales performed by the end of 2013.

SALES PROHIBITTED BY THE SPECIAL CHAMBER OF THE SUPREME COURT

The Special Chamber of the Supreme Court (SCSC) prohibited eleven (11) sales, and as long as these prohibitions are not removed, it is impossible to proceed with sales. Prohibitions apply to the following enterprises/assets:

1. New Co "AGROKOSOVA – Offices L.L.C.." – Wave 37;
2. New Co "AC Shtime Administrative Office L.L.C.." – Wave 42; and
3. New Co "Workshop Iliria L.L.C." – Wave 43.
4. Asset sale 20, Item 12: "Farming and Ploughing - Agricultural Land Miradi e Poshtme I"
5. New Co "Jugobanka office in Skenderaj" – Wave 58
6. New Co " Ereniku Industry Warehouse in Industrial Zone Prishtina Prishtinë" – Wave 59
7. Newco "Farmakos Blue Factory" Prizren.
8. Item no. 11 Jugobanka Zyra në Zubin Potok – SHAL 23
9. Item no. 12 Jugobanka Zyra në Zveçan – SHAL 23
10. Item no. 13 Jugobanka Ndërtesa Administrative në Mitrovicë – SHAL 23
11. Item no. 14 Jugobanka Banesa në Mitrovicë – SHAL 23

From 705 cases filed in the Special Chamber of the Supreme Court for temporary injunctions for actions by PAK, during the period od privatisation from June 2002 until now, there are the following data:

- 98 temporary injunctions are still in effect (122 temporary injunctions were approved, while 34 are revoked);
- 195 requests for temporary injunctions are still being reviewed by the SCSC; and
- 378 requests are rejected by SCSC.

5.2. MARKETING AND INVESTOR RELATIONS UNIT

Marketing and Investor Relation Unit continued to provide full support for all sales accomplished by PAK and the promotion and keeping good relations with investors. As regards realization of sale announcement, multimedia plans of marketing have been conducted and applied including the use of due media means, in accordance with strategy for massive marketing. Operational activities which include launching of sales, realization of due promotion materials have been conducted, and advising services have been offered to all investors interested to take part in the process of privatisation such as their information, pre-qualification, coordination of due diligence etc.

Aiming to increase visibility and distribution of information to broad public opinion or stakeholders and promotion of privatisation process to potential local and international investors, Marketing Unit has represented PAK in relevant events and activities while doing research and identifying new alternative possibilities for promotion of Agency's work.

Promotion and Marketing Activities

New Marketing Initiatives

- Radio is used for the first time to advertise asset sales. Radio advertising is broadcasted in 3 national radio stations and in 5 local radio stations, in the regions with more properties offered for sale. The same radio advertising was broadcasted in Serbian Language as well, through radio station in north of Mitrovica.
- Agreement for media partnership is signed with "E.E.L. Events Limited", upon organizing the forum named "Invest in Kosovo 2014", which was held in Prishtina on 28-29 May 2014. Purpose of this event was increase of awareness for investment in Kosova. Agreement did not include monetary expenditure, but was based on mutual profit through marketing activities.
- Aiming to continuously improve services offered to potential investors, a research was undertaken regarding evaluation of the quality of PAK services, whereby the questionnaire was delivered to bidders upon submission of their bids.
- Based on the request for support issued by organizers of "Docufest and Ngomfest" to the Liquidation Authority, regarding the use of asset of SOE Kino Lumbardhi, as in-kind contribution, it was reached an agreement to present logo of PAK in promotion festival materials, which is considered as a good method of increase of visibility and increase of PAK image.

Other marketing activities

Marketing Unit has undertaken different marketing activities trying to support the strategy for promotion and attraction of investors:

- a) Accomplishment of promotional printed materials – including conception, design and supervision of printing. Some of accomplished materials include:
 - Design of the cover and supervision of accomplishment of PAK annual report
 - Design of all announcements in local newspapers
 - Design and realization of the general guide of privatisation
 - Design of attractive posters bearing positive message for privatisation process
 - Promotion pack for UAE delegation
 - Design for promotional materials (guide, calendar, notes, etc)

- b) During the period January -December 2014 representatives of Unit participated different events, aiming to promote privatisation process in general, and specific projects in particular, including:
- International Fair “Prishtina 2014”, held from 30 April – 03 May 2014, organized by Kosova Chamber of Commerce
 - Expokos Fair 2014, in Prishtina
 - Forum “Kosova 2014”, held on 27 May 2014, in Prishtina
 - Participation in presenting privatisation opportunities for UAE delegation, organized by the office of Kosovo President, held in Prishtina
 - AGROKOS Fair 2014, in Prishtina
 - Business Fair, held in Prishtina
- c) Design and edition of eight (8) announcements in local newspapers and webpage; and
- d) Concept, design and realization of four (4) TV advertisings.

Announcement of Asset Sale 24, 25 and 26

In the frame of supporting activities for announcement of sales were undertaken the following activities:

- Summary of relevant materials, coordination with regional offices and Tender Preparation Unit with regard to preparation of asset sale announcements
- Publication of asset sale announcement was done in all local newspapers, PAK webpage, and through broadcasting TV advertising in three National Televisions RTK, RTV 21 and KTV. Short information was also published regarding the terms and the dates for submission and opening of tenders
- Prequalified investors have been informed about announcement and asset sale through electronic mail and SMS service
- Information about sale of asset was given even in Electronic Medias, whereby selecting (5) most visited portals
- Publishing announcement through radio advertising was implemented for the first time this year, whereby have been selected 3 national radio stations and 5 local radio stations in the regions with more properties included for sale

Investor Relations

Investor Relations and Marketing Unit keeps being the key point of communication with potential local and international investors, while responding to claims and offering instructions and advices regarding the process of privatisation and participation in announced tenders, including pre-qualification, coordination of due diligence and provision of tender materials (Tender Rules, Information Memorandums etc.). During the period January-December 2014 were held regular meetings with all interested investors that resulted with:

- a. 279 new pre-qualified investors during this period
- b. Over 1,160 agreements for protection of business secret were signed with parties interested on properties and assets tendered during this period

Webpage

Web page of PAK is constantly being populated with all information about privatisation process in Kosovo. This includes launching of asset sale, preliminary and finale lists of employees for distribution of 20%, liquidation final reports, press –releases, reports and regulations, results and decisions for sale of assets, and other important information. Based on historical records, the number of visits in web page for the period January-December 2014 was 277,652 visits.

5.3. CONTROL AND SUPERVISION UNIT

The main duties of Control and Supervisory Unit are collection and systematisation of financial reports from Socially-owned Enterprises (SOEs) administered by PAK, as well as systematization, collection, and comparison of financial reports in order to preserve the value of SOEs, increase the value and to undertake actions in a timely manner in the cases when the property may be mismanaged. Control and Supervisory Unit prepares and executes the transfer of liabilities from SOEs to the buyers of these enterprises as set out in PAK Operational Policies.

Control and Supervisory Unit is also tasked to monitor fulfilment of commitments for capital investments, employment commitment, and continuation of business activity as set out in Commitment Agreement for enterprises privatised through Special Spin Off method and Spin Offs with condition.

Based on business plan for 2014, Control and Supervisory Unit has determined its priorities as in the following:

- Collection and analyse of financial report of SOEs accomplished by our officers who are charged for control and supervision in the region and coordination of activities with officers for common objectives, visits in regional offices and SOEs aiming to verify information regarding the property of these enterprises, preservation and increase of property value, and identification of cases where mismanaging of this property may occur.
- Transfer of obligations of SOEs to buyers for 12 last months or 3 last months depending on type of obligations to be transferred.
- Visits and contacts with other relevant institutions in order to have better communication with institutions of common interest and to coordinate activities with respective units within Corporate Governance Unit and other departments within PAK.

The table below represents a description of planned and accomplished activities by supervisory and control unit for reporting period 01 January to 31 December 2014:

Table of main activities:

Activities	Achievements during the reporting period
Financial Reports received from SOEs	15
Transfer of SOE liabilities to buyers	23

Table of other activities:

Other activities	Achievements during the reporting period
Meetings with other institutions	5
Notices on liabilities submitted to other institutions	46
Meetings with the management of SOEs	12
Total	63

As noted above, Control and Supervisory Unit also conducts monitoring of enterprises privatised through Special Spin off method, and enterprises privatised with conditions. In the following, we shall present a report on the enterprises which are monitored by CSU.

Special Spin Offs

Since the beginning of privatization process and up to now have been privatized 26 enterprises through Special Spin off method. There are three enterprises privatized through Special Spin off method which have been under monitoring during 2014 and one them has been released from reporting due to fulfilment of conditions foreseen by commitment agreement (Jugoterm International Gjilan) has been released by decision of PAK board in August 2014. During the time period January – December 2014, two enterprises keep being active, respectively complying with commitment agreement terms.

Following is presented the list of privatised SOEs through Special Spin off Method which have been in the process of monitoring during 2014:

- IDGJ Tobacco
- AIC Suhareka (Agrokosova Holding)
- Jugoterm
- Mim Golesh.

New Co “Jugoterm International”, was privatised through Special Spin Off in Sales Wave 15, whereas, ratification of the Agreement was carried out on 17 April 2012. Commitment Agreement should be satisfied within a two years period in the amount of 2,760,000.00 €, whereas the number of workers to be employed according to employment commitment is 282, half of which shall be employed during six months, while the next half should be employed in the course of commitment agreement until its completion as set out in the agreement. In 2014 were realized 9 monitoring visits. On 26 and 31 August 2014, at the meeting held by PAK Board of Directors, in accordance with article 7.1.1 and strategy of the Board for treatment of special spin offs for New Co “Jugoterm International” LLC, was issued the decision for release from Commitment Agreement.

New Co “IDGJ Tobacco” LLC, was privatised through Special Spin off Method in wave 11, whereas the period for fulfilment of commitments foreseen by Commitment Agreement ended on 13 August 2008. On 16th December 2011 the Board of Directors takes the decision to exercise the call option of shares and which decision entered into force on 15 March 2012.

In the same meeting held on 16 December 2011, the Board of Directors established the Committee for reviewing of the cases related to enterprises privatised through special spin off method. The Committee consisted of some members of PAK Board and PAK Managing Director.

The decision for call option is suspended in the meeting held on 12 March 2012 until the meeting held on 29 March 2012. The Committee was instructed to work with the Administrator of IDGJ Tobacco in an attempt to attain a better bid from Premium Tobacco, which was to be reviewed in the Board of Directors meeting held on 29 March 2012.

On 27 March 2012 has been approved Renovation Agreement of Commitment Agreement signed with New Co “IDGJ Tobacco” L.L.C. from Task Group of PAK. This agreement was approved by the PAK Board of Directors on 29 March 2012, and was signed by all parties involved in this Agreement on 12 April 2012, and condition for this enterprise during the period of 2 years is to realize investment amount of € 4,000,000.00 and to fulfil the number of 14 employees in the first month, 35 employees in the second months, 55 employees in the third month and 90 employees from the fourth month until completion of Novation Agreement. Reporting Period for this enterprise ended on 10 September 2014.

In the period of 2 years, this Enterprise submitted eight (8) quarterly reports. In order to verify purchaser’s accomplished investments and employment in this Enterprise, PAK hired independent audit company to conduct audit of realized investments and employments. On 19.12.2014, the Audit Company submitted audit report, according to which the Purchaser realized investment in amount of 3,254,238.07 or 81.36% out of € 4,000,000.00 committed investments. As regards employment according to audit report, Purchaser fulfilled recruitment commitments to 95.68%. During 2014, in this enterprise have been realized 8 monitoring visits.

“AIC Suhareka/Agrokosova Holding”- was privatised on 27 August 2007 by Buyer “Gruppo Vinicolo Fantinel” and “QMI” through Special Spin off method in wave 19 of the sale, whereas the period for fulfilment of commitments set out in Commitment Agreement has ended on 27 August 2009. In accordance with Commitment Agreement, the Buyer is committed to carry out capital investments in the amount of 8.600.000 €, and to employ 173 workers during the first six months, and until the end of the first year the number of workers shall reach to 345.

During the reporting period, PAK has engaged external auditors to audit the fulfilment of the terms of commitment agreement for the buyers of NewCo “AgroKosova Holding”. According to external auditor’s report, the buyer of NewCo “AgroKosova Holding” has fulfilled the terms regarding capital investments in the level of 88.87 % whereas, employment commitment to 39%. In the meeting of the Board of Directors of PAK held on 20 July 2012, the Board resolved that the decision for call option issued by the Board dated 16 December 2011 remain into force, however, the Board resolved to postpone the execution of this decision for 6 months, and in meantime to engage a company in order to carry out the evaluation of investments in this enterprise, and then to review the decision of the Board for call option. At the Meeting held on 26 and 31 August 2014, PAK Board of Directors for matters related to New Cos privatised through Special Spin off Method, resolved to annul the decision for call option of the Board dated 16 December 2011 for New Co “Agrokosova Holding” and to extend the deadline for fulfilment of commitment agreement terms from 27 August 2009 until 31 December 2014, and after expiry of deadline, the enterprise should be audited for whole investment period in accordance with contract in order to prove fulfilment of commitments.

New Co “Mine and Industry of Magnesite Golesh” – was privatised on 11 December 2007 by Buyer IMING d.o.o, through Special Spin off method in wave 22 of sale, whereas Commitment Agreement has ended on

11 December 2009. In accordance with Commitment Agreement, the Buyer is committed to carry out capital investments in the amount of € 16,200,000 and to employ 178 workers during the first six months, whereas by the end of the first year the number of workers shall reach to 355.

In March 2012, PAK engaged external audit company to audit the fulfilment of investment and employment commitments, which according to audit report of the period from 11 December 2007 to 08 March 2012, Purchaser presented investment in amount of € 6,764,988.00 out of € 16,000,000.00, or 41.75 %.

However, according to external independent audit report, investments paid and confirmed by auditor reach 326,978.00 out of € 16,200,000 or only 2.01% of the expected investment. As regards employment, according to auditor's report, buyer employed 1,850 workers out of 14,443 that have been committed, or only 12.80%.

Due to serious violation of contract terms foreseen by Commitment Agreement, PAK Board of Directors, on the meeting held on 26/31 August 2014 resolved to exercise call-option and to return the New Co under direct administration of PAK.

Actions taken by the Agency after Call-option and placement under Direct Administration of PAK have been shown in sub-chapter "Direct Administration Unit" of this report.

Enterprises privatised with conditions

During the period January- December 2014, eleven enterprises privatised with conditions have been under monitoring of fulfilment of contract terms, mostly keeping the same business activity. "Rilindja" Enterprise – Industrial Zone has been released upon decision of PAK Board of Directors dated 27 February 2014, due to fulfilment of conditions undertaken upon commitments agreement.

Table showing enterprises privatised with conditions:

No.	Name of Enterprise	Status
1	New Co "SharrCem"	Under monitoring
2	New Co "Hotel Union"	Under monitoring
3	New Co "Llamkos"	Under monitoring
4	New Co "Famipa"	Under monitoring
5	New Co "Amortizatorët"	Under monitoring
6	New Co "Dubrava DF"	Under monitoring

No.	Name of Enterprise	Status
7	New Co "Emin Duraku-Edico"	Under monitoring
8	New Co "Emin Duraku"- KI	Under monitoring
9	New Co "Industrial Battery Factory Trepça"	Under monitoring
10	New Co "Hotel Onix and Banja e Pejës"	Under monitoring
11	New Co "Rilindja Industrial Zone" L.L.C.	Has been released

NewCo "Sharrcem" was privatised on 09.12.2010 in the amount of 30.1 million euros. In accordance with Agreement for the sale and purchase of shares, the buyer noted that in the course of 5 years shall invest an amount of € 35 million, and shall employ all former workers of the enterprise (number of employees - 503) in the next 3 years.

During the time period of 3 years, the Purchaser of New Co "Sharrcem" has continuously submitted annual reports regarding investments realized in enterprise. Based on so far investment reporting, it is proved that purchaser has reported investment in amount of approx. € 20.5 million. However, despite continuous investment in enterprise, in the last two years can be noticed the decrease of investment trend, but regardless of that, enterprise is developing its production activity and there is not any serious difficulty in the market. As regards recruitment, purchaser keeps recruiting the same number of employees even though commitment for employment ended in 2013. New Co "Sharrcem" is obliged to report to PAK until 9 December 2015.

Asset "Llamkos Steel" was privatised in wave 6 of Liquidation sales, whereas the ratification of Sales Agreement took place on 25 August 2011. Based on the Sale and Purchase of Assets Agreement and the Business Plan, the Buyer of NewCo Llamkos undertook to employ 437 workers in the first six months and to carry out investments in the amount of € 25 million in the course of the first two years of its activity. The Buyer of the Enterprise has also undertaken to carry out two more phases of investments. In the second phase (18 months after the end of the first phase) shall be invested € 45 million, whereas, in the third phase (18 months after the end of the second phase) shall be invested 30 million euro.

After the end of the first phase of commitments and with purpose to verify fulfilment of commitments, PAK hired audit company "Grand Thorton" which performed audit regarding fulfilment of commitments in capital investment and recruitment. According to audit report, from the total amount of investments reported by Purchaser, only the amount of € **10,485,335.00** fulfils criteria investment in accordance with sale and purchase agreement.

Therefore, due to non-fulfilment of investment contract terms for the first period of 24 months, at the meeting held on 27 June 2014, PAK Board of Directors issued a decision to impose financial penalties for New Co Llamkos Steel" in Vushtrri. After receiving the Board decision Ref. No BD-67/14, CSU and PAK

Management sent to the purchaser of enterprise a notice on decision of the board for imposition of financial penalties along with decision. The amount of penalty applied to Buyer for non-fulfilment of contract terms charged on Buyer and the New Co during 2014 reach the amount of € 1,686,459.51 Euro.

In 2014, Control and Supervisory Unit has conducted regular monitoring visits in this enterprise. Based on what we have seen during the visit in New Co “Llamkos”, the situation is not satisfying and every day is getting worse. The enterprise currently is not conducting any production activity as a result of financial difficulties that purchaser of this enterprise is facing, considering that workers of this enterprise have not received their salaries since March 2014. It should be emphasised that in this enterprise we have seen only two guards whereas the rest parts of factory such as gas and ammonia tanks are without any supervision. We informed the Buyer several times by sending letters to improve this situation, but so far the situation is unchangeable.

New Co “Famipa” l.l.c was privatised in wave 49 of the sale, whereas the sale and purchase agreement was signed on 13 September 2011.

Annex 5 – Section B of the Statement regarding the transfer of assets and liabilities provide that the buyer of NewCo “Famipa” shall continue the same activity (production and processing of metals) and it shall not dismount and dislocate the equipments out of the enterprise, at least until the end of the agreement.

In 2014, Control and Supervisory Unit has conducted regular monitoring visits in this enterprise. New Co “Famipa” is an enterprise privatized with conditions that continuously had difficulties in fulfilment of contract terms, and this enterprise has never managed to conduct continuous activity but operated only in different time periods when they have orders. It is worth mentioning that during the time of monitoring visits in enterprise, workers of enterprise informed us that they have been invited to be present in enterprise during the time when Control and Supervisory Unit notified a regular monitoring visit.

Taking into account that reporting of purchaser has been superficial and in writing were described activities conducted during the reporting period and the same were not supported by facts. Control and Supervisory Unit several times addressed to purchaser in writing and requested from him to bring convincing proofs to prove that is fulfilling contract terms. Aiming to audit fulfilment of contract terms, PAK hired Audit Company “AUDIT AK” to conduct audit of contract terms No 1948/2011 signed between Privatisation Agency of Kosovo and Purchasers of the New Co “Famipa” L.L.C. Prizren. The Audit Company submitted accomplished audit report for New Co “Famipa” Prizren, and according to Audit Company since the sales contract does not clearly define contract fulfillment terms on keeping activity, then it is impossible for them to make an ascertainment regarding fulfillment of commitments.

New Co “Hotel Union” was privatised in wave 11, whereas the Sale and Purchase Agreement is ratified on 02 August 2006. Based on Commitment Agreement 541/2006, article 2 and 3, the buyer of the New Co is committed to restore and maintain the outer view of the enterprise in order to deeply preserve the style and historical character of the building, and to provide to the Alliance of the Writers of Kosovo a space with a surface of 200 m2 for the next 13 years. After renovation and functionalization of premises of enterprise, Control and Supervisory Unit organized several joint meetings with representatives of purchaser and Alliance of the Writers of Kosovo aiming to appoint the surface that belongs to AWK, however, even after a lot of meetings parties did not achieve acceptable agreement. In these meetings Purchaser proposed representatives of the Alliance of the Writers to pick a location in the centre of the city and execute payment of lease for 13 years. On the other hand, representatives of the Alliance of the Writers did not agree to pick other location while insisting that based on agreement with PAK, Purchaser is obliged to

provide the space for Alliance of the Writers within premises of Union Hotel. After lot of attempts by CSU to approach parties' positions, they did not show signs that are ready for compromise in order that contractual term is fulfilled in full.

Since parties did not agree, and disagreement of the contract terms that is related to the Alliance of the Writers of Kosovo comprise breach of contract terms, CSU has been forced in conformity with Commitment Agreement, to draft a notice on breach of contract terms and send it to buyer. At the letter sent, it was mentioned: "PAK deems that the failure to provide the promised space for the Alliance of the Writers represents the breach of "Commitment Agreement", respectively article 6.2.3 of Commitment Agreement while reminding that Benetton has 10 working days to remedy the serious breach or to submit with PAK sufficient proofs that such breach does not exist.

According to CSU's latest information, purchaser of Hotel Union is considering the possibility to pay the lease amount for the whole time period of (13 years) to Alliance of the Writers, as the claim was submitted in writing by Alliance of the Writers, but we have not taken any response from Alliance of the Writers whether they agree or not.

New Co "Hotel Onix -Banja e Pejës and Health Spa " Peja:

New Co Special Hospital for General Rehabilitation Onix I.l.c. was privatized as in individual project through international tender whereas the sale contract was ratified on 22 April 2013.

Based on annex 1, Commitment Agreement which is integral part of the Sale and Purchase Agreement of simple shares of New Co "Special Hospital for General Rehabilitation Onix I.l.c. Purchaser promised as follows:

- to continue current business activity meaning continuation of the same activity of the Socially-owned Enterprise as health spa and hotel. Purchaser of the New Co provides and ensures to keep current business activity until completion of commitment agreement period. The New Co "Special Hospital for General Rehabilitation Onix" I.l.c. is conducting business activity and Purchaser is complying with contract terms as he promised. Besides continuation of business activity, purchaser carried out considerable investment in rebuilding of premises and improving supporting infrastructure.

In 2014, CSU realized regular monitoring visits in New Co "Special Hospital for General Rehabilitation Onix I.l.c. in Banja e Pejes. Based on what we have seen during monitoring visits, New Co "Special Hospital for General Rehabilitation Onix" I.l.c. is conducting business activity and Purchaser is complying with contract terms as he promised. It is worth mentioning that the new buyer completed renovation of old building (formerTermali) and at the same time doubled the capacity of this building.

NewCo "Shockabsorbers Factory" was privatised in wave 45A, whereas the Sales Agreement is ratified on 31 March 2011. NewCo "Shock Absorbers Factory" is located in Prishtina Municipality. The new Buyer, in accordance with agreement has undertaken to continue and retain current business activity. In 2014 have been realized 8 monitoring visits from which we may conclude that enterprise is conducting production activity according to individual needs and not any serial production of shockabsorbers.

The purchaser reported in regular periods as set out in the contract.

Monitoring period ends on 31 March 2016.

NewCo "Emin Duraku Industrial complex" L.L.C is privatised in Wave 45A, whereas, ratification of the agreement took place on 03 September 2012. NewCo "Emin Duraku Industrial Complex" L.L.C. is located in the municipality of Gjakova. The Enterprise has undertaken to continue its current business activity for a period of 5 years, concretely, until 03 September 2017. From the beginning of 2014 and up to now have

been realized 8 monitoring visits. The purchaser has rebuilt one of the premises of enterprise, and his activity includes sewing of mattresses and pillows. Based on Sales Agreement, in the first year, Enterprise should conduct quarterly reports, whereas during other years every six months. Purchaser reported in regular periods as set out in the contract, but so far did not report on realized investment and recruitment, stating that according to Sale and Purchase Contract he is not obliged.

NewCo “Emin Duraku Edico” L.L.C. was privatised in Wave 45 A, whereas ratification of the Agreement took place on 14 August 2012. NewCo “Emin Duraku Edico” L.L.C/ is located in Gjakova Municipality. The enterprise has undertaken to continue with its current business activity for a period of 5 years, concretely, until 14 August 2017. The purchaser reports on semi-annual basis.

The purchaser is keeping and continuing its activity, which is mostly conducted in the field of textile, and products are being sold in local market. The purchaser keeps employed “full time” 17 workers, and pays to them a warm meal as well. From beginning of the year and up to now in this enterprise have been realized 9 monitoring visits.

New Co “Dubrava Dairy Farm” – was privatised in wave 28 of the sale, whereas, Sales Agreement is ratified on 19 December 2011. New Co “Dubrava Dairy Farm” i located in the Municipality of Istog. The new Buyer, according to the Agreement has undertaken to continue and maintain the current business activity until the end of contracting period, respectively, until 19 December 2016, (a period of 5 years). In accordance with the agreement the New Co “Dubrava Dairy Farm” is obliged to keep 17 workers and also 250 cattle during the set out period of time. It is received semi annual report Q1 in which the enterprise reported on the fulfilment of commitments. Based on semi-annual reports, the Purchaser invested in purchase of 250 heads of cattle and employed 17 workers in accordance with the contract. From beginning of the year and up to now in this enterprise have been realized 8 monitoring visits.

New Co “Industrial Battery Factory Trepca” - New Co “Industrial Battery Factory Trepca” L.L.C. has been privatised as in individual project, whereas the sales contract was ratified on 14 June 2013. The new Buyer provides and ensures to continue and maintain the current business activity until the end of commitment period for the next 3 years, concretely until 14 June 2016. Purchaser reported in regular basis as set out in the contract. Industrial batteries and house batteries are being produced with order only, otherwise Enterprise does not produce constantly, and namely, there is not constant battery production line. From beginning of the year and up to now in this enterprise have been realized 9 monitoring visits.

New Co “Rilindja Industrial Zone” L.L.C., was privatised as Special Spin-Off in wave 56, whereas the sales contract was ratified on 08 November 2013.

Pursuant to article 2 of the Commitment Agreement, which is integral part of the Agreement for Sale and Purchase of simple shares in New Co “Rilindja Industrial Zone” L.L.C., Buyer promised as follows:

- Provides and ensures to keep employed 110 workers in full time during commitment period, which period enters into force from 08 November 2013 and will last 60 calendar days from entry into force of Sales Agreement, concretely until 08 January 2014.

This enterprise has been released from commitment agreement by PAK Board decision dated 27 February 2014.

New Co “Kualiteti International” L.L.C Gjilan was privatised in wave 25 of sale and the contract was signed on 26 May 2008. The sale of enterprise was executed through regular spin off method but provided that enterprise in the period of 2 years should keep its activity as a mill respectively as warehouse for collection of grain.

In the data-base of enterprises privatised through special spin off method or with conditions inherited by KTA, New Co “Kualiteti International” L.L.C. has not been included, so CSU failed to conduct monitoring of its activity due to the lack of information and real presentation of this enterprise in the data base. CSU, after being informed of contractual obligation for monitoring, started with its standard monitoring procedures.

On 20.10.2014, PAK sent a letter to purchaser of „Kualiteti International” enterprise L.L.C. Gjilan, asking from him to submit a report until 30.10.2014 that will prove their activity during this period. PAK informed the purchaser that does not possess any decision of the Board which states that Purchaser and the New Co have been released from commitment agreement. After submission of this letter, buyer submitted report on keeping activity as a mill during the period of two years. We also requested from buyer to release mortgaged parcels as there is not any Board decision that allows such action. We have also sent those letters to NLB Prishtina and Raiffaisen Bank whereby requesting from them to release properties kept as mortgage without PAK Board decision. Based on the last letter received from NLB Prishtina, we have been informed that they have released from mortgage most of assets of New Co „Kualiteti International”. Meanwhile, the Directorate for Geodesy, Cadastre and Property in Gjilan informed us that Purchaser of New Co „Kualiteti International” entered into contract with another company for joint investment , and as a warranty was requested real burden as mortgage. We requested from respective Directorate to not allow such action until PAK Board decides whether to release or not, and to suspend building permission issued by Directorate of Urbanism of Gjilan Municipality. PAK Board of Directors after being fully constituted shall be informed about the situation in this enterprise.

Financial penalties for non-fulfilment of commitments

Due to non-fulfilment of commitments, financial penalties so far have been applied to purchasers who didnot fulfil commitments.

The table below represents penalties during the time period January 2014 – December 2014 and the total amount of financial penalties applied until the end of 2014:

The total amount of penalties for 5 SSO-s		
Name	Penalties January – December 2014	From the date of commencement until 31.12.2014
New Co, Grand Hotel”	0	8,822,314.97
New Co,, IDGJ Tobacco”	0	4,573,649.11
New Co,, Xim Strezovc”	0	7,298,170.76
New Co,,MIM Golesh”	0	8,447,812.27
New Co,,Agrokosova Holding”		3,579,997.53
Asset „Llamkos”	1,686,459.51	1,686,459.51
Total	1,686,459.51	34,408,404.15

5.4. DIRECT ADMINISTRATION UNIT

In the normal flow of events, supervision, control and monitoring of enterprises is carried out by Regional Offices of PAK. The measures of Direct Administration are implemented in specific cases when an SOE was slow or delays in progress, or it was in financial risk due to mismanagement, which reflected negatively in the interests of the SOE and its workers. When Regional Offices exhausted all their possibilities and options to generate positive impact on the SOE which shows a falling trend, then it is proposed implementation of Direct Administration in this enterprise from PAK Regional Offices. All SOEs placed and/or withdrawn from DA are approved mainly by Board of Directors.

During the reporting period, DA Unit was mainly focussed in Administration of Enterprises which upon decision of the Board were placed under DA, and also prepared data on Enterprises which have been taken out from DA.

1. Enterprises placed under Direct Administration during the period January – December 2014:

SOE “KDSHF GENCI” Prishtina

After placement of Socially-owned Enterprise under control of Direct Administration Unit, according to PAK law and its operational policies, aiming to increase the value and better management of enterprise, the following immediate measures were undertaken:

- Inspection of financial activities and approach to bank accounts of enterprise;
- Appointment of Provisional Managing Board
- Inspection of legal documents, including contracted activities;
- Registration of SOE assets;
- Meeting with Management, Workers Trade Union and recognition with Law and regulations of PAK work;

The enterprise is currently exercising its activity and does not have operational difficulties. This enterprise owns the building of Public Housing Enterprise in which are being distributed movies. Proceeds are being realized from distribution of movies and lease of assets.

2. Enterprises withdrawn from Direct Administration during the period from January – December 2014:

SOE “Fapol” Podujevë

Upon decision of the PAK Board of Directors, on 06 June 2013, this Enterprise was placed under Direct Administration of PAK, aiming to establish internal organizational structure, and drafting organizational scheme and new salary scheme.

During this reporting period, the Enterprise had a lot of difficulties in its functionality, since it was not licensed to exercise customs terminal activity, therefore, it was caused decrease of proceeds and in July eventually the removal of all freight forwarders from terminal whereby closing customs clearance activity. This enterprise has continuously operated with profit and neither had debts nor creditors registered. In August 2014, PAK Board of Directors resolved to take this SOE out of Direct Administration and place it in Liquidation. This decision entered into force on 01.10.2014.

3. Enterprises which are currently under Direct Administration

New Co "Grand Hotel Prishtina" Prishtinë

New Co Grand Hotel is placed under Direct Administration on 20 July 2012. This Enterprise was in a very bad position. After improvement of the situation in this Enterprise by signing agreement for rescheduling of debts with Publically-owned Enterprises, KEK PTK, TERMOKOS; and regular distribution of salaries to workers, DA had leased several assets amongst which are: parking lot, office premises, business premises, restaurants and advertising environments from lease of which have been paid debts of Enterprise and have been provided salaries for workers.

During the period of 9 months in 2014, the Enterprise continued its daily activity while providing hospitality services, such as: accommodation, different parties, conference, and continuation of lease contracts or even re-announcement of several assets for lease, depending from expiry of contracts.

Financial data for the period 01.01.2014 until 31 December 2014 for New Co "Grand Hotel" have been as follows:

Proceeds	€ 759.145
Expenditures	€ 682.615
Operational profit.....	€ 76.530

SOE "Kosovo Bauxites"

During the reporting period, this enterprise has operated with positive balance in terms of functionality as it managed to collect proceeds to carry out payment of salaries to active workers of Enterprise. Even in this period there were problems of legal nature, mostly with property of this Enterprise which still appears in the name of Forest Economy. The two main assets of this Enterprise which are "Separacioni" and "Plaster Factory" have been leased.

SOE "Ereniku –Industria" Gjakova

This enterprise, during this period, did not exercise its activity. The sole proceeds are realized from lease of assets. This enterprise could not be placed in liquidation due to the decision of the Special Chamber of the Supreme Court. Active workers are being paid in regular manner.

New Co "MIM Golesh"

PAK Board of Directors, after issuing the decision for call-option, resolved to place this enterprise under Direct Administration. In October 2014, was executed the board decision for call-option and this enterprise was placed under Direct Administration.

After exercising call-option and placement under Direct Administration of PAK, the following actions were undertaken:

- Management staff of Enterprise composed of 5 members has been selected. The Management staff shall be responsible for management of enterprise on daily basis, and for activities shall report to DA, respectively to PAK Management;
- Distribution of salaries has been completed for 13 other technical –administrative workers of New Co “Mim Golesh” through funds of economic category of Finance Department, subsidy;
- New Business Certificate evidencing PAK as its owner was issued. A new bank account was opened with authorized persons from PAK who have the right to sign.
- Inventory and signing of the final list of New Co MIM Golesh assets took place. Submission of claim to TAK with regard to giving access for EDI statement for DA officer, respectively for granting new credentials, aiming to declare taxes in the name of Enterprise.
- Emergent finance sources that would enable collection of proceeds have been identified, aiming to ease difficult financial situation in Enterprise, with its sole destination to accomplish payment of salaries to workers and obligations to state institutions.
- A meeting with Management of Enterprise and several representatives of an Italian Company that deals with trade of magnesite took place. They expressed their interest to purchase magnesite and other remains.
- We have received a decision issued by Municipality of Lipjan, respectively Directorate for Geodesy and Cadastre which suspends the request of Agency for registration of property in the name of Mine having PAK as its owner, until final decision of the Special Chamber of the Supreme Court. DA filed a claim against this decision.

5.5. DEPARTMENT FOR COORDINATION OF LIQUIDATION

Liquidation Division (LD) is one of the two substantial divisions of the Agency. Department of Liquidation Coordination acts within this division. Department of Liquidation Coordination is composed of these units:

- 1. Liquidation Monitoring and Residual Funds Unit;**
- 2. PAK SOE Liquidation Unit; and**
- 3. Workers Lists Unit.**

Liquidation Procedures have commenced for 123 Socially Owned Enterprises during 2014, whereas the total number of SOEs for which the liquidation process has commenced is 460. 12,452 creditor claims were submitted during 2014, whereas 32,565 decisions were reviewed and sent to claimants. SOE Liquidation Authorities prepared final reports and the distribution reports for 25 Socially Owned Enterprises and 155 Draft Reports for the number of Socially Owned Enterprises which in Liquidation.

Final reports or final distribution reports of funds have been prepared only for 25 SOEs out of the general number of Socially Owned Enterprises. The liquidation procedures are in process for 428 SOEs.

A number of around 57 Socially Owned Enterprises should have been approved for the commencement of liquidation process during this year, if Board of Directors had quorum for making decisions. With regards to

some of these SOEs is required the consultation with central institutions or we should wait the Supreme Court decisions after interim measures are imposed.

Around 18 SOEs shall be placed in liquidation in the second Board of Directors meeting, with regards to 14 Enterprises are being reviewed their statuses which lack a number of cadastral documents.

21 SOEs have been identified so far without requests and/or without assets which according to procedures shall be liquidated by PAK.

LIQUIDATION MONITORING AND RESIDUAL FUNDS UNIT

1. The commencement of liquidation procedures for NewCos

During 2014, liquidation procedures for 123 Socially Owned Enterprises have commenced, where are appointed respective Liquidation Authorities for these Enterprises in respective Regional Offices (ROs) of Privatization Agency of Kosovo (PAK).

12,452 (twelve thousands and four hundred fifty two) thousands creditor claims have been submitted from different claimants.

2. The results of claims' review and the achievements of the Contractor during reporting report

In compliance with the New Law No. 04/L-034 on Privatization Agency of Kosovo (PAK) after the tender procedures, the consortium "Deloitte and Tashko&Pustina" has been engaged with regards to project for offering Professional Services for the Liquidation of the Portfolio of Socially Owned Enterprises in the Republic of Kosovo.

123 Liquidation Authorities for SOEs were established which have commenced liquidation procedures during 2014, except 327 Liquidation Authorities which were appointed.

Liquidation Authorities of these enterprises managed to review and sent 33,745 decisions which submitted claim in the Agency during the reporting period. Liquidation Authorities of these Socially Owned Enterprises prepared 1,068 draft decisions which after being controlled for their quality are expected to be sent to parties as soon as possible. 4,524 additional claims were sent to claimants during the reporting period.

Schedule

The number of submitted claims from different claimants during 2014	The number of issued decisions from LA during 2014	The value of received claims by LA during 2014	The value of rejected claims by LA during 2014

12,452	33,745	€22,392,793	€1,130,914,292
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Liquidation Authorities of these Socially Owned Enterprises in Liquidation have prepared 6 final reports and 19 distribution reports for Socially Owned Enterprises which were presented to PAK Board of Directors for approval, whereas 155 Draft Reports have been prepared for Distribution for this number of Socially Owned Enterprises in Liquidation.

The current status of all claims in the liquidation process is in the table below:

1	The total number of submitted claims in the Agency since the beginning of liquidation process	88,851
2	The number of creditor claims placed by the liquidation committees – LC (KTA and PAK)	5,986
3	The number of creditor claims placed by the contractor from June 2012 until December 2014	75,457
4	The number of submitted claims by the claimant during the reporting period	12,452
5	The number of sent decisions to parties by the contractor during the reporting period	33,745
6	The number of not reviewed claims	7,408
6A	The number of not reviewed claims by LA (the claims from old SOEs for which commenced the liquidation process before the contractor started to work)	336
6B	The number of not reviewed claims by LA (claims from new SOEs for which the liquidation process commenced after the contractor commenced his work)	7,072
7	The number of SOEs for which has commenced the liquidation process during reporting period	123
8	The number of all SOEs for which has commenced the liquidation process since the beginning of liquidation process	460*
9	The number of SOEs for which has been closed the liquidation process (the conducted liquidations from PAK SOE Liquidation Unit)	7
10	The number of SOEs for which has been conducted the review process of all claims	242
11	SOEs number for which have been prepared the reports of fund distribution	19
12	SOEs number for which have been prepared the final reports by the contractor	6
13	SOEs number for which have been prepared draft reports by the contractor	155

- *Out of 46 SOEs for which has commenced the liquidation process 21 of them have been transferred in the Unit for SOE liquidation from PAK (without assets and/or without creditor claims)*

Special Chamber of Supreme Court of Kosovo (SCSC) has sent to Liquidation Authorities 1,247 cases by requiring from LA the protection of its decisions until the reporting moment. Liquidation Authorities have submitted respective defense in SCSC for 1,23 cases out of 1,247 cases, whereas with regards to 17 cases the defenses are being prepared, which shall be submitted within the required deadline from SCSC.

Special Chamber of Supreme Court of Kosovo has issued the decisions with regards to 230 cases, out of which 218 are in favor of decisions of Liquidation Authorities/Committees and 12 against, cases which are in appeal procedure from Liquidation Authorities.

3. Liquidation procedures finished by Liquidation Authorities

Final or distribution reports of funds have been prepared with regards to 25 SOEs, out of total number of Socially Owned Enterprises which are in the liquidation process.

Whereas on the other hand, with regards to the other part of Socially Owned Enterprises (428) are still in liquidation procedures, respectively the provided legal procedures with regards to review of creditor claims, the preparation of Final Reports for the closure of liquidation process and the distribution of surplus funds in the budget of the Republic of Kosovo. It is expected in the following months to be marked a progress in the final process of liquidation procedures of these enterprises if without further delays is completed the Board of Directors of the Agency, if the process of the remained asset sale ends and if the Special Chamber of Supreme Court of Kosovo accelerates its work process in report with liquidation process.

Board of Directors of the Agency in the meeting of 31 August 2014 decided with regards to functioning of the Unit on the Management of Liquidation Project. This would enable the enhancement of internal control and of human resources for a better management of the liquidation project.

The challenges in the liquidation process for 2014 were mainly: not completion of Board of the Agency, which has prevented the approval of prepared reports and submitted by the Contractor and which made impossible the distribution of funds to legal creditors, the transfer of surplus funds in the Budget of Republic of Kosovo as it is required with law and not the sale of all assets for all SOEs in liquidation. The delays from SCSC also had an influence in the preparation and submission of all additional reports by the Contractor.

UNIT FOR LIQUIDATION OF SOE-s BY PAK

1. 3 Enterprises have remained without being closed in SOE Liquidation Unit since 2013, and pursuant to the law it has been worked with regards to the preparation of their final reports.
2. During the reporting period January – December 2014, also 6 new Socially Owned Enterprises were transferred by the contractor in PAK SOE Liquidation Unit according to procedures, against which during the provided legal deadline for the admission of claims was not submitted any creditor claim. With regards to SOEs in question are made the changes of Liquidation Authorities on which occasion were removed the LA members of the contractor and were appointed by PAK staff. Therefore, the number of non-closed enterprises which are the responsibility of this unit currently is 9.

3. The enterprises with regards to which SCSC issued the Rulings and on which occasion approved the Final Reports and allowed the closure of liquidation case are:

The name of the Enterprise: The date of SCSC decision:

1. SHAM "Semaphore" - Suhareka 17 January 2014;
2. Agricultural Cooperative "Ozdrim"- Peja 27 February 2014;
3. SOE SHAM "Ruzhdi Bytyqi" - Vushtrri 19 March 2014.

On 04 April 2014, SCSC objected the Final Report of AC Klina, Skenderaj until the solution of an active case in SCSC against AC Klina.

The challenge of this unit: The lack of Board to which shall be presented the Final Reports and then the same shall be forwarded in SCSC for approval according to procedures, and the delays in responding to LA letter addressed to SCSC.

20% EMPLOYEE LISTS' UNIT

The employee lists' unit is responsible for receiving from the SOEs Management, the verification and the preparation for publication of initial and final lists of eligible employees and the distribution of 20% funds from the price of SOEs assets' sale through privatization or through liquidation.

One of the main activities of this unit is partly distribution of 20% from the SOEs sale, and the distribution from the further sales of assets. This activity remains one of the priorities of PAK. The preparation and publication of initial lists and final lists, they have also been treated with high priority. During the reporting period January – December 2014, this unit managed to publish 13 employee lists in total out of which 5 are initial lists and 8 are final lists, and it made the partly distribution of 20% for eligible employee for 209 Socially Owned Enterprises and the distribution from the further sale of assets.

The amount of distributed funds for this reporting period is € 16,023,941, whereas the number of beneficiaries from the distribution of these funds is 32,143 eligible employees. The distribution of funds for the later sale of SOEs assets which are privatized in the earlier phased of privatization makes part in this amount. With the purpose of adding the internal control in the process of initial lists preparation and 20% distribution of funds with the purpose of increasing the internal control in the process of initial lists preparation, Board of the Agency approved the document "Procedure rules of Employee List Review Committee (ELRC) on 26 August 2014. The management in compliance with these Procedure Rules appointed the Committee which should begin its work on 1 January 2015.

The challenges of Employee lists for 2014

Main challenge of the process for preparation and finalization of employees' initial lists and the publication of initial lists is not readiness of the representatives of some privatized SOEs to prepare this list, as it is determined with the Article 10.2 of UNMIK Regulation no. 2003/13 (as amended), the lack of legitimate representatives of the employees (Director, Chairman of SOE Trade Union and the Chairman of Employees

Council), the lack of personal documentation of the employees, since this documentation was damaged enormously during the war, whereas in many cases has disappeared partly or entirely by interim measures, inability and unwillingness of representatives of these SOEs to come in respective PAK offices for different clarifications with regards to 20% criteria and procedures and also the lack of elementary knowledge with regards to this process.

Another challenge which has followed this process is duration – delays in reviewing appeals and objections by SCSC and the issuance of valid decisions from this Court related to these appeals and objections, which has enabled that the amount of distributed funds to be higher and the number of benefiteres and higher than the presented figures in this report.

5.6. REORGANIZATION AND ADMINISTRATION OF SOCIALLY OWNED ENTERPRISES

Privatization Agency of Kosovo in the capacity of the Administrator has exercised its mandate in compliance with the Law on Reorganization of Certain Enterprises and their Assets by respecting the provisions of this Law. Based on this, Trepça Reorganization Unit (TRU) – PAK has worked with priority in preparing the conditions for the composition of Reorganization Plan, which is Legal obligation of the Administrator.

However, PAK had objective difficulties in the realization of its duties as administrator of Trepça.

Undertaken actions in the realization of Trepça Reorganization Plan

Due to high complexity which the enterprise Trepça has, and the vital economic interest for the Republic of Kosovo, PAK with the purpose of fulfilling the mandate initiated the procedures for the engagement of Professional Service Provider (PSP) in inter-institutional coordination with relevant institutions, Special Chamber of Supreme Court (SCSC), Kosovo Assembly and the Government of the Republic of Kosovo – with special emphasizes the Ministry of Economic Development and Parliamentary Committee for Economic Development, Trade and Industry.

Since inter-institutional coordination caused considerable delays, the procedures commenced in the end of 2013 and there were sufficient bids in 2014. In the absence of sufficient eligible bids, PAK has canceled the Tender for the engagement of PSP in 20th of May 2014.

Retendering was not repeated due to created circumstances in PAK, where for a long period of time incomplete composition of Board delayed the process in question.

On 27 June 2014, Board of Directors of the Agency authorized the Management that in behalf of the administrator to submit formal request in Special Chamber with regards to deadline postponement of reorganizational plan for 18 additional months.

On 1 of August 2014, the Specialized Panel rendered the ruling C-V-14-007, with which rejects the Administrator's request for deadline postponement for the First Meeting of Creditors, and approves partly the request on deadline extension for the submission of Reorganization Plan of the enterprise until 2 April 2015.

The Agency unsatisfied with this ruling. On 10 July 2014, submits appeal in Appellate Panel.

During August 2014, Board approved the proposal of tender announcement for the engagement of PSP for the reorganization of SOE Trepça and delegated the authorization to the Management (two Deputy Managing Directors) for the review of Terms of References after all necessary discussions, which should then be approved in consultation with 3 local Board members whose mandate is until 20 February 2015.

Deputy Managing Director –Sale gave immediate resignation during September 2014, and also due to the lack of Board of Directors which according to PAK law approves the reorganization plans of the enterprises,

to PAK is disabled the preparation of Trepça Reorganization Plan and the submission of this plan in SCSC within legal deadlines.

On 09th of January 2015, Appeal College of the Special Chamber rejects the appeal and certifies the ruling of specialized panel, but corrects the maximal date of submission of reorganization plan from 2 April 2015 until 2 February 2015.

PAK Vice Chairman and the remained Board members were informed with regards to the ruling in question. The Assembly of Republic of Kosovo and Kosovo Government were also informed with this ruling.

On 29 January 2015, the President of Republic of Kosovo decreed the law no. 05/L-08, on amendment and supplement of the Law on Reorganization of Certain Enterprises and their Assets.

On 30 January 2015, the Agency submitted the request for deadline postponement with regards to submission of Trepça reorganization plan until 30 October 2016. The request is based in the law no. 05/L-08, for the amendment and supplement of the Law on Reorganization of Certain Enterprises and their Assets, more concretely the Article 2 and 3 of this law and the Article 42 paragraphs 1,2,3,4 and 5 and the basic law on reorganization. The legal ground of the mentioned provisions is in compliance with the general obligations of the Agency provided with the law on reorganization and the Article 2.1, 2.2 and 2.3 of the law on PAK.

Article 15 of the Law on PAK determined that PAK Board of Directors, should have general responsibility with regards to Agencies' activities and with regards to fulfillment of these responsibilities shall be undertaken the necessary or allowed action with the applicable law. Pursuant to Article 15.2 subparagraph 2.10 provides the exclusive authority of the Board of Directors for the approval of plans for Reorganization or Restructuring of the Enterprise. This right cannot be delegated to any other body in the Agency.

The circumstances and challenges with which has been faced the Agency as: the lack of quorum of Board of Directors as a consequence of resignations, the absence of Board of Directors Chairman, expiration of mandate of the Managing Director, all of this within a short period of time, and their non appointment until now, violated seriously the ability of Board and the Agency to perform their duties as they were determined with the Law on PAK, and they have directly influenced the reorganization process of Trepça enterprise and the submission of plan by the Administrator according to legal deadlines.

TRU despite the above mentioned difficulties, unable to get professional support from PSP, it with its own forces and in cooperation with the Management of "Trepça" and PAK management, undertook the steps to provide reports and gather qualitative information with regards to preparation of reorganization plan.

Other actions related to the preparations of Trepça reorganization

TRU finalized the registration of creditor claims. The requests are categorized according to the type of creditor claims. 1,303 creditor claims are registered in total. The Agency, in the first months of 2015 should make the preliminary review of creditor claims in order to have a preliminary statement of these claims. Two out of 1,303 claims are group claims, out of which: one from Trepça – submitted from the enterprise itself with 10,067 claims, and the other also with the claims from Trepça employees submitted by Interlex

Associates with 3,464 claims. The question is about 14,832 individual claims, by including also the individual claims within 2 group claims.

TRU investigated the gathering issue of elaborates of Trepça reserves which should serve as ground on determining final reserve of minerals, with regards to determining the mineral reserves of Trepça as its main assets. It has undertaken measures in the preparation of a real evaluation by supporting local experts based on scientific elaborate accepted by former state bodies and their fulfillment by geological service of Trepça in documented manner. Meetings with the Management of the enterprise (Mitrovica and Zveqan) were held for these reasons and with professional geologists, on which occasion special committees were established in order to verify the reserves based on existing documentation.

It is very important the Reorganization Plan to be prepared in appropriate manner in order the decisions to be based in correct data. Therefore, the asset registration and the right and inclusive presentation in Financial Statement are essential with regards to this aspect. The right statement of the wealth of Enterprise, not only in determining the assets' value, but also in the aspect of evaluation of current usability or potential functioning in the future of these assets would guarantee good grounds in preparing the Reorganization Plan.

TRU is currently engaged in solving the problem for the evaluation of the old assets which do not have accounting value (historical costs of assets). TRU in cooperation with the Trepça – Management in Mitrovica and the Management in Zveqan established working groups in order to evaluate these old assets. The condition for this category of assets is fulfilled in this way; the enterprise shall possess the adequate documentation for treating the accounting.

However, even after the joint coordination with two Managements, Management in Zveqan has still not commenced the work, and the PAK initiative to organize a workshop in December 2014 with regards to this process with the officers of Mitrovica and Zveqan resulted with refusal of the Management of Zveqan a day before the workshop commencement even though they reached an agreement earlier.

TRU – Trepça Monitoring and the intermediary role between SCSC, PAK and Trepça

TRU with its capacities, despite preparatory works in the reorganization plan of the enterprise since 2012, made also the supervision of Trepça's daily works, with the purpose of maintenance, increase of efficiency and the value of the enterprise.

With regards to this, TRU supervised the sales' procedures of Trepça's concentrate, procurement procedures which exceed the value of € 10, 000 financed from Trepça's revenues, by helping Trepça in all of its operative fields, and it has been engaged also in its legal disputes etc. The business of the enterprise was supervised closely. At the same time, TRU submitted quarterly reports regularly and all claims in SCSC, instructions for action and the entire mutual communication between SCSC, PAK and the Enterprise are realized through TRU.

The business of the enterprise was supervised closely. At the same time, TRU submitted quarterly reports regularly and all claims in SCSC, instructions for action and the entire mutual communication between SCSC, PAK and the Enterprise are realized through TRU.

In order to illustrate the primary activity of Trepça, the extraction and ore processing to concentrate, you can find below the production report for 2014 reported by the Management of Mitrovica.

The realized production in Stantergu and Artana mine with flotation First Tunnel and Kizhnica:

Based on official reports submitted from the Management of Mitrovica, the exploitation of 204,140.40 tons of ore of Lead and Zinc (Pb and Zn) has been realized from the two active mines in Stanterg and Artana, which resulted with the production of 16,667.13 tones of Pb and Zn concentrate in the Flotations First Tunel and Kizhnica in 2014, out of which 7,330.63 tones are Pb concentrate, and 9,336.50 Zn concentrate. The presented quantity of the concentrate produced in 2014, exceeds the 15.03% of the last year production.

Please find below the illustrated table of concentrate production realized in these mines and flotation in the three last years.

	2012	2013	2014
Pb koncentratin (t)	6,128.51	6,563.20	7,330.63
zn concentrate in (t)	7,544.42	7,926.00	9,336.50
TOTAL PB AND ZN CONCENTRATE	13,672.93	14,489.20	16,667.13

The realized production in Belo Berdo mine and Cernac with flotation in Laposaviq:

The Management of Zveqan reported for the production of ore and concentrate for 2014.

Based on official submitted reports from the Management Zveqan, the exploitation of 66,386 tons of ore of Lead and Zinc (Pb and Zn) from the two active mines Belo Berdo and Cernac, Artana, which resulted with the production of 5,710 tones of concentrate Pb and Zn in the Flotation in Laposaviq, out of which 3,066 tones are Pb concentrate, and 2,642 Zn concentrate.

	2012	2013	2014
Pb Concentrate in (t)	2,012.05	2,089	3,066
Zn Concentrate in (t)	1,684.30	1,812	2,642
The total concentrate Pb and Zn	3,696.35	3,901	5,710

However, these reports do not correspond with the claims which the Management Zveqan sent with regards to the approval of the sales of concentrate from the Board of Directors, and do not correspond also with PAK sales contracts which PAK has in disposal and with the reports from Kosovo Customs.

Based on this, PAK shall verify the data in question in order to verify their correctness during this year.

5.7. DEPARTMENT OF REGIONAL COORDINATION

Department of Regional Coordination supervises the work of PAK Regional Offices. PAK has five Regional Offices (ROs) in Prishtina, Peja, Prizren, Gjilan and Mitrovica which include the entire territory of Kosovo and three satellite offices in Leposaviq, Shtërpce and Graçanica which main responsibilities have the gathering of information with regards to SOEs in respective regions and the implementation of privatization, liquidation and the activities of corporative governance. Satellite office in Graçanica is closed in October 2014 since two officers who have worked there were integrated in the regional office of Prishtina.

The mandate of Regional Coordination Department is the implementation of PAK administrative functions with regards to SOE to make sure that PAK performs its duties properly. ROs are responsible for all duties which PAK needs to implement in order to ensure successful realization of its mandate which were reserved exclusively from PAK Head Quarter or appointed to other PAK functional units.

Department of Regional Coordination through its five regional offices and satellite offices, during this period among others was responsible for:

- The preparation of NewCos and assets according to Work Plan;
- The gathering of relevant notes for SOEs their archiving and saving;
- The interconnection between municipalities, organizations, agencies and other interlocutors which have to do with PAK;
- Financial issues; regular monitoring and the control of active SOEs financial statements;
- Legal matter: regular monitoring, help and legal presentation of SOEs in regular courts whenever needed;
- Cadastral issues: Investigation and fulfillment of required unsolved Cadastral legal issues and the increase of cooperation with Municipal Cadastral Offices;

Regional Offices continued with different meetings with SOEs Management, municipal offices, different parties, visits in scene field and different session in municipal courts and other courts etc.

Privatization

According to work plan 2013-2015 was not foreseen privatization waves to be prepared, however Regional Offices prepared and tendered the Wave 60 where have included (8) eight NewCos with Regular Spin-off and received also the bids for NewCos in privatization and Assets of Socially Owned Enterprises in liquidation (LAS 26). The bid opening was stopped violently unfortunately with ungrounded allegations with regards to one asset and the sale's day was entirely canceled.

Since Board of Directors made a decision for enterprises included in wave 60 to subdue to liquidation process, therefore wave 60 was not repeated and the enterprises which were foreseen in this wave were prepared for sale through the liquidation.

Liquidation

Regional offices prepared 122 Information Memorandums for NewCos of Board of Directors for their placement in the liquidation process.

Case officers continued the work by preparing the issued decisions by LA, the registration of new creditor claims in the data base, the verification of all claims registered in the database, their scanning, archive regulations and the placement of documents in the database, the preparation of notices for known creditors at the moment the enterprises were placed in liquidation.

Regional offices prepared the entire documentation for three (3) waves of assets sale with liquidation which comprised 166 assets. These liquidation waves contained 166 Documents with Data with regards to the Enterprises, Information Memorandums for the sale of assets in liquidation, Data Room and "Certain Legal and Other Risks".

Concerns /the problems with which is faced the RO during the reporting period

Regional Offices are faced with some issues and problems during the process. Some of the issues were:

- The lack of ownership documents and other important documents, which made more difficult the determination of the status of the enterprise. This is an important step in the procedure of assets' sale;
- Main challenge of regional offices remains the lack of ownership documentation and the old ownership cadastral data when SOE posses wrong data with regards to ownership of certain assets. Cadastral Municipal Offices in many cases are not very cooperative and continuously reject to update the cadastral data. This directly influences the preparation of assets for sale;
- The change of owner of Socially Owned Enterprises – properties which are under PAK mandate;
- The lack of cooperation with the municipalities in the north of Kosovo. This influences directly the privatization and liquidation process since there is a number of 29 SOEs (the status of 8 of them is being reviewed).

5.8. FINANCE AND BUDGET DEPARTMENT

Department of Finance and Budget offers financial services for the Agency: Sales Division, Liquidation Division, executive brunch, regional offices and respective departments/units of the Agency.

Department of Finance and Budget contributes by offering professional support in the implementation of authentic financial procedures, the right operation of financial systems and best practices according to local and international standards.

Department of Finance and Budget within the Agency covers two activities of financial management:

1. Kosovo Budget – administrative and operative activities of the Agency and other activities under its administration; and
2. Funds in trust of the Socially Owned Enterprises.

1. ACITIVITIES OF THE KOSOVO BUDGET

1.1 FINANCIAL STATEMENTS

- Financial statements of Dedicated Incomes, the general government grant and directors' grants for the fiscal year 2013 are prepared and sent on 24 January 2014 in the Ministry of Finance;
- 9 months financial statements according to regulation no. 06/2011 with regards to Dedicated Incomes, Kosovo budget, donors' funds for the period January – December 2014 have been prepared and submitted within the legal deadline in the Treasury Department of Ministry of Finance; and
- Reporting on financial statements for the Kosovo Budget of 2013 at the Committee for Budget and Finances in the Assembly of Republic of Kosovo; and
- Reporting on financial statements for Kosovo Budget for 2013 at the Committee for Budget and Finances in the Assembly of Republic of Kosovo;

1.2 BUDGET

The main source for financing of the Agencies' activities for 2014 is the **Dedicated Incomes¹² and the General Governmental Fund¹³**. The Agency during this period has not benefited finances from the Donors' Grants or payments which have been realized from the third parties for the good of the Agency.

Department of Finance and Budget during this period with regards to budget included the following activities:

¹² Administrative and operative expenses which have to do with direct activities of the Agency are covered from the dedicated incomes of the Agency. Pursuant to Article 21 of the law no. 04/L-034, all incomes of the Agency shall be Agencies' dedicated incomes pursuant to Article 64 of LMFPF. Five percent (5%) of all received incomes as a consequence of any sale in the past or in the future, transfer, privatization, liquidation or other ways of possessing any enterprise or asset, regardless if it is made from the Agency or its predecessor, should be administrative fee of the Agency to cover its general administrative and operative expenses.

² The general governmental fund or Governmental Grant are the financing sources to cover the activities which are not related directly to the Agency, but are used for covering the expenses with which the Agency administrates and which have to do with the reorganization of Socially Owned Enterprises and in this case is only the reorganization of SOE Trepça. The general governmental fund is the main fund of the Republic of Kosovo for the financing the budgets of budgetary organizations.

- Monitoring of budget performance 2014;
- Midterm expenditure framework 2015-2017; and
- Budget preparation for 2015.
- Medium term expenditure framework 2015-2017; and
- Budget preparation for 2015.

1.2.1. The Budget Performance of 2014

The budget performance¹⁴ during the period January – December 2014 included the claims' activities for savings, semiannual review process of the budget and contingencies for salaries.

The Reduction of Allocations according to Government Decision No. 07/172

On 27 February 2014, Kosovo Government made a decision to save 15% of expenses in the category for Gods and Services and Public Services for all Budget Organizations for 2014.

As a consequence of this decision of the Government no. 07/172, Privatization Agency of Kosovo on 14th March 2014 through an official letter informed the Ministry of Finance and presented the value which is saved according to program and finance source.

The total identified savings within PAK programs are EUR 1,140,881.00 and that;

- Savings of Governmental Grant (code 10) are 600,000.00 euro.
- The savings from dedicated incomes (code 23) are 540,881.00 euro.

The Government approved only the budget savings in Governmental Grant at the amount of 600,000 Euro, whereas with regards to Dedicated Incomes the amount of 540,881.00 Euro has not been approved.

Semiannual Review of the Budget and Reduction of allocations according to Government Decisions No. 01/200

On 04 July 2014, we have received from the Ministry of Finances the request and the instruction of budget review for 2014.

On 10 July 2014, PAK has submitted to the Ministry of Finance plan for the second half year 2014 budget.

There was no process of semi annual review during 2014 due to waiting for the Assembly to be constituted, however the Government with the decision no. 01/200 has cut the budget only at Governmental Grant at the amount of Euro 3,352,400.00.

¹⁴ The performance of 2014 includes many activities with regards to budget monitoring, evaluations in the beginning and in the end of year. The circumstances are based on the decision of reduction of allocations – the government decision No. 07/172, the process of semiannual review 2014 (the Government decision no. 01/200)O and the decision on the distribution of contingency for salaries as a result of 25% increase of the salaries for civil servants.

The government did not approve the below claims:

- Claim¹⁵ for the additional budget of EUR 5,000,000.00 with regards to financing of Liquidation Authority from the Governmental Grant; and
- Budgetary shortage of 310,000.00 Euro in the budget of Dedicated Incomes

Decision on distribution of contingency for salaries in the budgetary organizations

The Government made a decision that the 25% increase of salaries of civil servants shall be financed through the Government contingency. The total amount distributed from the contingency of the Government is 385,721.70 Euro for Privatization Agency of Kosovo.

1.2.2 Medium Term Expenditure Framework

According to requirements of the Ministry of Finance with regards to preparation of Medium Term Expenditure Framework, PAK on 27 March 2014 prepared and submitted in MF the summary of PAK Medium Term Expenditure Framework for 2015-2017 as below:

	2015	2016	2017
Total	11,647,859	6,412,187	5,120,597
Dedicated incomes	7,647,859	6,392,187	5,100,597
Governmental incomes	4,000,000	20,000	20,000

1.2.3 The budget of 2015

PAK according to instructions of the Ministry of Finance through three Budget circulars presented the budgetary request with regards to planned budget for 2015. PAK Budget was not approved entirely even though in MF budgetary hearings we argued in details the budgetary claim.

Failure to approve the budget is referred to points:

1. Budgetary claim for salaries and daily pays (regular salary, meals, health insurances and employment experience for 258 officers) was 4,273,837€ in total. The number of 258 employees has been approved according to PAK request; whereas the budget with pension contribution has been approved at the amount of 3,886,391, only 10.8 per month is sufficient. According to

¹⁵ The request for the increase of additional budget of 5,000,000.00 is as consequence of requests of the Office of the Auditor General. The Office of the Auditor General required that the liquidation cost of Socially Owned Enterprises to be made through the financing of Kosovo budget. In the two last audit reports, OAG presented as finding the realized payments of the liquidation cost through the funds' sources in trust. By responding to OAG insistence the Agency submitted the request for additional budget. This request was not approved neither by the Government or Assembly, in both cases even during the budget review 2014 and the budget request 2015.

discussions in budget hearings in the Ministry of Finances, the remained part shall be approved during the semiannual review process in 2015;

2. The required budget¹⁶ for the Professional Service Provider for the SOEs Liquidation at the amount of EUR 5,000,000 requested from the Kosovo budget (code 10) was not approved without the reasoning in written by the Ministry of Finance, despite the fact that this request is made according to recommendations of the Office of General Auditor of Kosovo in the final audit report for 2013;
3. In the category Goods and Services (financed from the code 23) according to Law on Budget we have an approved budget of 47,252 € which is higher then we required.

The table of approved budget with regards to Dedicated Incomes and Government Grant

The approved budget according to Law on Budget No. 05/L-001	Salaries and daily pays	Goods and Services	Utilities	Subventions and transfers	Capital Investment	In total
The Budget on Dedicated Incomes	3,886,391	2,666,992	98,000	80,000	80,000	6,811,383
The Budget of Government Grant	-	3,400,000	-	-	-	3,400,000
The budget in total	3,886,391	6,066,992	98,000	80,000	80,000	10,211,383

1.3 THE PROCESSING OF SALARIES

- The processing of 3,016 transactions (1,159 commitments and 1,857 salaries) from the annual Kosovo budget which is financed from the dedicated incomes of the Agency and from the general fund of the Government (for Trepça).

1.4 REPORTS

- The harmonization of reports and the reporting of financial reports in monthly bases for financial statements 2014 to
 - Treasury department of the Ministry of Finance;
 - Management and Budget holders;
 - Third parties through their publication in the official webpage of the Agency in Albanian, Serbian and English ;
- Monthly reports in the Ministry of Finances with regards to unpaid salaries;
- Purchase report of over 500.00 Euro to Kosovo Tax Administration for 2013;
- Other reports according to requirements of stakeholders

¹⁶ The amount of 5,000,000.00 € is as a consequence of OAG request in order that the liquidation cost to be financed by the Kosovo budget. As it is noticed in table, the amount of 5,000.00.00 euro is not approved.

1.5 OTHER ACTIVITIES

- Monthly harmonization of the salaries' lists for the period January – December 2014 with the Ministry of Public Administration;
- Daily collections for the landline and for the mobile telephony. These collections are for the expenses which have exceeded the limits and which are covered by the Agency according to politics of landline and mobile telephony. It is worth mentioning that after the proposal of the Department of Finance and Budget a decisions was made for 50% deduction of gross salary with regards to unpaid obligations until the period of 30 April 2014;
- A training was held for the two employees of theDepartment of Finance and Budget which was organized by AUK with the topic "Leadership and Management of Project Cycles;

- Meetings with the Tax Administration of Kosovo related to withholding tax for lease. We are in the process of harmonization with TAK with regards to these obligations. It has been certified that TAK does not have updated the entire payments of the Agency (an identified problem for all budgetary organizations). Department of Finance and Budget expressed its readiness to sent the copies of deliveries (even though they were sent earlier) in order to fulfill all data from the Tax Administration of Kosovo. During this period are sent the copies of payments for 2013 and the period January – May 2014. During 2015 shall be continued with the submission of payment copies for 2012 and 2011;
- On 8 May 2014, have been appointed two acting directors for the position of the Director of Department of Finance and Budget and Head of the Unit on Management of Funds. This for the reason to fill the position of Director of the Department of Finance and Budget, since it has been appointed the acting of Deputy Managing Director – Liquidation. The acting in the Department of Finance and Budget are:
 - Acting Director of Department of Finance and Budget (previously the Head of Unit on Fund Management); and
 - Acting Head of the Unit of Management of Funds (previously accounting and funds Officer).

1.6 ASSETS

The Assets of the Agency bought from the budget funds and the assts which were given as grant are kept in compliance with the Regulation no. 02/2013 of the Ministry of Finance. Details with regards to assets are unfolded in financial tables and explanatory notes.

1.7 AUDITS

- The Office of the Auditor General submitted the auditor's report for annual yearly statements of 2013 with regards to annual budget. The Agency presented in written to OAG arguments and disagreements with regards to this opinion.
- The Office of the Auditor General has ended the interim audit for the period January – September 2014 the Kosovo Budget.

- PAK Internal Audit Unit (IAU) begun the audit of Department of Finance and Budget for the period September 2013 – October 2014. The final report is expected to be submitted after the termination of audit, while the Action Plan for the implementation of IAU recommendations is compiled.

2. TRUST FUNDS

2.1 FINANCIAL STATEMENTS

- Financial statements of the Funds in Trust for the fiscal year 2013 have been prepared and are submitted in the Secretary of Board of Director on 22 January 2014 and in the Ministry of Finance on 24 January 2014;
- 9 months financial statements for the Funds in Trust for the period January – September 2014 were prepared and submitted within the legal deadline in the Treasury Department of the Finance Ministry.

2.2 BUDGET

The Budget for funds in trust is for Socially Owned Enterprises which are placed in liquidation. There are 461 Socially Owned Enterprises which were placed in liquidation. The budget includes the period from the entrance of the Enterprise in liquidation and until its termination.

The preparation of budget of the funds in trust for the SOEs in liquidation is outside the competences of the Department of Finance and Budget, but which begun to be part of monitoring and control process since the meeting of August 2014 of the Board of Directors, this according to requests of DMD – Liquidation in order to increase the capacity, and the reduction of risk for exceeding budget.

2.3 SALARIES PREPROCESSING

- The processing of 9,296 outgoing transactions of the funds in trust in CBK and the harmonization of 21,500 (ingoing and outgoing) transactions from the funds in trust.

2.4 REPORTS

- The harmonization in the Central Bank of Kosovo and the reporting on monthly bases on financial statements reports for the Funds in Trust to the:
 - Management of Directors;
 - Regional Offices and Liquidation Authorities – Summary Reports of the Liquidation Accounts and Bank Cards. Report on monthly bases includes the period January up to 31 December 2014. The reports are presented in the PAK webpage (in Albanian, Serbian and English); and
 - Stakeholders through the publication in the official webpage of the Agency into Albanian, Serbian and English.

1.5 THE INVESTMENTS OF FUNDS IN TRUST

With regards to investments of funds in trust, Privatization Agency of Kosovo is oriented in the market of short-term investments such as the deposits up to twelve months (12) in the Central Bank of Kosovo and commercial banks of Kosovo and in securities issued by the Government of Kosovo (treasury bills).

1.5.1 Means deposit in time deposits

The Department of Finances and Budget during the entire time was active with regards to means deposit in time deposits. During the period January – December 2014, 6 deposits have been realized in time deposits:

1. Three deposits in quarterly deposits, at the total amount of 65,000,000.00 € in total, all of them are mature;
2. Two deposits in six months deposits, at the amount of 50,000,000.00 € in total, all of them are mature; and
3. One deposit in twelve months deposits, at the amount of 50,000,000.00 € in total, which shall mature on 5 July 2015.

The earned interest¹⁷ during the fiscal year 2014 is 144,959.72 euro in total.

The earned deposit of the interest of 5,000,000.00 Euro which matures on 05 July 2015, shall be 5,000.00 € in total.

Means have been deposited in the Central Bank and in commercial banks of Kosovo; however it is worth mentioning that the norm of interest in this market, lately was very low. The last offer from the commercial bank was at the 0.10% norm (the offer on 19 December 2014 which has fulfilled the obligatory criteria), whereas we did not have an offer from the Central Bank since norms of interests were negative and up to minus 20% (according to notice dated 05 September 2014).

1.5.2 Investment into securities issued by the Government of Kosovo (treasury bills)

PAK Board of Directors in the meeting dated 21 June 2012 made a decision to Management to allow the discussion and the signing of the Memorandum of Understanding with the Finance Ministry and Central Bank of the Republic of Kosovo in order to enable the investment of funds in trust in the primary market and their marketing in the secondary market of the securities issued by the Government.

There was no investment or participation in the offers of securities of the Government since the attempt of the Agency was not successfully terminated with regards to these investments due to the reasons which the Agency does not know.

With the initiative of the advisor of the Governor of the Central Bank of Kosovo, the meeting was held with the Central Bank of Kosovo in August 2014, introductory meeting with regards to steps which should be undertaken in improving the conditions and creating opportunities for all important actors of the Kosovo capital. We have been informed that there should be done work in changing the technical and legislative conditions for the participation in this market. The Agency has been considered a very important actor with regards to capital circulation in the market of securities issued by the Government. It is expected another working group to be established which includes also other actors as Kosovo Pension Trust. The Agency has expressed its readiness to give its contribution in order to create the possibilities also to the Agency for the participation in this market. This would fulfill even more one of the basic objectives for the enhancement of SOEs value.

¹⁷ The gained interest is generated interest (collected in respective accounts of the funds in trust) during the fiscal year 2014 as a result of agreements from 2013 for the deposit of means until their maturity on 31 December 2014. The agreement on 16 December 2013 for 12 month deposit, the interest which shall be gained after the maturity of 16 December 2014 is 90,000.00 Euro.

1.6 OTHER ACTIVITES

- Meetings with Tax Administration of Kosovo were held with regards to tax burden placed in the assets of SOEs. The Agency required data with regards to dates of placing tax burdens in order to be in compliance with the dates of placing SOEs in liquidation, however such thing was not still offered, whereas such thing was not offered still whereas with regards other approved claims presented as creditor – SOEs TAK, the Agency clarified that in the absence of the quorum of three international directors the payments cannot be realized. According to Article 14, paragraph 7 and Article 15 paragraph 2.7 which resulted in non-realization of payments for all received claims of creditors. Another such problem was discussed with other institutions: Municipality of Prishtina (tax in property), water supply - Prishtina or other related parties to these claims.
- In 2014, the Finance and Budget Department issued the invoices with regards to all lease agreements for the use of SOE assets INA TRGOVINA and SOE Jugopetroll. With regards to the assets of SOE INA TRGOVINA the invoices for the below contracts have been issued:
 - The contract with INA in Zagreb for using the warehouses in Bardhosh. The lease amount is 22,000.00 Euro. The contract of INA in Zagreb is under monitoring since 2013;
 - The contract with D Petroll for the use of land and petrol pump. The monthly amount of lease is 1,150.00 Euro. Finance and Budget Department has it under its monitoring since December 2014, whereas it has previously been under the monitoring of Regional Office Prishtina; and
 - The contract with IP – KOS for the use of ten stations of petrol pumps.

2.7 OTHER DETAILS WITH REGARDS TO FINANCIAL ACTIVITIES OF THE AGENCY

Other details with regards to financial activities of the Agency were unfolded in the financial tables and explanatory notes of Financial Statements of the Annual Budget and in financial tables and explanatory notes of Financial Statements of the Trust Funds.

5.9. LEGAL DEPARTMENT

The Legal Department (hereafter LD) provides legal services to the Agency's activities including privatization, liquidation, procurement and specific cases of Trepca.

The Department is divided into working units dealing with the organization, division of tasks and responsibilities in order to achieve efficiently, effectively and entirely the objectives and responsibilities of the Legal Department that are in accordance with the Laws and Regulations of the PAK.

The activities of the units of the Legal Department are explained as follows:

1. Litigation Unit (LU)
2. Legal Opinion Unit (LO)
3. Claims Registration Unit (CRU)
4. Secretariat of WLCRC for reviewing the complaints seeking the 20% share
5. Workers Lists Claims Review Committee (WLCRC)

The Legal Department serves as the umbrella for the Workers Lists Claims Reviews Committee (WLCRC), although this Committee operates autonomously and reports only to the Board of Directors.

1. Litigation Unit (LU)

During the period January - December a total of 150 cases have been received and the procedural actions that were undertaken for the said period are as follows:

- 403 Defence to claims, 88 Counter-responses; 118 Responses to Preliminary Injunctions; 36 Appeals; 87 Responses to Appeals; 57 Submissions; 16 Appeal rejoinders; 1 Claim; 79 Court representations and 95 Response to Court Orders ;.

Regarding issues related to the lists of SOE employees, during the period January - December 2014 a total of 900 cases have been received and the procedural actions undertaken during the period in question are as follows:

- 158 Orders, 18 Court Representation, 160 Judgments, 45 Decisions, 52 Appeal against Judgments, 510 responses to the claim out of 576 complainants, 27 submissions.

2. Legal Opinion Unit (LOU)

The Legal Opinion Unit (NJOL) has developed various activities consisting mainly in providing legal opinions and advice, drafting legal documents, regulations or other legal acts, as well as participation in various meetings.

During the reporting period the LOU contributed to the Agency by providing approximately 41 legal opinions under "Requirements for Action" to Units and Departments but also the Agency's Management.

In addition to the legal opinions, the LOU has developed or participated as per requirement in drafting, reviewing or analysing more than 56 different documents, such as internal regulations, decisions, contracts, letters of response, requests, etc.

Approximately 41 Legal Status Determination Requests for SOE's have been examined, as well as a number of meetings took place where the participation of legal officers and legal consultations were required.

3. Claims Registration Unit (CRU)

During the period from 1 January -31 December 2014, the Claims Unit of the Legal Department recorded and processed a total of 7,677 submissions out of which 6204 incoming submissions and 1.473 outgoing submissions were registered.

Out of a total number of 6204 claims / incoming submissions received and recorded by the Claims Unit, approximately 1,360 were new claims/cases and 4,844 additional documents/submissions related to existing cases which were registered earlier. Likewise, the following activities were carried out:

95 Notices sent by parties regarding their intention to file a claim with SCSC as set out in Article 29 and 30 of the Law of the PAK.

1998 Claims related to the liquidation or SOEs in liquidation (including cases that are processed by the Claims Unit in the Legal Department, the Liquidation authorities with RO or in relation to Deloitte company, cases which somehow passed through the Claims Unit).

11,801 hard copies of cases and submissions were ranged/ sorted out according to the electronic system registration.

1.473 outgoing submissions related to representation were delivered in sufficient copies to the Office of Protocol to be sent to court (589 submissions related to 20% and 884 related to Legal Representations Unit).

1,430 incoming submissions related to court representations have been sent to competent officials to take further actions (900 cases were submitted to the representation unit concerning 20% and 530 cases to the Litigation Unit).

Likewise, around 1151 cases/original documents related to SOEs in liquidation were submitted to Liquidation authorities within Regional Offices.

6204 various incoming submissions were recorded into the intern book of the protocol of the Claim Unit until 31/12/2014. Excluding the 1.473 outgoing submissions that were recorded only in the Office of Protocol. Whereas they were prepared by the Claim Unit.

Therefore, by calculating the number of claims recorded in the internal book of protocol of the CU plus the number of outgoing submissions of 1.473, then the total number of submissions processed within the CU is over 7677 incoming and outgoing submissions for 2014.

About 472 amendments and changes were carried out in the electronic database of the Claim Unit according to the suggestions made by officials of Prishtina Regional Office.

4. SECRETARIAT OF WORKERS LISTS CLAIMS REVIEW COMMITTEE (WLCRC) related to the 20% share

For that period, WLCRC Secretariat has worked on the review of complaints and other issues relevant to enterprises listed below

1. It reviewed the claims and it prepared the report concerning the SOE Zhegra in Zhegër, Gjilan
2. It reviewed the claims and prepared the report concerning the SOE Zadruga in Shtërpe, RO Prizren
3. It reviewed the claims and prepared the report concerning SOE Vreshtaria in Landovice, RO Prizren
4. It reviewed the claims and prepared the report concerning SOE Lavertari Blegtori in Arbanë, RO Prizren

5. It reviewed the claims and prepared the report concerning the SOE Emin Duraku in Gjakovë
6. It received and it reviewed the untimely claims concerning 48 SOE-s.
7. It completed the draft-decisions for the following SOE-s:
 - SOE “Zhegra” Zhegër, Gjilan
 - SOE “Barnatoret e Prishtinës” Prishtinë
 - SOE “Zadruga” Shterpce, RO Prizren
 - SOE “Vreshtaria” Landovice, RO Prizren
 - SOE “Lavertari Blegtori” in Arbane, RO Prizren
 - SOE “Emin Duraku” in Gjakovë, RO Prishtinë
 - SOE “Bankos” in Prishtinë/RO Prishtinë
8. It held meetings with parties to explain them the reason for their non-inclusion into the final lists.
9. It communicated and assisted the regional offices to extract information from the matrix books for issuing confirmations about the workers of different enterprises (the matrix books were collected temporarily by the Secretariat until they were scanned).
10. All officials of the Secretariat were engaged into harmonizing the electronic files and hard files as well as the supplementation with additional relevant documents from regional offices was done for database purposes.
11. The contractor completed the scanning, photocopying and binding of matrix books and preceded the matrix books to the Regional Offices.
12. It processed the proposal to cancel the initial lists because it has no assets sold.

5. WORKERS LISTS CLAIM REVIEW COMMITTEE (WLCRC) related to the 20% share

The Workers Lists Claim Review Committee (WLCRC) was established by decision of the Agency’s Board of Directors in September 2011 in accordance with Article 10, paragraph 10.4 of the Operating Policies and is an independent internal administrative body set to review the lists of workers related to 20% share. While the Committee reports about its decisions to the Board of Directors, it is on the operational side an organizational unit of the Legal Department. WLCRC is assisted by the Secretariat which is also a unit of the Legal Department and is responsible for WLCRC support in providing necessary assistance in cooperation and under the guidance of the WLCRC Head.

During the reporting period, the WLCRC has worked on the review of the complaints made against workers lists for 9 Socially Owned Enterprises. These duties are summarized below:

- It reviewed of draft decisions;
- Held hearing sessions;
- Reviewed the claims;
- Consulted external parties;
- After reviewing complaints, it prepared the reports on the workers list for the approval of the Board of Directors;
- Checked and verified the files of the workers;
- Made clarifications about the termination of the employment of the SOE workers;
- Prepared the needed data for the WLCRC database;
- Carried out the harmonization between electronic and hard copy versions and completed it with documents from Regional Offices;

5.10. ADMINISTRATION DEPARTMENT

The Administration Department has a duty to provide the best possible conditions of human, infrastructural and logistical support to achieve the objectives of the Privatization Agency of Kosovo.

The Department of Administration includes the following units: Human Resources, General Services Unit, Archives Unit, the Translation Unit, Division of Information Technology Unit, the Protocol Unit and the Office of Transport.

5.10.1. HUMAN RESOURCES UNIT

During the reporting period (01 January -31 December 2014) Human Resources Unit carried out the following activities:

Wages:

- update and confirmation is made and Payrolls were sent for execution on a monthly basis for the months of January, February, March, April, May, June, July, August, September, October, November and December 2014

Staff:

- It finalized the recruitment and selection process for five (5) vacancies:
 - o Cadastral Officer / Regional Office Pristina;
 - o Head of WLCRC;
 - o Registration Claims Officer;
 - o Financial Officer;
 - o Senior Legal Officer for the preparation and conclusion of Sales
- 9 (nine) employees resigned;
- 2 (two) cases of termination of employment on the occasion of the retirement age (65 years);
- 1 (one) case of termination of employment as a result of death;
- With the arrest of several officers of the PAK and also the case of notification by the Special Prosecutor about the investigations of some AKP officials, preventive suspension decisions for 8 (eight) PAK officers were drafted.
- Upon notification by the Basic Court of Prizren, namely the EULEX Pre-Trial Judge, a decision was made to abrogate the preventive suspension decision for 1 (one) PAK;
- New contracts were prepared for the positions: Maintainer, Driver and Cleaner;

Staff Development:

- On the basis of individual plans for career development of the employees, an Annual Plan for Training and Development of the Agency's employees for calendar year 2014 was prepared and it was approved by two DMD;
- The participation in the following training was coordinated:
 - o Management of the Project Cycle and Leadership for 15 PAK employees;
 - o Certified Programs in SCAAK in three (3) levels for 11 PAK employees;
 - o Certified Program PMP for 33 PAK employees;

- European conference for HR "HR TECH EUROPE 2014 Conference for one employee of the Agency;
- Training "Finance for non-Financial Managers" for one employee of the Agency;
- Training for the Bar Exam (KCA) for one employee of the Agency;
- Training for 3D Animations & Visual Effects (KIC) for one employee of the Agency;
- Training for Web design (KIC) for one employee of the Agency;
- Conference "Summer Global Business Conference 2014" (Innovation Institute) for one employee of the Agency;
- A participation of four employees of the Agency in Training and Certification Programs was coordinated ;
- Training organized by MAP for new advancements in work attendance management system for one employee of the Agency;
- Participation of HR staff for Personnel Planning in IKAP training;
- Certification Program "Evaluation of Real Estate" for forty employees of the Agency;
- Training coordination process for "Quality Systems Manager" and "Quality Auditors" organized by UBT, Quality Austria and Kosovo Association for Management;
- For the purpose of endorsing the program "Training and Practice for distinguished Students of PU" which is a collaboration of USAID / KPEK and AFAS, an internship for 50 students of this program was organized in some Regional Offices and Departments of PAK;

Performance Management Process:

- The Performance Evaluation meeting for 2013 has been completed as well as the employees' Individual Work Plans and Individual Development Plans for 2014 (compilation of the Agency's Internal Guide on Performance Management, the modification of the relevant forms, information / advice and providing the employees with them, collection, selection, populating the database, calculation of average on individual basis and preparation of the annual report);
- The process of Performance Evaluation for 2014 is being processed as well as the employees' Individual Work Plans and Individual Development Plans for 2015 compilation of the Agency's Internal Guide on Performance Management, the modification of the relevant forms, information / advice and providing the employees with them, collection, selection, populating the database, calculation of average on individual basis and preparation of the annual report);

Reporting:

- The Annual Report January - December 2013 about civil servants status in the Privatization Agency of Kosovo (PAK) has been prepared and delivered to DCSA / MPA);
- The Annual Personnel Plan for 2015 has been prepared and submitted to DCSA / MPA);
- Preparation of the Report on Implementation of the Employees' Training and Development Plan for the period January-December 2013;
- Preparation of the Annual report on the Performance Evaluation for the period January - December 2013;
- Preparation of the Regular Reports on a weekly basis on the activities of the HR Unit;

Other issues:

- The Committee on Dispute and Complaints Settlement has examined and made a Decision concerning 20 (twenty) complaints;
 - The Disciplinary Committee has reviewed and made a decision in relation to four (4) cases;
 - The Review Committee to review wages has been established and is in process of examining the requests of PAK officials;
 - The announcement for the PAK Senior Public Officials to declare their property has been done;
 - The updating of a large number of Job Descriptions has been reviewed and finalized concerning:
 - o The Regional Coordination Department;
 - o The Legal Department;
 - o The Liquidation Coordination Department;
 - o The Public Relations Unit;
 - o The Control and Surveillance Unit / Sales Division;
 - o The Administrative Officer at the Secretariat of the Board of Directors.
- The Independent Oversight Board visited the Human Resources Unit and made its annual inspection;
 - Hard and electronic files of all PAK Officers have been filled out with job descriptions and certificates certifying that they are not under investigation;
 - All PAK Officers have been provided with new Letters of Appointment according to the amended Regulation of Wages and the Government's Decision to increase salaries for 25%;
 - Regular communication with the Independent Oversight Board regarding the assistance for additional information concerning the complaints filed with them;
 - Constant contacts with the Kosovo Police, namely the Department for Serious Crimes about their requests for the PAK staff;
 - In order to improve the process of entry / exit of the PAK staff, a new terminal for registration of entry / exit has also been installed;
 - Routine ongoing activities (administrative and logistics);

5.10.2. OTHER UNITS OF ADMINISTRATION DEPARTMENT

The main activities for this reporting period are presented for the following units: the Unit of General Services, the Archives Unit, the Translation Unit, the Information Technology Unit, the Protocol Unit and the Transport Office.

Translation Unit:

1. The Translation Unit translated **1.120 documents with 6.802 pages** and provided interpreters for 26 meetings;
2. It assisted in many direct interpretations such as various meetings with interested stakeholders, Board meetings and days of sales;

Protocol Unit:

3. During this period of time **5543** incoming documents have been registered with this Office.
4. **4607** outgoing documents have been registered with the Office;
5. **10150** entry/exit have been recorded in the system;

6. **10150** scanned;
7. **5348** Mail Admission **5348**;
8. **2668** Mail Delivery;
9. **5543** Mail Delivery through Personal Book within PAK;
10. **179** Mail Delivery through Personal Book external to PAK;
11. **1212** sent through DHP by Delloitte;

Information Technology Unit:

12. The initial installation process of "disaster recovery system" equipment has been completed. The Implementation of the Recovery Centre for protection of the system (two-way replication - (part of the plan for disaster recovery). The server rooms have also been secured with doors and windows of high security;
13. Since most of the RO are connected to the optical network, the network connection and internet speed has been increased more than 3 times with Regional Offices. This has resulted in a shortage of complaints by Regional Offices due to the ease of daily work;
14. The implementation of the helpdesk portal is one of the achievements. However, due to the lack of interest for users to use it has minimized its importance. The IT Unit actively makes use of it to generate reports on network computers;
15. Expansion of the portfolio of services for photocopies at the PAK. Although not yet been fully implemented, the addition of small photocopiers as scanners will avoid problems with the servicing of old scanners;
16. Installation and preparation of other devices for Windows 7 Upgrade, though they are scheduled to take place by the end of the year, have lagged behind due to lack of hardware (RAM, HDD and new computers). Due to many different delays, this process is still in the procurement stage. The lack of TAPE for Backup came in as a problem in October;
17. The full implementation of the Recovery Centre is made only when the other part is to be physically far from the central location. Being unable to realize it technically in a near future, we will try to displace the other part of the Recovery into the network cabinet (left side of the building);
18. Breaks in network devices have occurred this year but fortunately they did not affect the work progress of the PAK. An example is a SAN disk (Storage Area Network) that broke down on 14.03.2014) for which we waited for more than one month to have it replaced under guarantee. To avoid these problems in the future, we have planned to make a procurement of backup disks which will be replaced immediately without having to wait for the execution of the guarantee;
19. The restoration of old records from the backup according to the requests of the Kosovo Police has caused us trouble since the said backup was built with old technology SDLT II. The network administrator has managed to convert all mailbox databases for the period 2009-2011. To avoid any efforts in using old technologies in the future, we have recommended that the extracted databases are physically stored in a server or new tape format;
20. The first phase of implementation of the Recovery Centre has been completed. The Local Recovery Centre is active on the left side of the building. This objective is one of the measures for providing IT standards;
21. An advanced alarm system with GSM has been built in in relation to temperature increases in 2 server rooms;
22. Upon arrival of a part of IT equipment on 26 December (HDD and RAM memories), the IT unit restarted upgrading process of PC that were old Windows XP system into Windows 7. So far, 30

computers have been upgraded and it is expected that most of the upgrading be completed next month;

Archives Unit:

23. Registration of KTA and PAK documents in the Archives software;
24. Arranging the new Archives warehouse;
25. Documents have been scanned, recorded and archived - 336 registrations in the various PAK departments;
26. Privatization contracts have been scanned, recorded and archived, total 66 contracts;
27. Requests for documentation amounting to 81 requests in total;
28. Protocol Books have been archived, 4 books;
29. Continuous documentation update.

General Service Unit:

30. A report on the assessment of the safety of facilities regarding fire alarms and security surveillance cameras in the central office and regional offices has been prepared as well as proposals and financial costs concerning the upgrading of the quality of security. The report was assessed by Management. Although in September we had requests and questions from Management, we have not yet been able to start the procedures to start putting in place and activate the statement for the installation of fire alarm system and upgrading the quality of the camera system and we are still waiting a response from the Department of Finance;
31. The emergency and evacuation schedule has been set including the sketching of all PAK offices and the Red Room where privatization waves and sale of assets take place and a coordination took place to ensure the numbers of the Kosovo Police, Emergency, firemen and other emergency numbers;
32. In cooperation with other departments we have activated the statement for contracting a company for physical security services for the needs of the PAK;
33. We made the official vehicle registration owned by PAK despite many delays caused by the Municipality of Prishtina;
34. In an attempt to provide best of services and materials, we have activated the statement of needs for administrative material supply for a period of one year;
35. Considering the problems we have encountered last summer as well as in consultation with the IT Unit, we have activated the statement to repair the server room at the Central Office of the PAK;
36. We have activated the statement for maintenance and supply of several new air conditioners as per requirement. Likewise, after signing the contract we have serviced all air conditioners in all the offices of the PAK;
37. We have compiled a list and made a request for the supply of sanitary and electrical equipment for the needs of PAK for a period of one year. Once the contract was signed, we have been provided with sanitary and electrical equipment sufficient for the maintenance of the PAK buildings for a period of approximately one year;
38. A report and economic analysis has been compiled to merge the Regional Office and PAK HQ, advantages and disadvantages;
39. Based on the needs and requirements we have activated the statement for toner for the PAK needs covering a period of one year.

5.11. PROCUREMENT DEPARTMENT

The PAK signed 49 procurement contracts during 2014.

According to procurement values were signed:

- 2 procurement procedures of high value
- 27 procurement procedures of medium value
- 16 procurement procedures of low value
- 4 procurement procedures of minimal value

Report on the contracts that were signed during the period of 2014:

1. Physical security services for PAK spaces and for the Socially Owned Enterprises that are under the administration of PAK;
2. Leasing contract for the satellite office in Leposavic;
3. Services for printing promotional materials;
4. Registration and PAK vehicle insurance;
5. Extension of Contract with the newspaper Dangraf Dailypres;
6. Extension of Contract with RTK, KTV and RTV 21;
7. Contract for the promotion of the Agency through Local and National Radios;
8. Usage of the portal "Qysh" for marketing and promotional purposes of the Agency;
9. Database maintenance of the Claims Unit of the Legal Department;
10. Re-tendering-auditing of the socially owned enterprises, enterprises privatized with special Spin Off and enterprises privatized with conditions;
11. Hygienic material supply;
12. Photocopying and Printing Services, IT equipment services;
13. Administrative material supply;
14. Photocopying, scanning and Matrix Book bonding;
15. Publication of advertisements/ notifications in Portals (10% of basic contracts);
16. Participation in the International General Fair "Prishtina 2014";
17. Supply with new transport vehicles;
18. Supply and installation of windows and of metallic door;
19. Publications of advertisements/ notifications in Portals;
20. Maintenance of Air Conditioners and supply with Air Conditioners;
21. Signed the leasing contract for the PAK needs for the premises in Shttrpcë;
22. IT equipment supply- RAM memory;
23. Business Spaces for Prishtina region;
24. Extension of Contract for the Prizren Archives;
25. Extension of Contract for the Mitrovica Archives;
26. Recording and direct broadcasting of the Bid Submission and Opening Ceremony;
27. Supply with sanitary and electrical equipment;
28. Extension of Contract for the Peja Achieves;
29. Extension of Contract for the Gjilan Achieves;
30. Registration and PAK vehicle insurance;
31. IT equipment supply (hard disk);

32. Daily newspaper supply;
33. Servicing and maintenance of generators and central heating;
34. Toner supply;
35. Supply with IT equipment;
36. Maintenance of software for the needs of the Human Resources Unit and the Office of Protocol;
37. The usage of the portal "Ferma ime" for marketing and promotional purposes of the Agency;
38. Extension of Contract with all the daily newspapers in Kosovo: Koha Ditore, Kosova Sot, Epoka e re, Zeri, Bota sot, Tribuna and Gazeta Lajm;
39. Fuel supply for the PAK needs;
40. Washing the PAK vehicles;
41. Regional Office of Prizren;
42. Regional Office of Peja;
43. Regional Office of Gjilan;
44. Regional Office of Prishtina;
45. Regional Office of Mitrovica;
46. Professional Services for reading the data on the Trepca mining stocks;
47. Supply with office equipment;
48. Alarm temperature system with GSM;
49. Extension of the leasing contract for the office premises in Gracanica.

5.12. INTERNAL AUDIT UNIT

The Internal Audit Unit (IAU) has successfully managed to fulfill its work plan for the period January-December 2014 by providing to the upper Management and to the Board of Directors concrete recommendations.

IAU activities during this period are as in following:

1. **Audit of the Executive Secretariat of the Board of Directors:** The main objectives of this audit were based primarily on risk assessment. They are interconnected with the Executive Secretariat of the Board (ESB). Based on the audit findings and conclusions, this audit resulted in 6 relevant recommendations
2. **Audit of the Department for Regional Coordination (Regional Office of Gjilan and Prizren):** The main objectives of this audit were based on risk assessment interconnected with the process of providing premises (shops) for rent in RO of Gjilane and RO of Prizren, and with the effective implementation of the decisions of the Board and Management by the Regional Coordination Department respectively by the Regional Offices of Prizren and Gjilan and with other activities that are undertaken by these offices. Based on the audit findings and conclusions, this audit resulted in 9 relevant recommendations.
3. **Audit of the Reorganization Unit:** this audit was finalized in September. The main objectives of this audit were based primarily on risk assessment interconnected with the Reorganization Unit. Based on the audit findings and conclusions, this audit resulted in 4 relevant recommendations.
4. **Audit of the Sales Department:** The main objectives of this audit were based primarily on risk assessment interconnected with the Sales Department. Based on the audit findings and on the reached conclusions this audit resulted in 13 relevant recommendations which were addressed to the Board of Directors and to the Management. The implementation of these recommendations of the audit will be monitored during 2015.
5. **Audit of the Procurement Department:** based on the work plan of the IAU, this audit began in August. The audit in question was focused on reviewing the procedures for public procurement activities, including the preparation of the work plan, preparation of tender dossier, evaluation of public contracts, technical specifications, advertising and transparency, management of the procurement procedures and compatibility requirements, payments, contract execution, etc. Based on the audit findings and conclusions, this audit resulted in 6 relevant recommendations. The implementation of these recommendations will be monitored during 2015.
6. **Audit on Monitoring the Implementation of Recommendations:** This audit was conducted to see whether the recommendations of the audits of 2009-2010-2011-2012-2013 and for nine months of 2014 have been implemented. This audit was done on the following departments/ units: Human Resources Unit, Division for Coordination of Liquidation (Corporate Governance), Sales Department, Secretary of the Board, Legal Department, Liquidation Department, Procurement Department, Department of Finance and Budget, Department for Regional Coordination and respective Regional Offices, Sales Division, Administration Department and Reorganization Unit. It

resulted that from a total of 126 recommendations, 17% of them are fully implemented by the organizational units of the PAK, whereas 34% of the recommendations have not been implemented, and 44% of the recommendations have been partially implemented.

7. **Audit of the Department of Finance and Budget (DFB):** The main objectives of this audit were based on risk assessment interconnected with the planning and implementation of the budget of the PAK, the credibility of the financial transactions and their compliance with the legal requirements, the spending of the public money according to the Law on Managing the Public Finances and Accountability and the applicable financial rules. Due to the specifications and because of the large volume of the work the audit of this department is expected to be finished by the end of January.
8. **Audit of the Department for the Coordination of Liquidation and of the Liquidation Authority:** Based on the work plan of the IAU, this audit started in November. The main objectives of this audit were based on the assessment of the risk interconnected with the review of claims (creditors' claims), whether these reviews are done in accordance to the legal framework including the implementation of the contract with the Provider of the Professional Services for the Liquidation according to the conditions provided by the contract. Due to its specifications, this audit is expected to be finalized in early 2015.
9. **Drafting the Strategy (2014-2016) and Work Plan for 2015:** the strategy of IAU for the years 2014-2016 was reviewed and the Annual Work Plan for 2015 was prepared. The draft was submitted to the Central Harmonization Unit for Internal Audit (Ministry of Finance) according to the legal requirements but in the absence of the appointment of the Board of Directors of the PAK, the draft-documents will be approved after the appointment of the Board.
10. **Officer of Professional Standards (OPS),** during the reporting period the Officer of Professional Standards has handled several cases mainly initiated by management and the relevant departments, and such cases after being treated were addressed to the relevant body.
11. **Training of the IAU staff:** In order to increase the capacities in IAU, this year a part of the IAU staff had participated in training that dealt with environmental audit organized by the Centre of Excellence in Finance (Centre of Excellence in Finance), training was held in Ljubljana – Slovenia.

5.13. MEDIA AND PUBLIC RELATIONS UNIT

In accordance with the Annual Work Plan of PAK, the Report of Media and Public Relations for the period January-December 2014 includes the implementation of planned activities for realising the overall objectives.

Media and Public Relations Unit provided full support in promoting the work of Agency, educating the public about the Agency's work both locally, as well as internationally, and designing and managing specific campaigns of the PAK information sector.

Media and Public Relations Unit provided full support for all the sales conducted by the PAK, as sales through the method of privatization and liquidation through activities such as making the announcements, sending invitations to representatives of municipalities, representatives of the socially owned Enterprises, state institutions and local and international organizations, preparing press releases about the launches of waves, publishing them on the website of the Agency, participating in the preparations and supporting the ceremonies of the wave sales and preparing the press releases for those wave of sales.

Media and Public Relations Unit drafted and sent notifications to the media for three Asset Liquidation Sales: Sale of Assets no. 24, 25, and sale no. 26. Likewise, it prepared the speeches for these ceremonies and sent to the media the Press Releases about the said activities.

Media and Public Relations Unit monitored on daily basis the printed and electronic media, local and international, for the interest of PAK, and provided a summary of articles that were related to the mandate of the Agency.

Media and Public Relations Unit is the contact point for the media in providing and ensuring communications to the media about the activities of the Agency, by receiving their questions and providing replies to those questions in coordination with the relevant departments/unit and in coordination with the managing director. The unit illustrated the activities of the Agency to the wide public by presenting the activities and the stands of the Agency in the media.

Media and Public Relations Unit sent around 500 responses in writing by email as replies to the questions made by journalists of different Medias.

- Statements through telephone – over 130 statements through telephone;
- Responses and statements in Television - (about 70 statements in TV);
- Responses and statements in Radio: - about **120** statements for local and international Radio.

Media and Public Relations Unit during 2014 has drafted and sent to the media and through the media to the wide public over 40 Press Releases concerning different activities of the Agency, and launched 4 Communications as a reaction /clarifications against desinformations/ writings against the Agency.

Media and Public Relations Unit advised the PAK Management by assisting the Agency to succeed by implementing proactive and reactive communication strategy, including here the crisis communications.

Media and Public Relations followed the meetings of the Board of Directors with the aim to prepare Press Releases for the media from the Board meetings in order to inform the public about the reached decisions.

Media and Public Relations Unit by the decision of Management organized a conference in the end of the year and it invited all printed and electronic media.

Media and Public Relations Unit continued to update the website of the PAK with all the information regarding the activities of the Agency and the privatization process in Kosovo.

Media and Public Relations Unit continued to provide support to local and international potential investors, in order to promote investment in privatization, meanwhile, continued to provide support and inter-institutional cooperation.

Institutional Relations

Media and Public Relations Unit continued to provide support in inter-institutional cooperation. During last year participated in the drafting of Memorandum of Cooperation with the Statistical Agency of Kosovo in exchanging of statistical data related to agricultural properties of Socially Owned Enterprise, this memorandum was approved by the Board of Directors.

Relations with the Public and Access to Public Documents

Media and Public Relations Unit received and carried out the initial review of the requests for access to documents. It kept accurate records of the number of requests for access to documents as well as the number of the requests that were rejected or allowed.

Reports have been prepared on regular basis (every three months) and these reports were sent to the relevant unit of the Government/Office of the Prime Minister which is in charge of preparing a comprehensive report on public institutions and the right of access to public documents.

The number of received requests 2014					
Total number	Allowed Access	Rejected	Limited	No response	Other Reasons
15	11	3	-	-	1

5.14. COMMITTEES

The Agency has a number of committees which carry out duties under instructions of the Board or Management.

HOUSING COMMITTEE FOR SOEs - SALE

The Agency was the first institution in Kosovo that began implementing the Law on the Sale of Apartments. For this purpose, the Board has established the Committee on the Sale of Apartments owned by Socially Owned Enterprises being an imperative of the Law no. 04 / L-061 on the Sale of Apartments holding the housing tenure rights.

The index of results showing the number of sales of apartments:

	January –December 2014	The entire process
Demands for purchase of apartments	327	1224
Reviewed and recommended by the Board for decision taking	245	574
Contracts concluded	150	619
Contracts in process	99	588

COMMITTEE FOR PROCESSING ILLEGAL CONSTRUCTIONS ON THE SOES PROPERTIES

The legal framework of the Committee was adopted and the Action Plan approved by the Management and Board.

The Committee has established cooperation with:

- Ministry of Environment and Spatial Planning and Kosovo Cadastral Agency;
- With Kosovo municipalities [in particular the Municipality of Prishtina];
- With Kosovo Cadastral Agency;

In accordance with the principles and objectives and a prior coordination with the Regional Offices, the Commission has compiled the Unique Evidence (initial) related to data recording and the follow-up of the trend (illegal construction) by obtaining a rough reflection of the situation on the ground.

The Committee has drafted an Action Plan scheduling the principal directions of the Commission (for the initial phase) on the implementation of its primary functions. Also, in accordance with its position and the nature of its powers, the Commission has drafted Rules of Work Procedure as its basic act and a series of

internal documents which include the Referral Report, the Recommendation Report and the Instruction Nr. 1/2014.

COMMITTEE FOR STATUS DETERMINATION OF SOEs - SDC

The Committee for Status Determination of the enterprise was established by the Decision of the PAK Managing Director on 15 August 2012 in accordance with Article 11, paragraph 4 and Article 16, paragraph 1.1 and 1.2 of the Law No. 04 / L 034 on the Privatization Agency of Kosovo and Article 2.1 of the Operational Policies of Kosovo Privatization Agency approved on 28 September 2011.

The Committee was established with the purpose of determining the legal status of enterprises and assets that fall within the administrative authority of the Privatization Agency of Kosovo

Status of SDC	January-December 2014
Number of SDRs received by the Committee	56 SDR
Number of SDRs examined by the Committee and approved by the Board of Directors	23 SDR
Number of SDRs examined by the Committee but not approved by the Board of Directors	13 SDR
Number of SDRs in process of examination	20 SDR

The Committee members examine and verify documents presented in the enterprise file and any other additional necessary documentation for determining the status of enterprises or assets in order to determine the legal status as to whether they fall or not within the administrative authority of the PAK.

The final summary reports approved by the members of the Committee shall contain the factual situation, findings and recommendations regarding the determination of the legal status of the company or the asset and after their approval by the Committee they are forwarded for approval to the Board of Directors.

6. AGENCY'S CHALLENGES AND RECOMMENDATIONS FOR AMMENDMENT OF LEGISLATION

MAIN CHALLENGES IN THE FUTURE PERIOD

- Acceleration of Privatization and Liquidation process;
- Completion of the Board;
- Completion of the Management;
- Trepça;
- Releasing of usurped assets Cooperation with municipalities;
- Cooperation with municipalities, provision of cadastral services;
- Delays in treatment of cases from Special Chamber of the Supreme Court of the Republic of Kosovo;
- Delays in treatment of cases from Basic Courts;
- Treatment of assets located outside Kosovo.

RECOMMENDATIONS TO AMEND THE LEGISLATION

As a part of Action Plan on Application of Government Program for the period 2015-2018, the Agency presented concrete proposals to review legislation that regulates functioning of PAK, in order to provide regular and efficient accountability. The proposals are as follows:

1. The Assembly should establish a functional committee that will deal with PAK issues;
2. Privatisation Agency of Kosovo should be designated as a non-budgetary organisation;
3. Audit of privatisation and liquidation process should be conducted by (External) Independent Auditors, as it is conducted in Trust or in Central Bank. External Auditor should be appointed by respective Committee of the Assembly;
4. The Status of PAK employees should be defined stating that they are not civil servants;
5. Article 16 of the annex of the PAK Law should be amended in order to clarify functioning of the Liquidation Authority while releasing Kosovo Budget from unnecessary costs;
6. Required amendments should be done in PAK Law as regards quorum of the Board of Directors in relation with the presence of internationals in the Board and the Law No. 04-L-115 regarding termination of the supervision of Kosovo's independence;
7. Defining the mandate for 2 or 3 years to the Deputy Chairman of the Board of Directors; and
8. Review of the legal framework regarding functionality of the Special Chamber of the Supreme Court.

7. TEXTUAL PART OF THE FINANCIAL REPORT AS REPORTING FORMAT REQUIRED BY THE FINANCE AND BUDGET COMMITTEE

This part of the report includes the narrative of the annual financial report for Kosovo Budget as per reporting format required by the Budget and Finance Committee, whereas financial tables of the reporting format is presented in the annex.

Financial report for 2014 (annual budget)

Budget organisation code: 239

Chief Administrative Officer:

Avni Jashari, acting Managing Director - Liquidation, Tel: 500400 ext. 1088

E-mail: avni.jashari@pak-ks.org

Chief Financial Officer

Adem Selishta, acting Director of Finance and Budget, Tel: 500 400 ext.1135

E-mail: adem.selishta@pak-ks.org

Address: Ilir Konushevci 8, 10000

1) Introduction:

Main activities for 2014 were as in following:

- Identification of PAK personnel needs and provision of best possible and timely technical and logistical services in order to meet agency objectives set out in the law.
- Defence at the Special Chamber of Supreme Court, regular courts and Constitutional Court.
- Privatisation documents for legally reviewed for the enterprises that underwent privatisation or liquidation process.
- SOE asset assessment
- Privatisation of new companies and asset privatisation.
- Reducing the number of socially-owned enterprises under PAK administration.
- Liquidation of SOE assets.
- Asset protection and preservation of their value.
- Registration of all new companies sold as new legal entities into Business Registry Agency.
- Cadastral measurements on time for privatisation waves.
- Publication of every wave and every asset sale into local newspapers and publication of sales of enterprises with greater value in international newspapers as well.

2) Income summary and special expenditure categories:**a) Income:**

PAK Budget is financed from dedicated income and deposited in the Consolidated Kosovo Fund and General Government Fund.

- Dedicated income of the Agency

Pursuant to Article 21.2 of the law no. 04/L-034, PAK dedicated income is 5% of all income received from any sale in the past or present. Operative expenses related to Agency's direct activities are covered from Agency's dedicated income.

- Government General Fund

Government General Fund or General Grant is the financial source to cover activities that are not directly related to the Agency but serve to cover Agency's administration expenses with regard to SOE reorganisation, which in this case is Reorganisation of SOE Trepça.

b) Wages and salaries:

According to PAK organisational chart, the budget in the category of wages and salaries for 2014 was approved for 271 workers.

In the beginning of the year, based on the organisational chart, PAK started with 259 workers whereas in the end of the reporting period, PAK had 250 workers.

- One officer was on maternity leave
- One officer (T.Sh.) in Regional Office Gjilan is on unpaid leave due to diplomatic mission (as of October 1 until completion of diplomatic mission) and his replacement is another officer (G.Sh.).

c) Goods and Services:

Funds in the economic category Goods and Services were destined for:

- Providing the best possible and appropriate technical and logistical services on time in order to achieve the objectives of the Agency according to the Law.
- Covering the expenditures of privatization and liquidation process.
- Audit and valuation of SOEs in order to prepare them for the privatization process and for other needs defined.
- Supporting in the legal aspect the successful process of privatization and liquidation.
- Supporting the reorganization of Socially Owned Enterprise "Trepça under PAK administration".
- Covering the costs of professional service provider.
- Other operative expenses.

d)Municipal expenditures:

The provided and approved amount for municipal expenditures was in total € 98.000.

The budget expenditure for utilities was in total 79%.

The result of lower spending than it was planed has been the reduction of fixed telephony expenditures "Telephony - PTK bills".

e) Capital Investments:

We have in total three capital projects in the economic category of Capital Investments:

1. Equipment over EUR 1,000 within capital expenditures / budget € 15,000.
2. Repair of PAK building and regional offices / Budget € 10,000.
3. Purchase of official vehicles / Budget € 135,000.
 - The contract for the purchase of equipment over 1000 € "Supply with IT equipment" was signed in December and technically the expenditure could not be realized within 2014.
 - Repairs of PAK building and regional offices were postponed for 2015.
 - According to the plan, during 2014 were purchased 10 official vehicles with lower price than planned. The remainder of the budget of € 42.100 during the semiannual review is presented as saving and it was required from MF to be reduced from the budget.

f) Subsidies and Transfers:

Funds of the economic category Subventions and Transfers are intended to support the function of Management of Social Owned Enterprises which are under PAK Direct Administration as:

- Temporary appointments of SOE managers (funds are transferred to employees of SOEs in the form of subventions).
- Payment of SOEs' guards (funds are transferred to employees of SOEs in the form of subventions).

The budget expenditure in this category depends from the number of enterprises that are under PAK direct administration.

Total amount of the budget for this category during 2014 was € 80,000.00.

The budget expenditure for this category is 79% in total.

3) Summary:**Reduction of Allocations (15%) according to Government Decision no. 07/172**

On 14 March 2014, PAK through the official letter informed MF and presented the value which is saved (is reduced from the budget) according to programs and funding sources.

- Savings from Government revenues (code 10) are € 600,000.00.
- Savings from dedicated revenues (code 23) are € 540,881.00.

Privatization Agency of Kosovo budget review for 2014

Referring to the request of the Ministry of Finance with regard to budget review for 2014, on 10 July 2014 PAK informed MF through the official letter and presented savings as follows:

- Savings from dedicated revenues (code 23) total € 268,000.00 for goods and services and € 42,100.00 for Capital Expenditures.
- Savings from the Kosovo budget (code 10) total € 3,352,400.00 for goods and services.

Total amount requested to be reduced from the 2014 budget according to reduction of allocations and reductions during the review is € 4,803,381.00.

Reductions from fund source 23 (Dedicated Revenues) -850,981.00 €.

Reductions from fund source 10 (Government revenues) -3,952,400.00 €.

The Ministry of Finance has reduced only the amount of € 3,952,400.00 from fund source 10 (Government revenues). Budget from dedicated revenues is not reduced at all.

The budget realization taking into account the revised planning according to requirements for reduction of allocations and budget until 31 December 2014 for dedicated revenue is spent budget towards allocations according to cash flow plan, in total 84.79%.

8. REPORT ON ADDRESSING THE RECOMMENDATIONS OF THE OFFICE OF THE AUDITOR GENERAL OF THE REPUBLIC OF KOSOVO

PLAN FOR IMPLEMENTATION OF OAG AUDIT REPORT RECOMMENDATIONS ON THE FINANCIAL STATEMENTS OF THE PRIVATISATION FUND AND OF THE PRIVATISATION AGENCY OF KOSOVO FOR 2013

Last update of this plan by
PAK is made on:

29 January 2015

Reco mmen dation no.	Article cited in the report	Pa ge no.	Reference	OAG Recommendation	Responsible Department for implementation of recommendation	Deadline for implementation	Comments
1.	2.2	10	Significant risks in Annual Financial Statements	<p>PAK Management should ensure that:</p> <ul style="list-style-type: none"> Expenditures for Liquidation Authority services are presented in the PAK's AFS in future years. 	Board of Directors, PAK Management, and Department of Finance	31 December 2014	Implemented.
2.	2.2	11	Significant risks in Annual Financial Statements	<p>Board of Directors should:</p> <ul style="list-style-type: none"> Liaise with the Assembly to ensure clarity as to how the costs for liquidation services should be budgeted for; <p>PAK Management should ensure that:</p> <ul style="list-style-type: none"> All revenues from funds generated from sales, transfers, liquidation of SOEs, with the 	<p>Board of Directors and PAK Management</p> <p>PAK Management and Department of</p>	<p>31 December 2014</p> <p>31 December</p>	<p>Assembly of Kosovo was non functional.</p> <p>Implemented (All funds are kept in trust in accordance with PAK Law and</p>

Reco mmen dation no.	Article cited in the report	Pa ge no.	Reference	OAG Recommendation	Responsible Department for implementation of recommendation	Deadline for implementation	Comments
				exception of residual funds, are to be held in trust fund for the owners and creditors, and to be maintained by the Agency in accordance with the Law on PAK.	Finance	2014	Board of Directors decisions for approval of liquidation budgets.
3.	3	12	Prior year recommendations	<p>PAK Management should ensure that:</p> <ul style="list-style-type: none"> an action plan clearly sets out a practical but challenging timetable for addressing the AG's recommendations with accountable staff members identified and with initial focus on those of greatest significance. This implementation of this plan should be monitored and reviewed by the Management on a monthly basis. 	PAK Management and all departments/units within PAK	31 December 2014	Implemented.
4.	5	14	Privatisation Fund	<p>PAK Management should ensure that:</p> <ul style="list-style-type: none"> An annual plan is produced to be approved by the BoD no later than three months before the start of the operational year which clearly presents objectives, activities and resources. 	PAK Management	30 September 2014	Implementation ongoing (Agency's objectives are set out in December 2014, whereas, Annual Plan of the Agency in consultation with Board of Directors

Reco mmen dation no.	Article cited in the report	Pa ge no.	Reference	OAG Recommendation	Responsible Department for implementation of recommendation	Deadline for implementation	Comments
							members shall be approved by 20 February 2015)
5.	5	14	Privatisation Fund	<p>Board of Directors should:</p> <ul style="list-style-type: none"> present to the Assembly the need to approve provisions which clearly define the timeframe and responsible authority for the selection of a full composition of Board members of appropriate quality to ensure the effective functioning of the PAK; 	This recommendation is inapplicable by PAK as the Agency does not possess legal authority to address this recommendation (it should be addressed to the Assembly of Kosovo)	N/A	Inapplicable
6.	5	15	Privatisation Fund	<p>Board of Directors should ensure that:</p> <ul style="list-style-type: none"> There is a clear, documented distinction between Members of BoD and Executive Roles whereby the focus is on BoD providing an oversight of operational activity not being a part of it. 	Board of Directors	31 December 2014	Implemented (The composition of Liquidation Committee does not include any member from the Board of Directors as of 01.09.2014).

Reco mmen dation no.	Article cited in the report	Pa ge no.	Reference	OAG Recommendation	Responsible Department for implementation of recommendation	Deadline for implementation	Comments
7.	5.1	17	Distribution of 20% of proceeds to the former workers from sales through privatisation	<p>PAK Management should:</p> <ul style="list-style-type: none"> Introduce additional controls over the confirmation of employees' eligibility to receive the 20% of proceeds from the sale of SOEs in order to ensure that all workers are treated equally during the distribution of funds. 	PAK Management, Department for Coordination of Liquidation (Unit for 20%)	31 December 2014	Implemented (Established the committee for 20% and approved the rules of procedures for this committee)
8.	5.2	18	Sales through privatisation	<p>PAK Management should:</p> <ul style="list-style-type: none"> Review controls over the future process for the sale of enterprises and ensure that winning companies meet all terms and criteria set forth for qualification. 	PAK Management, prequalification Committees	31 December 2014	Implemented.
9.	5.2	18	Sales through privatisation	<p>Board of Directors should:</p> <ul style="list-style-type: none"> Document clearly every decision on approval or refusal of sales in accordance with the terms set forth in the generic rules of tender. 	Board of Directors	31 December 2014	Ongoing implementation
10.	5.3	20	Monitoring of SOEs privatised through special spin off and SOEs privatised through privatisation	<p>Board of Directors should ensure that:</p> <ul style="list-style-type: none"> Legal assessments for urgent changes to contracts are undertaken and that all changes in the future contracts will only be made in accordance with the conclusions of this legal assessment. 	Board of Directors and PAK Management	31 December 2014	Implementation ongoing

Reco mmen dation no.	Article cited in the report	Pa ge no.	Reference	OAG Recommendation	Responsible Department for implementation of recommendation	Deadline for implementation	Comments
			method with special conditions	<p>PAK Management:</p> <ul style="list-style-type: none"> Should continuously monitor contracts with buyers and reporting is carried out on a regular basis including the assessment whether the privatisation objectives will be achieved. 	PAK Management and Monitoring Unit	31 December 2014	Implementation ongoing
11	5.3	21	Monitoring of SOEs privatised through special spin off and SOEs privatised through privatisation method with special conditions	<p>PAK Management should ensure that:</p> <ul style="list-style-type: none"> All contracts and agreements with SOE purchasers are formalised and signed on a timely basis by all parties. 	PAK Management	31 December 2014	Implementation ongoing
12	5.3	21	Monitoring of SOEs privatised through special spin off and SOEs privatised through privatisation	<p>Board of Directors and PAK Management should:</p> <ul style="list-style-type: none"> Revisit the basis on which the identified penalties were removed; to consider the impact of the decision and what action is required. In the case of a failure to fulfil the commitments, it shall be subject to appropriate, legal and financial penalties. 	Board of Directors and PAK Management	31 December 2014	Not implemented (Board of Directors has not issued any formal decision to settle these

Reco mmen dation no.	Article cited in the report	Pa ge no.	Reference	OAG Recommendation	Responsible Department for implementation of recommendation	Deadline for implementation	Comments
			method with special conditions				penalties)
13	5.3	22	Monitoring of SOEs privatised through special spin off and SOEs privatised through privatisation method with special conditions	<p>PAK Management should:</p> <ul style="list-style-type: none"> Review monitoring objectives and implement an effective and appropriately staffed monitoring process which is 'fit for purpose'. This should provide monthly reporting to management providing early warning of where contract conditions are not likely to be met. 	PAK Management and Monitoring Unit	31 December 2014	Implemented (The manual of procedures for monitoring of enterprises privatised through Special Spin-Off method or with special conditions has been approved.
14	6	24	Budget planning and execution	<p>PAK Management should ensure that:</p> <ul style="list-style-type: none"> The budget preparation process is developed with a rigorous assessment process which reflects all relevant information including previous years' expenditures and taking into consideration of planned changes. Special attention should be paid to the identification of barriers and opportunities to 	PAK Management and Department of Finance PAK Management	31 December 2014 31 December	Implementation ongoing Implementation

Reco mmen dation no.	Article cited in the report	Pa ge no.	Reference	OAG Recommendation	Responsible Department for implementation of recommendation	Deadline for implementation	Comments
				<p>increasing the percentage of execution in the category of goods and services.</p> <ul style="list-style-type: none"> Effective monitoring of the annual budget should be applied in order to undertake timely actions to address variances against planned expenditures. 	<p>and Department of Finance</p> <p>PAK Management and Department of Finance</p>	<p>2014</p> <p>31 December 2014</p>	<p>ongoing</p> <p>Implementation ongoing</p>
15	6.1	26	PAK revenues	<p>PAK Management should ensure that:</p> <ul style="list-style-type: none"> All accounts receivable are managed based on relevant contracts. <p>PAK Management should:</p> <ul style="list-style-type: none"> Actively review all options, including legal means, to ensure the execution of agreed payments. 	<p>PAK Management and Department of Finance</p>	<p>31 December 2014</p> <p>31 December 2014</p>	<p>Implemented (The manual of procedures for treatment of accounts receivable has been approved).</p> <p>Implemented (Filed claims against the third parties).</p>
16	6.2.1	27	Non procurement expenditures	<p>PAK Management should reassess the overall governance framework related to the PAK Board of Directors to ensure that:</p> <ul style="list-style-type: none"> Mechanisms are established for an effective 	<p>Board of Directors</p>	<p>31 December</p>	<p>Implemented</p>

Reco mmen dation no.	Article cited in the report	Pa ge no.	Reference	OAG Recommendation	Responsible Department for implementation of recommendation	Deadline for implementation	Comments
				oversight of remunerations paid to its members; and <ul style="list-style-type: none"> Formal Terms of Reference apply for all Board members clearly specifying their additional/specific responsibilities. 	and PAK Management PAK Management	2014 31 December 2014	(Approved new regulation on compensation of the Board of Directors). Implemented.
17	6.3	28	Internal audit system	PAK Management should: <ul style="list-style-type: none"> Develop a clear action plan to address IAU recommendations which confirm the responsibilities of officers and timelines for actions to be carried out. 	PAK Management	31 December 2014	Implemented.
18	6.3	28	Internal audit system	PAK Management should: <ul style="list-style-type: none"> Work with the Chairman of Audit Committee to support an enhanced audit committee which applies best practices. <p>PAK Management and PAK Board should ensure :</p> <ul style="list-style-type: none"> The approval of the Audit Committee statute. 	PAK Management and Audit Committee Board of Directors and Audit Committee	31 December 2014 31 December 2014	Implementation ongoing (Legal basis shall be reviewed in order to establish if PAK should have a Liquidation Committee or not). Implementation ongoing.

ANNEX 1. THE LIST OF ENTERPRISES UNDER DIRECT ADMINISTRATION ACCORDING TO ARTICLE 6.1

No.	Name of SOEs under DA	Location	Date of entry into DA	Comments
1	New Co "Hotel Grand"	Prishtina	20/07/2012	Was placed in liquidation as of 2 Feb 15 as per Board decision of Aug 2014.
2	SOE "Ereniku-Industria"	Gjakova	22/06/2011	
3	SOE "Kosovo Bauxites"	Klina	20/01/2012	
4	MIM Golesh	Lipjan	31 Aug 2014	

ANNEX 2. THE LIST OF TRANSACTIONS ACCORDING TO ARTICLE 9

Liquidation sales during the period January – December 2014 are presented on the table below:

Liquidation sale	Date of sale	No of assets	No. of received bids	The total amount of bids EUR	Withdrawals, Annulments EUR	Total amount EUR	No. of assets annulled by BoD, withdrawals	Realized sales	Non-realized sales –in process
24	19 March 2014	50	130	9,870,871	8,465,030	1,405,841	29	20	1*
25	23 April 2014	62	100	4,707,403	1,793,695	2,913,708	41	21	-
26	20 August 2014	54	95	8,212,876	5,234,810	2,978,066	32	19	3**
Total	3 sales	166	325	22,791,150	15,493,535	7,297,615	102	60	4

ANNEX 3. THE LIST OF ENTERPRISES IN THE PROCESS OF REORGANIZATION

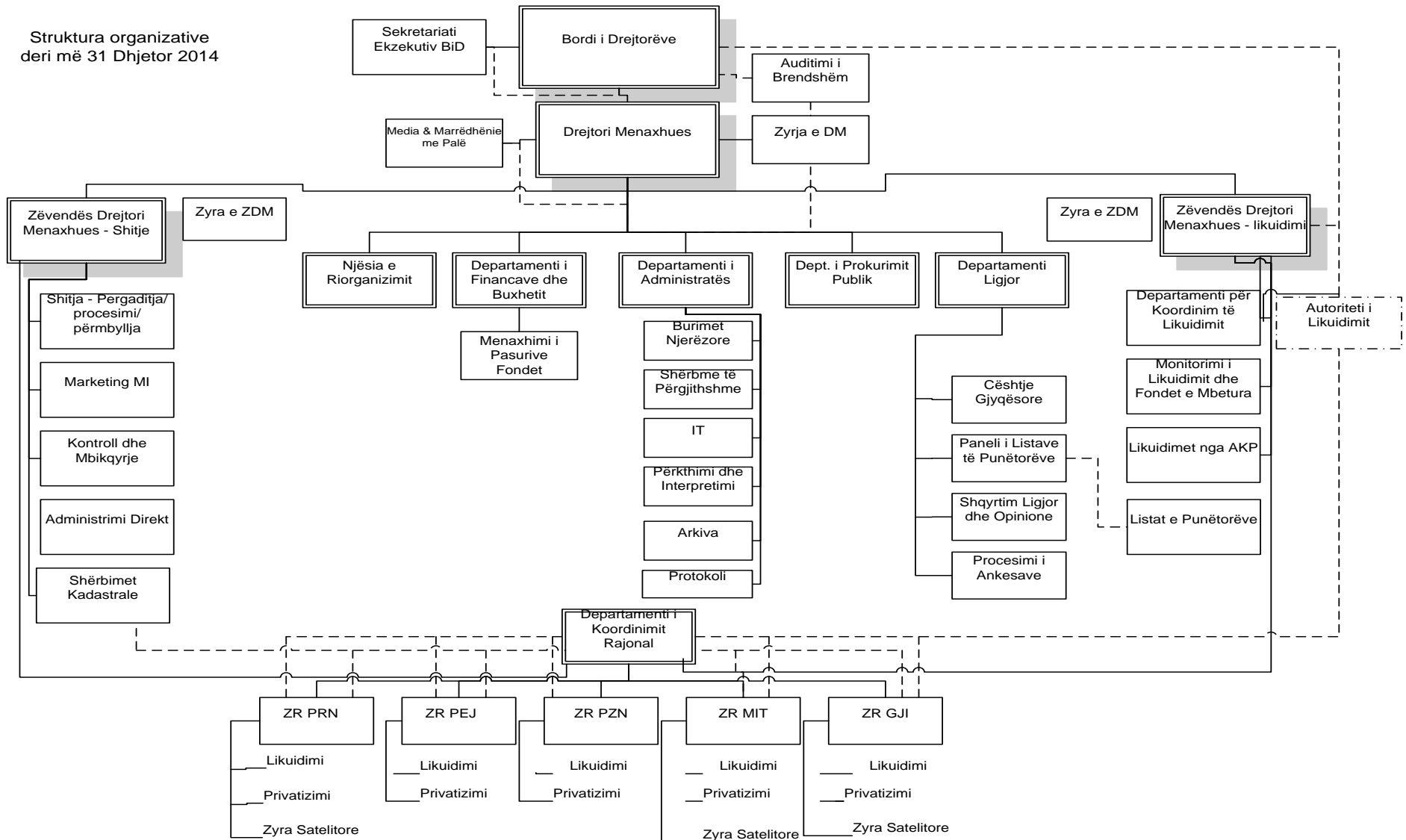
No.	Name of SOEs	Location	Comments
1	Trepça	Mitrovica	According to the Decision of the Special Chamber of the Supreme Court, deadline for submission of reorganization plan is 1 November 2016.

ANNEX 4. THE LIST OF LIQUIDATED ENTERPRISES ACCORDING TO ARTICLE 9

N	Municipality	Name of SOE	Category	Liquidation process commencement date	Date of submitting the Final Report to PAK Board	Date of submitting the Final Report to SCSC	Decision of the SCSC to close the liquidation
1	Skenderaj	Agricultural Cooperative "Likovci"	With assets / without creditor claims	05 August 2010	20 July 2012	16 August 2012	11 January 2013
2	Skenderaj	Agricultural Cooperative "Liria"	Without assets / Without creditor claims	04 August 2010	20 July 2012	16 August 2012	31 January 2013
3	Skenderaj	SOE "Graniti"	Without assets / Without creditor claims	09 August 2010	20 July 2012	16 August 2012	10 December 2012
4	Vushtrri	SOE SHAM "Ruzhdi Bytyqi"	Without assets / with creditor claims	19 June 2013	31 January 2014	04 February 2014	19 March 2014
5	Mitrovica	SOE "Hidrotermika"	Without assets / without creditor claims	31 December 2010	20 July 2012	16 August 2012	15 October 2012
6	Suhareka	SOE "SH.A.M. Semafor" Suhareka	Without assets / with creditor claims	31 December 2010	27 June 2013	28 June 2013	17 January 2014
7	Peja	Agricultural Cooperative "Ozdrim"	Without assets / without creditor claims	27 June 2013	19 December 2013	26 December 2013	27 February 2014

ANNEX 5. ORGANISATIONAL STRUCTURE OF THE PRIVATISATION AGENCY OF KOSOVO

Struktura organizative deri më 31 Dhjetor 2014



9. ANNUAL FINANCIAL REPORTS LIST

In the annex of annual report are presented the following financial reports:

A PART PRESENTED IN THE TABLE OF FINANCIAL REPORT ACCORDING TO FORMAT OF THE BUDGET AND FINANCE COMMITTEE (page 1 to 9)

EXTRACTS FROM PAK ANNUAL BUDGET FINANCIAL STATEMENTS (page 1 to 36)

EXTRACTS FROM TRUST FUNDS FINANCIAL STATEMENTS (page 1 to 36)

Privatisation Agency of Kosovo

Tabular part of finance report according to Budget and Finance Committee format

4) TABLES

a) Incomes:

Economic code	Economic category name	Planned/foreseen incomes for 2014	Owned revenues transferred from 2013	Current incomes (by reductions of allocations and budget) in 2014
1	2	3	4	5
11000	Salaries and Wages	3,500,000.00	-	3,885,721.70
13000	Goods and Services	7,507,873.00	-	2,746,592.00
13200	Public services	98,000.00	-	98,000.00
21000	Transfers and Subsidies	80,000.00	-	80,000.00
30000	Capital Investments	160,000.00	-	117,900.00
	TOTAL	11,345,873.00	-	6,928,213.70

b) Expenditures:

Economic code	Economic category	Budget and expenditures 2013			Annual budget according to Law on Budget 2014	Reviewed budget (according to reduction of allocations) 2014	Budget January - December 2014 (according to reduction of allocations and budgetary abbreviations)	Expenditures until 31 December 2014	Commitments until 31 December 2014	Committed budget (%)	Budget spent (%)	Unspent budget (%)
		Budget 2013	Expenditures 2013	% of expenditures								
1	2	3			4	5	6	7	8	9=8/6	10=7/6	11
11000	Salaries and Wages	3,500,000.00	3,331,627.59	95.19%	3,500,000.00	3,500,000.00	3,885,721.70	3,885,721.70	3,885,721.70	100.00%	100.00%	0.00%
13000	Goods and Services	2,897,087.00	2,209,081.23	76.25%	7,507,873.00	6,366,992.00	2,746,592.00	1,754,835.04	2,199,735.85	80.09%	63.89%	36.11%
13200	Public services	98,000.00	90,574.65	92.42%	98,000.00	98,000.00	98,000.00	77,636.20	79,782.41	81.41%	79.22%	20.78%
21000	Transfers and Subsidies	80,000.00	72,178.85	90.22%	80,000.00	80,000.00	80,000.00	63,300.01	63,300.01	79.13%	79.13%	20.87%
30000	Capital Investments	54,750.00	53,581.32	97.87%	160,000.00	160,000.00	117,900.00	92,900.00	92,900.00	78.80%	78.80%	21.20%
	TOTAL	6,629,837.00	5,757,043.64	86.84%	11,345,873.00	10,204,992.00	6,928,213.70	5,874,392.95	6,321,439.97	91.24%	84.79%	15.21%

Goods and Services

4.c) EXPENDITURES DETAILS ACCORDING TO ECONOMIC CODES

13000	Goods and Services Name of economic category	BUDGET 2013			BUDGET 2014		
		Planning 2013	Expenditures 2013	% of expenditures	Planning January - December 2014	Expenditures January - December 2014	% of expenditures
	TOTAL	2,897,087.00	2,209,081.23	76.25%	2,746,592.00	1,754,835.04	63.89%
	1310:TRAVEL EXPENSES (SUBTOTAL)	28,400.00	26,080.76	91.83%	21,260.00	20,237.33	95.19%
13130	Travel expenditures within country	-	-	-	-	-	-
13131	Wages for Travel expenditures within country	-	-	-	-	-	-
13132	Accommodation during official travel within country	-	-	-	-	-	-
13133	Other expenditures for Travel within country	2,500.00	2,058.00	82.32%	1,600.00	1,512.00	94.50%
13140	Travel expenditures abroad	500.00	344.00	68.80%	1,800.00	1,603.90	89.11%
13141	Wages for official travel abroad	400.00	125.40	31.35%	300.00	204.00	68.00%
13142	Accommodation during official travel abroad	8,000.00	7,045.35	88.07%	6,560.00	6,260.25	95.43%
13143	Other expenditures for Travel abroad	17,000.00	16,508.01	97.11%	11,000.00	10,657.18	96.88%
	1330:TELECOMMUNICATION SERVICES (SUBTOTAL)	148,378.16	115,615.29	77.92%	97,600.00	63,221.70	64.78%
13310	Internet expenditures	7,150.00	5,401.00	75.54%	17,940.00	14,091.23	78.55%
13320	Expenditures for mobile phones	68,564.00	47,340.25	69.05%	67,200.00	44,062.92	65.57%
13330	Postar expenditures	72,664.16	62,874.04	86.53%	12,460.00	5,067.55	40.67%
13340	Expenditures for use of optical cable	-	-	-	-	-	-
	1340:EXPENDITURES FOR SERVICES (SUBTOTAL)	1,221,028.00	1,065,336.25	87.25%	1,005,820.10	808,666.93	80.40%
13410	Educational and Training Services	60,600.00	58,146.51	95.95%	47,450.00	45,049.51	94.94%
13420	Representative and Counsellor Services	5,000.00	1,468.32	29.37%	-	-	-
13430	Different Health Services	-	-	-	-	-	-
13440	Different intellectual and advisory Services	100,000.00	-	0.00%	40,000.00	16,557.11	41.39%
13450	Services printing- not marketing	1,000.00	960.00	96.00%	-	-	-
13460	Other contracting Services	978,928.00	962,704.27	98.34%	893,370.10	725,557.38	81.22%
13470	Technical Services	73,500.00	40,557.15	55.18%	25,000.00	21,502.93	86.01%
13480	Expenditures for entre	2,000.00	1,500.00	75.00%	-	-	-
	1350:PURCHASE OF FURNITURE AND EQUIPMENT (LESS THAN 1000 EURO) (SUBTOTAL)	57,200.00	52,858.00	92.41%	46,954.00	27,390.74	58.34%
13501	Furniture (less than 1000 euro)	2,200.00	1,649.50	74.98%	11,954.00	4,750.00	39.74%
13502	Phone (less than 1000 euro)	-	-	-	-	-	-
13503	Computers (less than 1000 euro)	-	-	-	-	-	-
13504	Hardware for informative technology (less than 1000 euro)	40,000.00	36,886.00	92.22%	22,500.00	11,004.74	48.91%
13505	Photocopy equipment (less than 1000 euro)	-	-	-	-	-	-
13506	Special medical equipment (less than 1000 euro)	-	-	-	-	-	-
13507	Equipment for police service (less than 1000 euro)	-	-	-	-	-	-
13508	Pajisje trafik (me pak se 1000 euro)	-	-	-	-	-	-
13509	Other equipment (less than 1000 euro)	15,000.00	14,322.50	95.48%	12,500.00	11,636.00	93.03%
	1360:OTHER PURCHASES- GOODS AND SERVICES (SUBTOTAL)	109,000.00	68,571.25	62.91%	95,500.00	50,014.81	52.37%
13610	Supply for office	76,000.00	47,632.25	62.67%	70,000.00	33,963.09	48.52%
13620	Supply with food and drinks (no official lunch)	18,000.00	7,371.14	40.95%	15,500.00	6,600.87	42.59%
13630	Medical Supply	-	-	-	-	-	-
13640	Supply for cleaning	10,000.00	8,592.36	85.92%	10,000.00	9,450.85	94.51%
13650	Supply with clothes	5,000.00	4,975.50	99.51%	-	-	-
13660	Accommodation	-	-	-	-	-	-
13670	Ammunition and firearms	-	-	-	-	-	-
13680	Securing Tickets (banderols)	-	-	-	-	-	-
13681	Seals	-	-	-	-	-	-
	1370:DERIVATES AND FUEL (SUBTOTAL)	149,650.00	88,346.33	59.04%	109,287.90	84,687.35	77.49%
13710	Oil	-	-	-	100.00	20.00	20.00%
13720	Oil for central heating	50,300.00	36,273.42	72.11%	49,029.90	45,795.99	93.40%
13730	Oil for heating	-	-	-	-	-	-
13740	Oil fuel	-	-	-	-	-	-
13750	Coal	-	-	-	-	-	-
13760	Wood	-	-	-	-	-	-
13770	Fuel for generator	26,000.00	5,569.93	21.42%	10,258.00	5,249.61	51.18%
13780	Fuel for Vehicles	73,350.00	46,502.98	63.40%	49,900.00	33,621.75	67.38%

1380:ACCOUNT FOR ADVANCE (SUBTOTAL)	-	-	-	-	-	0.00%
13810:Advance for petty cash	-	-	-	-	-	
13820:Advance for official travel	-	-	-	-	-	
13821:Advance	-	-	-	-	-	
13830:Advance for goods and services	-	-	-	-	-	
13850:Advance- for embassies	-	-	-	-	-	
1390: FINANCIAL SERVICES (SUBTOTAL)	-	-	-	-	-	0.00%
13911:Bank Provisions-Central Bank	-	-	-	-	-	
13912:Bank Provisions-Raiffeisen Bank	-	-	-	-	-	
13913:Bank Provisions-Procredit Banke	-	-	-	-	-	
13915:Bank Provisions- Private Business Bank	-	-	-	-	-	
13916:Bank Provisions-Economic Bank	-	-	-	-	-	
13917:Bank Provisions-NBS Bank Prishtina	-	-	-	-	-	
13918:Provision for Different Rates	-	-	-	-	-	
13940:KPA-Bank Provision	-	-	-	-	-	
1395:SERVICES OF REGISTRATION AND INSURANCE (SUBTOTAL)	12,900.00	10,719.32	83.10%	19,300.00	12,614.07	65.36%
13950:Registration of vehicles	8,600.00	8,510.72	0.99	5,300.00	3,150.00	59.43%
13951:Insurance of vehicles	2,300.00	2,208.60	96.03%	12,000.00	8,639.07	71.99%
13952:Municipal taxes for Registration of vehicles	-	-	-	2,000.00	825.00	41.25%
13953:Insurance of premises and other	2,000.00	-	-	-	-	
1400:MAINTENANCE (SUBTOTAL)	183,880.00	93,622.23	50.91%	103,750.00	64,152.96	61.83%
14010:Maintenance and riparing of vehicles	55,000.00	44,030.73	80.06%	52,000.00	32,959.98	63.38%
14020:Maintenance of premises	15,900.00	13,280.45	83.52%	2,750.00	1,662.46	60.45%
14021:Maintenance of residential premises	-	-	-	-	-	
14022:Maintenance of administrative business premises	-	-	-	-	-	
14023:Maintenance of schools	-	-	-	-	-	
14024:Maintenance of medical premises	-	-	-	-	-	
14030:Maintenance of highway	-	-	-	-	-	
14031:Maintenance of regional highway	-	-	-	-	-	
14032:Maintenance of local highway	-	-	-	-	-	
14040:Maintenance of Informative Technology	40,280.00	22,687.82	56.33%	24,000.00	14,940.47	62.25%
14050:Maintenance of furniture and equipment	72,700.00	13,623.23	18.74%	25,000.00	14,590.05	58.36%
1410:RENT (SUBTOTAL)	415,625.04	411,214.00	98.94%	433,704.00	417,257.88	96.21%
14110:Rent for premises	413,187.20	409,728.31	99.16%	433,704.00	417,257.88	96.21%
14120:Rent for land	-	-	-	-	-	
14130:Rent for equipment	2,437.84	1,485.69	60.94%	-	-	
14140:Rent for machinery	-	-	-	-	-	
14150:Rent for other spatial use	-	-	-	-	-	
1420:MARKETING EXPENDITURES (SUBTOTAL)	559,525.80	270,065.56	48.27%	700,040.00	106,206.61	15.17%
14210:Advertisement and Competition	13,400.00	9,839.78	73.43%	13,000.00	730.00	5.62%
14220:Publishing	200.00	137.93	68.97%	1,000.00	757.50	75.75%
14230:Expenditures for public informing	545,925.80	260,087.85	47.64%	686,040.00	104,719.11	15.26%
1430:EXPENDITURES FOR REPRESENTATION (SUBTOTAL)	10,000.00	5,494.24	54.94%	5,000.00	3,133.60	62.67%
14310:Official lunches	10,000.00	5,494.24	54.94%	5,000.00	3,133.60	62.67%
1440:EXPENDITURES-COURT VERDICTS (SUBTOTAL)	1,500.00	1,158.00	0.77	108,376.00	97,251.06	89.73%
14410:Expenditures-court verdicts	1,500.00	1,158.00	77.20%	108,376.00	97,251.06	89.73%
1700:DEBTH SERVSING (SUBTOTAL)	-	-	-	-	-	0.00%
17000:Payment of government debth	-	-	-	-	-	

4.d) MUNICIPAL EXPENDITURES

EXPENDITURES DETAILS ACCORDING TO ECONOMIC CODES

13000	Goods and Services Name of economic category	BUDGET 2013			BUDGET 2014		
		Planning 2013	Expenditures 2013	% of expenditure s	Planning January - December 2014	Expenditures January - December 2014	% of expenditures
	TOTAL	98,000.00	90,574.65	92.42%	98,000.00	77,636.20	79.22%
1320	MUNICIPAL EXPENDITURES (SUBTOTAL)	98,000.00	90,574.65	92.42%	98,000.00	77,636.20	79.22%
13210	Electric power	62,988.05	61,757.98	98.05%	63,000.00	61,821.87	98.13%
13220	Water	14,304.43	13,819.74	96.61%	3,500.00	2,023.05	57.80%
13230	Garbage	4,800.00	3,267.87	68.08%	3,500.00	3,192.70	91.22%
13240	Central heating	-	-	-	-	-	-
13250	Phone Expenditures	15,907.52	11,729.06	73.73%	28,000.00	10,598.58	37.85%

4.e) CAPITAL INVESTMENTS: EXPENDITURES DETAILS ACCORDING TO ECONOMIC CODES

30000	CAPITAL INVESTMENTS	BUDGET 2013			BUDGET 2014		
		Planning 2013	Expenditures 2013	% of expenditures	Planning January - December 2014	Expenditures January - December 2014	% of expenditures
	Total	54,750.00	53,581.32	97.87%	117,900.00	92,900.00	78.80%
3110	PREMISES (SUBTOTAL)	100.00	-	0.00%	10,000.00	-	0.00%
31110	Dwelling House	-	-	-	-	-	0.00%
31120	Administrative business premises	100.00	-	-	10,000.00	-	0.00%
31121	Educational premises	-	-	-	-	-	0.00%
31122	Medical premises	-	-	-	-	-	0.00%
31123	Cultural premises	-	-	-	-	-	0.00%
31124	Sport premises	-	-	-	-	-	0.00%
3120	CONSTRUCTION OF ROADS (SUBTOTAL)	-	-	0.00%	-	-	0.00%
31210	Construction of highways	-	-	-	-	-	0.00%
31220	Construction of regional highways	-	-	-	-	-	0.00%
31230	Construction of local highways	-	-	-	-	-	0.00%
31240	Sidewalks	-	-	-	-	-	0.00%
31250	Sewage	-	-	-	-	-	0.00%
31260	Water supply	-	-	-	-	-	0.00%
3150	SUPPLY WITH ELECTRIC POWER, GENER. & TRANSM. (SUBTOTAL)	-	-	0.00%	-	-	0.00%
31510	Supply with electric power, gener. & transm.	-	-	-	-	-	0.00%
3160	EQUIPMENT (SYSTEMS VALUE OVER 1000 EUROS) (SUBTOTAL)	54,650.00	53,581.32	98.04%	15,000.00	-	0.00%
31600	EQUIPMENT (SYSTEMS VALUE OVER 1000 EUROS) (SUBTOTAL)	-	-	-	15,000.00	-	0.00%
31610	Equipment with Informative Technology	41,900.00	40,831.32	97.45%	-	-	0.00%
31620	Furniture	-	-	-	-	-	0.00%
31630	Phones	-	-	-	-	-	0.00%
31640	Computers	-	-	-	-	-	0.00%
31650	Photocopy	-	-	-	-	-	0.00%
31660	Special Medical Equipment	-	-	-	-	-	0.00%
31670	Police Services Equipment	-	-	-	-	-	0.00%
31680	Software	12,750.00	12,750.00	100.00%	-	-	0.00%
31690	Other Equipment	-	-	-	-	-	0.00%
3170	TRANSPORT VEHICLES (SUBTOTAL)	-	-	0.00%	92,900.00	92,900.00	100.00%
31700	Official vehicles	-	-	-	92,900.00	92,900.00	100.00%
31701	Trucks	-	-	-	-	-	-
31702	Jeep and kombibus	-	-	-	-	-	-
31703	Vehicles for emergency	-	-	-	-	-	-
31704	Police Vehicles	-	-	-	-	-	-
31705	Motor	-	-	-	-	-	-
31706	Other transportation vehicles	-	-	-	-	-	-
3180	MACHINERY (SUBTOTAL)	-	-	0.00%	-	-	0.00%
31800	Machinery	-	-	-	-	-	-
3190	OTHER CAPITAL (SUBTOTAL)	-	-	0.00%	-	-	0.00%
31900	Other Capital	-	-	-	-	-	-
31910	Advance for investments	-	-	-	-	-	-
3210	LAND (SUBTOTAL)	-	-	0.00%	-	-	0.00%
32100	Land	-	-	-	-	-	-
3220	INTANGIBLE ASSETS (SUBTOTAL)	-	-	0.00%	-	-	0.00%
32200	Intangible assets	-	-	-	-	-	-
3310	CAPITAL TRANSF.-ENTITIES (SUBTOTAL)	-	-	0.00%	-	-	0.00%
33100	Trans.kap.-entitetet publike	-	-	-	-	-	-

4.f) SUBVENTIONS AND TRANSFERS: EXPENDITURES DETAILS ACCORDING TO ECONOMIC CODES

21000	Subventions and transfers Name of economic category	BUDGET 2013			BUDGET 2014		
		Planning 2013	Expenditures 2013	% of expenditures	Planning January - December	Expenditures January - December 2014	% of expenditures
	Total	80,000.00	72,178.85	90.22%	80,000.00	63,300.01	0.00%
2100	SUBVENTIONS	80,000.00	72,178.85	90.22%	80,000.00	63,300.01	79.13%
21110	Subventions for Public Entities	80,000.00	72,178.85	90.22%	80,000.00	63,300.01	79.13%
21120	Subventions for Public Entities (National Theatre)	-	-	-	-	-	-
21200	Subventions for non-public Entities	-	-	-	-	-	-
2200	TRANSFERS	-	-	-	-	-	-
22100	Transfers for other governments	-	-	-	-	-	-
22110	Unops-administration Project-Kosovo Property Agency	-	-	-	-	-	-
22200	Payments for individual assignee	-	-	-	-	-	-
22210	Basic pensions	-	-	-	-	-	-
22220	Pensions for persons with disabilities	-	-	-	-	-	-
22230	Pensions for social assistance	-	-	-	-	-	-
22235	Pensions of Kosovo Protection Corps	-	-	-	-	-	-
22240	Pensions-Category I (for family members)	-	-	-	-	-	-
22250	Pensions-Kategoria II (for family members)	-	-	-	-	-	-
22260	Payments for war Invalids	-	-	-	-	-	-
22270	Payments for civilian invalids	-	-	-	-	-	-
22280	Payments to the martyr families	-	-	-	-	-	-
22300	Provisional Trepça Pensions	-	-	-	-	-	-

4.g) Staff and salary structure

Level	Approved positions with the Law on Budget	Positions filled	Approved budget with Law on Wages and Salaries	Spent budget for salaries until 31 December 2014	Total of additional payments	The total number of employees who receive additional payments	a) Working hours (full time / part time) and b) To specify the type of additional payment
1	2	3	4	5	6	6	8
Board level	8	5	203,700.00	188,842.73	-	-	1 mbledhje në muaj
Senior management level	3	1	150,000.00	94,950.36	-	-	Me orar të plotë
Management level	15	14	480,000.00	474,946.61	-	-	Me orar të plotë
Professional level	225	211	3,005,721.70	3,071,556.83	-	-	Me orar të plotë
Supporting level	28	24	250,000.00	244,267.90	-	-	Me orar të plotë
TOTAL	271	250	3,885,721.70	3,885,721.70	-	-	Me orar të plotë

Note:

The total amount of monthly compensation for local and international Board of Directors members for period January - December 2014 is EUR 188,842,73. Last meeting of the Board of Directors was held on 31 August 2014.

Compensation to local Board members is made from goods and services category. According to instructions given by Kosovo Tax Administration, local members have received their gross salary, whereas international members have been subjected to withholding tax at the rate of 5% on non resident persons. In the compensation forms, the Directors of the Board confirmed in writing of their responsibility to declare their incomes and pay taxes on personal incomes. The reason for not applying withholding tax on local Board members is that they are appointed by the Assembly and are not considered Agency's employees. Local Board members have paid their taxes for 2013.

After last Board of Director meeting held on August 2014, the mandat of international Board members has expired, and due to lack of quorum the Board has been dissolved. Whereas, according to Board decision, the payments for the remaining Board members (local members) after August 2014.

4b2) EXPENDITURES OF SALARIES AND WAGES ACCORDING TO ECONOMIC CODES

Economic code	SALARIES AND WAGES	Expenses in the previous period 2013	Budget until 31 December 2014	Expenditures until 31 December 2013	Expenditure percentage to budget [%]
11110	Neto wages	2,774,222.54	3,228,721.70	3,230,716.11	100.06%
11500	Source tax on personal income	238,752.23	285,000.00	284,804.71	99.93%
11600	Pensional contribution from worker	158,250.81	186,000.00	185,100.43	99.52%
11700	Pensional contribution from employer	160,402.01	186,000.00	185,100.45	99.52%
	TOTAL OF WAGES AND SALARIES:	3,331,627.59	3,885,721.70	3,885,721.70	100.00%

4b3) SUMMARY OF EXPENDITURES OF GOODS AND SERVICES ACCORDING TO GROUPS OF CODES

Economic code	GOODS AND SERVICES NAME OF GROUPS OF CODES	Expenses in the previous period 2013	Budget until 31 December 2014	Expenditures until 31 December 2014	Expenditure percentage to budget [%]
1310	Travel expenses	26,080.76	21,260.00	20,237.33	95.19%
1320	Municipal expenditures	90,574.65	98,000.00	77,636.20	79.22%
1330	Telecommunication services	115,615.29	97,600.00	63,221.70	64.78%
1340	Expenditures for services	1,065,336.25	1,005,820.10	808,666.93	80.40%
1350	Purchase of furniture and equipment (less than 1000 euro)	52,858.00	46,954.00	27,390.74	58.34%
1360	Other purchases- goods and services	68,571.25	95,500.00	50,014.81	52.37%
1370	Derivates and fuel	88,346.33	109,287.90	84,687.35	77.49%
1380	Account for advance	-	-	-	
1390	Financial services	-	-	-	
1395	Services of registration and insurance	10,719.32	19,300.00	12,614.07	65.36%
1400	Maintenance	93,622.23	103,750.00	64,152.96	61.83%
1410	Rent	411,214.00	433,704.00	417,257.88	96.21%
1420	Marketing expenditures	270,065.56	700,040.00	106,206.61	15.17%
1430	Expenditures for representation	5,494.24	5,000.00	3,133.60	62.67%
1440	Expenditures-court verdicts	1,158.00	108,376.00	97,251.06	89.73%
1700	Debt servicing	-	-	-	
	TOTAL OF GOODS AND SERVICES:	2,299,655.88	2,844,592.00	1,832,471.24	64.42%



AGJENCIA KOSOVARE E PRIVATIZIMIT
KOSOVSKA AGENCIJA ZA PRIVATIZACIJU
PRIVATISATION AGENCY OF KOSOVO

FINANCIAL STATEMENTS

FOR THE PERIOD ENDED ON 31 DECEMBER 2014

FINANCIAL REPORTS TABLES

KOSOVO BUDGET

(GOVERNMENT'S GENERAL FUND, DEDICATED REVENUE AND DONORS)

Reports according to:

- a) Financial Regulation no. 3/2013 of the Ministry of Finance for annual reporting; and
- b) Article 20 of Law no. 04/L-034 on Privatisation Agency of Kosovo:
 - Article 20: Reports, Budget and Accounts
 - Article 20.1.1.1. Financial Statements of Agency Accounts.

30 JANUAR 2015



AGJENCIA KOSOVARE E PRIVATIZIMIT
KOSOVSKA AGENCIJA ZA PRIVATIZACIJU
PRIVATISATION AGENCY OF KOSOVO

FINANCIAL STATEMENTS OF KOSOVO BUDGET, DEDICATED REVENUE AND DONORS

FOR PERIOD ENDED 31 DECEMBER 2014

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**FINANCIAL STATEMENT FOR KOSOVO BUDGET, DEDICATED REVENUES AND DONOR GRANTS
FOR THE PERIOD ENDING 31 DECEMBER 2014**

EXPLANATIONS ON THE TABLES OF FINANCIAL STATEMENTS

Table no.	Report Description	Page
Table 1.	<p>Statement of cash receipts and payments.</p> <p>Statement of cash receipts and payments is prepared in accordance with International Public Sector Accounting Standards under the cash basis principle in which is presented a summary of:</p> <ul style="list-style-type: none">a) Statement of Receipts and Payments of Agency's Dedicated Revenues to cover administrative and operational expenditures; andb) Statement of Trust Fund receipts and payments; <p>1. Receipts are revenues transferred in CBK and other commercial bank accounts under monitoring of the Agency; and</p> <p>2. Payments involve execution of transactions in these bank accounts monitored by the Agency.</p>	1
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Table no.	Report Description	Page
Table 2.	<p>Budget Report.</p> <p>Indicates budget plan, semi-annual and final budget review for:</p> <ol style="list-style-type: none"> 1. Dedicated revenues; 2. Kosovo Budget; and 3. Donor Grants 	2
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Table 11.	<p>Report of assets</p> <p>On 31 December 2014 presented summary of capital assets and historical cost inventory, depreciation and the net value.</p>	16

Statement of Cash Receipts and payments

For the period ended on 31 December 2014

PAK Code in Ministry of Finance:

239

		January - December 2014			January - December 2013			January - December 2012		
		Treasury Single Account			Treasury Single Account			Treasury Single Account		
		Kosovo Budget	PAK Trust Funds	Third party payments	Kosovo Budget	PAK Trust Funds	Third party payments	Kosovo Budget	PAK Trust Funds	Third party payments
		€	€	€	€	€	€	€	€	€
Notes										
SOURCE OF FUNDS										
Allocations from General Fund	2	406,182.75	-	-	-	-	-	-	-	-
Own sources	3	-	-	-	-	-	-	-	-	-
Allocations from dedicated purposes funds		5,468,210.20	-	-	5,757,043.64	-	-	6,022,910.02	-	-
Designated Donor Grants	4	-	-	-	-	-	-	-	-	-
Borrowings fund	5	-	-	-	-	-	-	-	-	-
Other receivables	6	-	-	-	-	-	-	-	-	-
PAK Trust Funds	6a	-	698,396,260	-	-	710,976,545	-	-	756,468,680	-
Total		€ 5,874,392.95	€ 698,396,259.59	€ -	€ 5,757,043.64	€ 710,976,544.94	€ -	€ 6,022,910.02	€ 756,468,680.45	€ -
USE OF FUNDS										
<i>Operations</i>										
Salaries and Wages	7	3,885,721.70	-	-	3,331,627.59	-	-	3,384,686.72	-	-
Goods and Services	8	1,754,835.04	-	-	2,209,081.23	-	-	2,455,143.47	-	-
Public Services	9	77,636.20	-	-	90,574.65	-	-	89,658.88	-	-
		€ 5,718,192.94	€ -	€ -	€ 5,631,283.47	€ -	€ -	€ 5,929,489.07	€ -	€ -
<i>Transfers</i>										
Transfers and Subsidies	10	63,300.01	-	-	72,178.85	-	-	76,473.31	-	-
<i>Capital Expenses</i>										
Property, Buildings and Equipment	11	92,900.00	-	-	53,581.32	-	-	16,947.64	-	-
Payments/Other outcome	12	-	135,530,444	-	-	140,583,200	-	-	207,001,766	-
Return of borrowed funds	13	-	-	-	-	-	-	-	-	-
Total		€ 5,874,393	€ 135,530,444	€ -	€ 5,757,043.64	€ 140,583,200.06	€ -	€ 6,022,910.02	€ 207,001,765.82	€ -
Amounts presented in payments present those amounts made from Kosovo Budget, dedicated revenues, grants and trust funds.										
Status of unspent receivables		€ -	€ 562,865,816	€ -	€ -	€ 570,393,345	€ -	€ -	€ 549,466,915	€ -

Statement of comparison of current budget amounts

For the period ended on 31 December 2014

	Notes	January - December 2014				January - December 2013	January - December 2012
		Initial Budget (Appropriation)	Final Budget (Appropriation)	Budget execution	Difference	Budget execution	Budget execution
		A €	B €	C €	D=C-B €	E €	F €
Cash income in treasury account							
Taxation	15	-	-	-	-	-	
Own sources	16	7,345,873.00	7,345,873.00	7,345,873.00	7,716,447.00	8,079,010	
Grants and Aid	17	-	-	-	-	-	
Capital receivables	18	-	-	-	-	-	
Privatisation fund*	19	-	-	-	-	-	
Financing from borrowings	20	-	-	-	-	-	
Borrowings	21	-	-	-	-	-	
Other	22	-	-	-	-	-	
Total receivables accumulated for FKK		€ 7,345,873.00	€ 7,345,873.00	€ 7,345,873.00	€ 7,716,447.00	€ 8,079,010.00	
Cash outcome from treasury accounts							
Salaries and wages	23	3,500,000.00	3,885,721.70	3,885,721.70	3,331,627.59	3,384,686.72	
Goods and Services	24	7,507,873.00	3,555,473.00	1,754,835.04	2,209,081.23	2,455,143.47	
Public services	25	98,000.00	98,000.00	77,636.20	90,574.65	89,658.88	
Transfers and Subsidies	26	80,000.00	80,000.00	63,300.01	72,178.85	76,473.31	
Capital expenses	27	160,000.00	160,000.00	92,900.00	53,581.32	16,947.64	
Privatisation fund*	28	-	-	-	-	-	
Return of borrowings	29	-	-	-	-	-	
Other	30	-	-	-	-	-	
Total from FKK through LIVTh		€ 11,345,873.00	€ 7,779,194.70	€ 5,874,392.95	€ 5,757,043.64	€ 6,022,910.02	

Amounts stated in payments (outcome) in columns A and B represent the budget of Dedicated Income and the general government grant.

Amounts presented in payments (outflows) in column C present the payments of dedicated incomes and General government fund

* Based on consultations with Treasury Department, this is related to the privatization fund done by the Government of Republic of Kosovo

PAK Trust Funds are stipulated in the Admission and Payment Statement and disclosed in explanatory notes to financial statements.

TABLE 1**Budget Execution Report (Government Grant, Donors and Dedicated Revenues)**

For the period ended on 31 December 2014

Description	Number	Original Budget (Law No. 04/L- 233)	Semi-annual Reviewed Budget (awaiting approval by Assembly of Republic of Kosovo)	Budget as from 31 December 2014	Payments	Progress in %	Progress in %
		a	b	c	d	e=d/a	f=d/c
Total	1+2+3+4	€ 11,345,873.00	€ 3,400,000.00	€ 7,779,194.70	€ 5,874,392.95	76%	76%
Total	1+2+3+4	€ 11,345,873.00	€ 10,745,873.00	€ 7,779,194.70	€ 5,874,392.95	76%	76%
Salaries and Wages		3,500,000.00	3,500,000.00	3,885,721.70	3,885,721.70	100%	100%
Goods and Services		7,507,873.00	6,907,873.00	3,555,473.00	1,754,835.04	49%	49%
Public services		98,000.00	98,000.00	98,000.00	77,636.20	79%	79%
Transfers and Subsidies		80,000.00	80,000.00	80,000.00	63,300.01	79%	79%
Capital Investments		160,000.00	160,000.00	160,000.00	92,900.00	58%	58%
General Grant 2014	1	€ 4,000,000.00	€ 3,400,000.00	€ 433,321.70	€ 406,182.75	10%	94%
Salaries and Wages		-	-	385,721.70	385,721.70		100%
Goods and Services		4,000,000.00	3,400,000.00	47,600.00	20,461.05	1%	43%
Public services		-	-	-	-		
Transfers and Subsidies		-	-	-	-		
Capital Investments		-	-	-	-		
Dedicated revenues 2014	2	€ 7,345,873.00	€ -	€ 7,345,873.00	€ 5,468,210.20	74%	74%
Salaries and Wages		3,500,000.00	-	3,500,000.00	3,500,000.00	100%	100%
Goods and Services		3,507,873.00	-	3,507,873.00	1,734,373.99	49%	49%
Public services		98,000.00	-	98,000.00	77,636.20	79%	79%
Transfers and Subsidies		80,000.00	-	80,000.00	63,300.01	79%	79%
Capital Investments		160,000.00	-	160,000.00	92,900.00	58%	58%
Dedicated revenues transferred 2013	3	€ -	€ -	€ -	€ -		
Salaries and Wages		-	-	-	-		
Goods and Services		-	-	-	-		
Public services		-	-	-	-		
Transfers and Subsidies		-	-	-	-		
Capital Investments		-	-	-	-		
Total donor grants 2014	4		€ 7,345,873.00		€ -	0%	0%
Salaries and Wages			3,500,000.00		-	0%	0%
Goods and Services			3,507,873.00		-	0%	0%
Public services			98,000.00		-	0%	0%
Transfers and Subsidies			80,000.00		-	0%	0%
Capital Investments			160,000.00		-	0%	0%

TABLE 2

Notes from 2 to 4.

Budgetary Report

For the period ended on 31 December 2014

Government grants, donor grants, and dedicated revenues

Description	Original Budget (Law No. 04/L-233)	Revised Semi-annual Budget (none)	Budget as at 31 December 2014	Difference in %	Difference in %	Difference in %
a	b	c	d	e=c/b	f=d/b	g=d/c
Total Budget 2014	11,345,873.00	10,745,873.00	7,779,194.70	95%	69%	72%
Genral grant	4,000,000.00	3,400,000.00	433,321.70	85%	11%	13%
Dedicated revenues 2014	-	-	7,345,873.00			
Dedicated revenues transferred from 2013	-	-	-			
Domestic grants	-	-	-			
Foreign grants	7,345,873.00	7,345,873.00	-	100%	0%	0%

Budgetary Report (General government grant)

Description	Original Budget (Law No. 04/L-233)	Revised Semi-annual Budget (none)	Budget as at 31 December 2014	Difference in %	Difference in %	Difference in %
a	b	c	d	e=c/b	f=d/b	g=d/c
Total Budget 2014	4,000,000.00	3,400,000.00	433,321.70	85%	11%	13%
Salaries and Wages	-	-	385,721.70			
Goods and Services	4,000,000.00	3,400,000.00	47,600.00	85%	1%	1%
Public services	-	-	-			
Transfers and Subsidies	-	-	-			
Capital Investments	-	-	-			

Budgetary Report (dedicated revenues)

Description	Original Budget (Law No. 04/L-233)	Revised Semi-annual Budget (none)	Budget as at 31 December 2014	Difference in %	Difference in %	Difference in %
a	b	c	d	e=c/b	f=d/b	g=d/c
Total Budget 2014	7,345,873.00	7,345,873.00	7,345,873.00	100%	100%	100%
Salaries and Wages	3,500,000.00	3,500,000.00	3,500,000.00	100%	100%	100%
Goods and Services	3,507,873.00	3,507,873.00	3,507,873.00	100%	100%	100%
Public services	98,000.00	98,000.00	98,000.00	100%	100%	100%
Transfers and Subsidies	80,000.00	80,000.00	80,000.00	100%	100%	100%
Capital Investments	160,000.00	160,000.00	160,000.00	100%	100%	100%

Raporti Buxhetor (grantet e donatorëve)

Description	Original Budget (Law No. 04/L-233)	Revised Semi-annual Budget (none)	Budget as at 31 December 2014	Difference in %	Difference in %	Difference in %
a	b	c	d	e=c/b	f=d/b	g=d/c
Total Budget 2014	-	-	-			
Salaries and Wages	-	-	-			
Goods and Services	-	-	-			
Public services	-	-	-			
Transfers and Subsidies	-	-	-			
Capital Investments	-	-	-			

FINANCIAL STATEMENT

TABLE 3

CASH FLOW

for the period ended on 31 December 2014

Name	Opening balance 1 January 2014	Receipts	Payments	Balance on 31 December 2014
Petty Cash from Budget	-	5,726	5,726	-
Bank Accounts (CBK)	570,328,298	103,002,914.1	115,530,443.8	557,800,769
Bank Accounts (RZB)	20,002,497	5,000,000.0	20,000,000.0	5,002,497
Bank Accounts (PCB)	62,550	-	-	62,550

BANK ACCOUNTS		CENTRAL BANK OF KOSOVO (CBK)		
	balance on 1 January 2014		570,328,298	1
Receipts and interest	1 January - 31 December 2014		103,002,914	2
Expenditures/distributions	1 January - 31 December 2014		115,530,444	3
Cash Flow	1 January - 31 December 2014 -		12,527,530	4=2-3
	BALANCE OF TIME DEPOSIT BANK ACCOUNTS AT CBK		30,000,000.0	5
	<u>1 January - 31 December 2014</u>		<u>557,800,769</u>	6=1+2-3

BANK ACCOUNTS		PROCREDIT BANK		
	balance on 1 January 2014		62,550	1
Receipts and interest	1 January - 31 December 2014		-	2
Expenditures/distributions	1 January - 31 December 2014		-	3
Cash Flow	1 January - 31 December 2014		-	4=2-3
	<u>1 January - 31 December 2014</u> €		<u>62,550</u>	5=1+2-3

BANK ACCOUNTS		RAIFFEISEN BANK		
	balance on 1 January 2014		20,002,497	1
Receipts and interest	1 January - 31 December 2014		5,000,000	2
Expenditures/distributions	1 January - 31 December 2014		20,000,000	3
Cash Flow	1 January - 31 December 2014		-	4=2-3
	<u>1 January - 31 December 2014</u>		<u>5,002,497</u>	5=1+2-3

Cash Flow Statement in Banks (Central Bank of Kosovo, Procredit Bank, and Raiffeisen Bank)				
	balance on 1 January 2014		590,393,345	1
Receipts and interest	1 January - 31 December 2014		108,002,914	2
Expenditures/distributions	1 January - 31 December 2014		135,530,444	3
Cash Flow	1 January - 31 December 2014		(27,527,530)	4=2-3
	<u>1 January - 31 December 2014</u>		<u>562,865,816</u>	5=1+2-3

FINANCIAL STATEMENT
Cash flow in CBK and PCB

TABLE 4**CASH FLOW STATEMENTS FOR ACCOUNTS IN CENTRAL BANK OF KOSOVO**

For the period ended on 31 December 2014

balance of current accounts on 31 December 2014	530,328,298.48
balance of time deposit accounts on 31 December 2014	40,000,000.00
Balance as of 31 December 2013	570,328,298.48

Cash flow for period July 2013 - December 2014

	Income	Expenditure	Balance
regular transactions in the current account	1,552,495,171	989,694,403	562,800,769
time deposits transactions in current accounts	1,232,826,712	1,237,826,711	(5,000,000)
transactions on time deposits accounts	4,773,930,262	4,773,930,261	1
TOTAL	7,559,252,145	7,001,451,375	557,800,769

Cash flow for period January - December 2014

	Income	Expenditure	Balance
regular transactions in the current account	103,002,914	110,530,444	(7,527,530)
time deposits transactions in current accounts	135,000,000	100,000,000	35,000,000
transactions on time deposits accounts	275,144,960	275,144,960	0
TOTAL	513,147,874	485,675,404	27,472,471

Interest as at 31 December 2014	34,840,282
Interest as at 31 December 2013	34,695,322
Interest during 2014	144,959.72

balance on 1 January 2014	570,328,298	current
Inflows from period 1 January - 31 December 2014	103,002,914	current
expenditures/distributions during the period 1 January - 31 December 2014	110,530,444	current
balance of time deposits in CBK and RZB	5,000,000	deposit

balance as at 31 December 2014 CBK	562,800,769	including deposits
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balance of current accounts as at 31 December 2014	557,800,769
balance of time deposits as at 31 December 2014	5,000,000
BALANCE OF ACCOUNTS ON 31 December 2014	562,800,769

FINANCIAL STATEMENT
Cash flow in CBK and PCB

CASH FLOW STATEMENTS IN PROCREDIT BANK ACCOUNTS

For the period ended on 31 December 2014

Cash flow for accounts transferred to NEWCo owners during the reporting period

A	B	C	D
Income	Interest	Expenditures	Balance
0.00	0.00	0.00	0.00

balance on **1-Jan-14**

E	F	G	H
Income	Interest	Expenditures	Balance
180,160.12	1.70	117,612.12	62,549.70

balance on **30-Sep-14**

I	J	K	L
Income	Interest	Expenditures	Balance
180,160.12	1.70	117,612.12	62,549.70

	balance on 1 January 2014	€ 62,549.70	M=H
inflows from	1 January - 31 December 2014	-	N=I-E+A
interest from	1 January - 31 December 2014	-	O=J-F+B
outflos/inflows from	1 January - 31 December 2014	-	P=K-G+C
	balance of transfers to owners of NEWCo	-	Q=D

BALANCE OF ACCOUNTS ON 31 December 2014	€ 62,549.70	R=M+N+O-P-Q
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TABLE 5
REPORT ON CHANGES ON THE BUDGET APPROPRIATIONS FROM DEDICATED REVENUE OF PAK

as of 31-Dec-14	A	B	C=A+B	D	E	F	G	H=C		
Programme Code	Economic Category and Budget programme	Original Budget (Law No. 04/L-233)	Transfers between PAK Budget Lines (BEFORE SEMI ANNUAL REVIEW) (article 30 LPFMA)	Reduction of Budget allocations in accordance with the Decision of the Government No.07-172	Budget after transfers within programs and before semi annual review	Revised Semi-annual Budget (none)	Contingency from Ministry of Finance (Article 29 of LPFMA)	Transfers between PAK Budget Lines (AFTER SEMI ANNUAL REVIEW) (article 30 of LPFMA)	Budget Cuts in accordance with Government's Decision No 01/200	Last budget on 31 December 2014
229	11000 Wages & Salaries	3,500,000.00	-	-	3,500,000.00	3,500,000.00	-	-	-	3,500,000.00
	13000 Goods & Services	1,466,200.00	-	-	1,466,200.00	1,466,200.00	-	-	-	1,466,200.00
	13200 Utilities	98,000.00	-	-	98,000.00	98,000.00	-	-	-	98,000.00
	21000 Subsidies and Transfers	-	-	-	-	-	-	-	-	-
	30000 Capital expenditure	160,000.00	-	-	160,000.00	160,000.00	-	-	-	160,000.00
	Central Administration	€ 5,224,200.00	-	€ -	€ 5,224,200.00	5,224,200.00	-	-	-	5,224,200.00
231	11000 Wages & Salaries	-	-	-	-	-	-	-	-	-
	13000 Goods & Services	180,000.00	-	-	180,000.00	180,000.00	-	-	-	180,000.00
	13200 Utilities	-	-	-	-	-	-	-	-	-
	21000 Subsidies and Transfers	-	-	-	-	-	-	-	-	-
	30000 Capital expenditure	-	-	-	-	-	-	-	-	-
	Audit	€ 180,000.00	-	€ -	€ 180,000.00	180,000.00	-	-	-	180,000.00
230	11000 Wages & Salaries	-	-	-	-	-	-	-	-	-
	13000 Goods & Services	30,000.00	-	-	30,000.00	30,000.00	-	-	-	30,000.00
	13200 Utilities	-	-	-	-	-	-	-	-	-
	21000 Subsidies and Transfers	-	-	-	-	-	-	-	-	-
	30000 Capital expenditure	-	-	-	-	-	-	-	-	-
	Legal Department	€ 30,000.00	-	€ -	€ 30,000.00	30,000.00	-	-	-	30,000.00
232	11000 Wages & Salaries	-	-	-	-	-	-	-	-	-
	13000 Goods & Services	220,000.00	-	-	220,000.00	220,000.00	-	-	-	220,000.00
	13200 Utilities	-	-	-	-	-	-	-	-	-
	21000 Subsidies and Transfers	80,000.00	-	-	80,000.00	80,000.00	-	-	-	80,000.00
	30000 Capital expenditure	-	-	-	-	-	-	-	-	-
	Riorganization and Administration o	€ 300,000.00	-	€ -	€ 300,000.00	300,000.00	-	-	-	300,000.00
227	11000 Wages & Salaries	-	-	-	-	-	-	-	-	-
	13000 Goods & Services	976,417.00	-	-	976,417.00	976,417.00	-	-	-	976,417.00
	13200 Utilities	-	-	-	-	-	-	-	-	-
	21000 Subsidies and Transfers	-	-	-	-	-	-	-	-	-
	30000 Capital expenditure	-	-	-	-	-	-	-	-	-
	Liquidation	€ 976,417.00	-	€ -	€ 976,417.00	976,417.00	-	-	-	976,417.00

	11000 Wages & Salaries	-	-	-	-	-	-	-	-	-
	13000 Goods & Services	635,256.00	-	-	635,256.00	635,256.00	-	-	-	635,256.00
	13200 Utilities	-	-	-	-	-	-	-	-	-
	21000 Subsidies and Transfers	-	-	-	-	-	-	-	-	-
	30000 Capital expenditure	-	-	-	-	-	-	-	-	-
226	Privatisation	€ 635,256.00	-	€ -	€ 635,256.00	635,256.00	-	-	-	635,256.00

Programme Code	Economic Category and Budget programme	Original Budget (Law No. 04/L-233)	Transfers between PAK Budget Lines (BEFORE SEMI ANNUAL REVIEW) (article 30 LPFMA)	Reduction of Budget allocations in accordance with the Decision of the Government No.07-172	Budget after transfers within programs and before semi annual review	Revised Semi-annual Budget (none)	Contingency from Ministry of Finance (Article 29 of LPFMA)	Transfers between PAK Budget Lines (AFTER SEMI ANNUAL REVIEW) (article 30 of LPFMA)	Budget Cuts in accordance with Government's Decision No 01/200	Last budget on 31 December 2014
11000	Wages & Salaries	3,500,000.00	-	-	3,500,000.00	3,500,000.00	-	-	-	3,500,000.00
13000	Goods & Services	3,507,873.00	-	-	3,507,873.00	3,507,873.00	-	-	-	3,507,873.00
13200	Utilities	98,000.00	-	-	98,000.00	98,000.00	-	-	-	98,000.00
21000	Subsidies and Transfers	80,000.00	-	-	80,000.00	80,000.00	-	-	-	80,000.00
30000	Capital expenditure	160,000.00	-	-	160,000.00	160,000.00	-	-	-	160,000.00
	TOTAL	€ 7,345,873.00	€ -	€ -	€ 7,345,873.00	€ 7,345,873.00	€ -	€ -	€ -	€ 7,345,873.00

TABLE 6
REPORT ON BUDGET ALLOCATION DIFFERENCE FROM GOVERNMENT GENERAL FUND
as of 31-Dec-14

		A	B	C=A+B	D	E	F	G	H=A-B+E-G	
Programme Code	Economic Category and Budget programme	Original Budget (Law No. 04/L-233)	Transfers between PAK Budget Lines (BEFORE SEMI ANNUAL REVIEW) (article 30 LPFMA)	Reduction of Budget allocations in accordance with the Decision of the Government No.07-172	Budget after transfers within programs and before semi annual review	Revised Semi-annual Budget (none)	Contingency from Ministry of Finance (Article 29 of LPFMA)	Transfers between PAK Budget Lines (AFTER SEMI ANNUAL REVIEW) (article 30 of LPFMA)	Budget Cuts in accordance with Government's Decision No 01/200	Last budget on 31 December 2014
229	11000 Wages & Salaries	-	-	-	-	-	385,721.70	-	-	385,721.70
	13000 Goods & Services	-	-	-	-	-	-	-	-	-
	13200 Utilities	-	-	-	-	-	-	-	-	-
	21000 Subsidies and Transfers	-	-	-	-	-	-	-	-	-
	30000 Capital expenditure	-	-	-	-	-	-	-	-	-
	Central Administration	€ -	€ -	€ -	€ -	€ -	€ 385,721.70	€ -	€ -	€ 385,721.70
231	11000 Wages & Salaries	-	-	-	-	-	-	-	-	-
	13000 Goods & Services	-	-	-	-	-	-	-	-	-
	13200 Utilities	-	-	-	-	-	-	-	-	-
	21000 Subsidies and Transfers	-	-	-	-	-	-	-	-	-
	30000 Capital expenditure	-	-	-	-	-	-	-	-	-
	Audit	€ -	€ -	€ -	€ -	€ -	€ -	€ -	€ -	€ -
230	11000 Wages & Salaries	-	-	-	-	-	-	-	-	-
	13000 Goods & Services	-	-	-	-	-	-	-	-	-
	13200 Utilities	-	-	-	-	-	-	-	-	-
	21000 Subsidies and Transfers	-	-	-	-	-	-	-	-	-
	30000 Capital expenditure	-	-	-	-	-	-	-	-	-
	Legal Department	€ -	€ -	€ -	€ -	€ -	€ -	€ -	€ -	€ -
232	11000 Wages & Salaries	-	-	-	-	-	-	-	-	-
	13000 Goods & Services	4,000,000.00	-	600,000.00	3,400,000.00	3,400,000.00	-	-	3,352,400.00	47,600.00
	13200 Utilities	-	-	-	-	-	-	-	-	-
	21000 Subsidies and Transfers	-	-	-	-	-	-	-	-	-
	30000 Capital expenditure	-	-	-	-	-	-	-	-	-
	Riorganization and Administration c	€ 4,000,000.00	€ -	€ (600,000.00)	€ 3,400,000.00	€ 3,400,000.00	€ -	€ -	€ 3,352,400.00	€ 47,600.00
227	11000 Wages & Salaries	-	-	-	-	-	-	-	-	-
	13000 Goods & Services	-	-	-	-	-	-	-	-	-
	13200 Utilities	-	-	-	-	-	-	-	-	-
	21000 Subsidies and Transfers	-	-	-	-	-	-	-	-	-
	30000 Capital expenditure	-	-	-	-	-	-	-	-	-
	Liquidation	€ -	€ -	€ -	€ -	€ -	€ -	€ -	€ -	€ -

11000 Wages & Salaries	-	-	-	-	-	-	-	-	-	-
13000 Goods & Services	-	-	-	-	-	-	-	-	-	-
13200 Utilities	-	-	-	-	-	-	-	-	-	-
21000 Subsidies and Transfers	-	-	-	-	-	-	-	-	-	-
30000 Capital expenditure	-	-	-	-	-	-	-	-	-	-
226 Privatisation	€ -	€ -	€ -	€ -	€ -	€ -	€ -	€ -	€ -	€ -

Programme Code	Economic Category and Budget programme	Original Budget (Law No. 04/L-233)	Transfers between PAK Budget Lines (BEFORE SEMI ANNUAL REVIEW) (article 30 LPFMA)	Reduction of Budget allocations in accordance with the Decision of the Government No.07-172	Budget after transfers within programs and before semi annual review	Revised Semi-annual Budget (none)	Contingency from Ministry of Finance (Article 29 of LPFMA)	Transfers between PAK Budget Lines (AFTER SEMI ANNUAL REVIEW) (article 30 of LPFMA)	Budget Cuts in accordance with Government's Decision No	Last budget on 31 December 2014
11000	Wages & Salaries	-	-	-	-	-	385,721.70	-	-	385,721.70
13000	Goods & Services	4,000,000.00	-	(600,000.00)	3,400,000.00	3,400,000.00	-	-	3,352,400.00	47,600.00
13200	Utilities	-	-	-	-	-	-	-	-	-
21000	Subsidies and Transfers	-	-	-	-	-	-	-	-	-
30000	Capital expenditure	-	-	-	-	-	-	-	-	-
	GJITHSEJ	€ 4,000,000.00	€ -	€ (600,000.00)	€ 3,400,000.00	€ 3,400,000.00	€ 385,721.70	€ -	€ 3,352,400.00	€ 433,321.70

Table 7

as of 31-Dec-14

Budget Line Name	A	B	C	D	E=A-D	F=B-D	G=B-C	H=C-D	C/A	% D/A	% C/B	% D/B
Budget Line Name	Budget Appropriation	Allocations	Commitments	Expenditures	Unspent Budget	Unspent Allocations	Not Committed Allocations	Unspent Commitments	Commitments vs Budget	Expenditures vs Budget	Commitments vs Allocations	Expenditures vs Commitments
Central Administration	5,224,200.00	5,019,470.00	4,963,306.72	4,836,299.72	387,900.28	183,170.28	56,163.28	127,007.00	95%	93%	99%	96%
Audit	180,000.00	93,000.00	39,000.00	16,557.11	163,442.89	76,442.89	54,000.00	22,442.89	22%	9%	42%	18%
Legal Department	30,000.00	25,500.00	22,284.46	15,868.38	14,131.62	9,631.62	3,215.54	6,416.08	74%	53%	87%	62%
Riorganization and Administration of SOEs	300,000.00	267,000.00	187,661.07	145,729.42	154,270.58	121,270.58	79,338.93	41,931.65	63%	49%	70%	55%
Liquidation	976,417.00	579,955.00	323,124.71	262,687.67	713,729.33	317,267.33	256,830.29	60,437.04	33%	27%	56%	45%
Privatisation	635,256.00	509,967.00	371,880.26	191,067.90	444,188.10	318,899.10	138,086.74	180,812.36	59%	30%	73%	37%
TOTAL	€ 7,345,873.00	€ 6,494,892.00	€ 5,907,257.22	€ 5,468,210.20	€ 1,877,662.80	€ 1,026,681.80	€ 587,634.78	€ 439,047.02	80%	74%	91%	84%

Budget Line Name	Budget Appropriation	Allocations	Commitments	Expenditures	Unspent Budget	Unspent Allocations	Not Committed Allocations	Unspent Commitments
Wages & Salaries (11000)	3,500,000.00	3,500,000.00	3,500,000.00	3,500,000.00	-	-	-	0.00
Goods & Services (13000)	3,507,873.00	2,698,992.00	2,171,274.80	1,734,373.99	1,773,499.01	964,618.01	527,717.20	436,900.81
Public Services (13200)	98,000.00	98,000.00	79,782.41	77,636.20	20,363.80	20,363.80	18,217.59	2,146.21
Subsidies & Transfers (21000)	80,000.00	80,000.00	63,300.01	63,300.01	16,699.99	16,699.99	16,699.99	0.00
Capital Outlays (30000)	160,000.00	117,900.00	92,900.00	92,900.00	67,100.00	25,000.00	25,000.00	-
TOTAL	€ 7,345,873.00	€ 6,494,892.00	€ 5,907,257.22	€ 5,468,210.20	€ 1,877,662.80	€ 1,026,681.80	€ 587,634.78	€ 439,047.02

Budget Line Name	No. of commitments	No. of payments	Reconciled Payments	Advance Payments	Payments Pending Reconciliation
Central Administration	802	1098	1098	0	0
Audit	2	5	5	0	0
Legal Department	61	62	62	0	0
Riorganization and Administration of SOEs	47	312	312	0	0
Liquidation	107	210	210	0	0
Privatisation	122	153	153	0	0
TOTAL	1141	1840	1840	0	0

TOTAL TRANSACTIONS per working day	8
TOTAL TRANSACTIONS in fiscal year	2,981
Payments per working day	5
Commitments per working day	3
Total payments in current year	1,840
Total commitments in current year	1,141
No. days until	31-Dec-14 365

REPORT AS PER SUB-BUDGET LINES DESCRIPTION

Table 8

as of 31-Dec-14

		A. Budget Appropriations	B. Commitments	C. Expenditures	D=A-C Budget Unspent	C/A % of Expenditures vs Budget
Total Σ(1:21)	Central Administration	€ 5,224,200.00	€ 4,963,306.72	€ 4,836,299.72	€ 387,900.28	92.57%
1	KCB staff salaries	3,500,000.00	3,500,000.00	3,500,000.00	-	100.00%
2	Land Line telephone, Water, Electricity, Waste	98,000.00	79,782.41	77,636.20	20,363.80	79.22%
3	Mobile Telephony, Internet, Postal Services	97,600.00	80,811.64	63,146.70	34,453.30	64.70%
4	Vehicle Insurance and Maintenance	74,050.00	52,984.57	45,080.05	28,969.95	60.88%
5	Fuel Oils for vehicles	50,000.00	41,101.83	33,601.75	16,398.25	67.20%
6	Fuel for Central Heating and Generators	73,008.00	64,659.81	51,045.60	21,962.40	69.92%
7	Petty Cash and Official Dinners	34,500.00	20,003.76	18,778.96	15,721.04	54.43%
8	Assets, Equipments	161,954.00	105,589.33	74,534.87	87,419.13	46.02%
9	Maintenance and Other repairs	29,000.00	28,570.67	18,027.40	10,972.60	62.16%
10	Procurement and Human Resources Annoucements	13,000.00	2,827.32	1,653.90	11,346.10	12.72%
11	Reimbursement for Local Board Members	203,700.00	188,908.73	188,842.73	14,857.27	92.71%
12	HQ and Regional Office Rent	270,000.00	266,308.80	264,490.14	5,509.86	97.96%
13	HQ and Regional Security Services	268,792.00	268,556.87	239,408.44	29,383.56	89.07%
14	Translation, Photocopying and Translation Equipments	8,340.00	5,375.08	5,145.08	3,194.92	61.69%
15	Official Travel out of country	21,260.00	20,805.33	20,237.33	1,022.67	95.19%
16	Training and development of PAK personel, professional literature, professional licenses, official gazzetes	47,450.00	47,399.51	45,049.51	2,400.49	94.94%
17	Securing premises, fire-extinguisher equipments	5,700.00	-	-	5,700.00	0.00%
18	Court expenses (court decisions)	107,846.00	96,721.06	96,721.06	11,124.94	89.68%
19	Equipments over EUR 1,000 within capital expenses	15,000.00	-	-	15,000.00	0.00%
20	Maintenance of PAK's Head Quarters and regional offices	10,000.00	-	-	10,000.00	0.00%
21	Field vehicles for HQ and Regional Office.	135,000.00	92,900.00	92,900.00	42,100.00	68.81%
Total Σ(22)	Audit	€ 180,000.00	€ 39,000.00	€ 16,557.11	€ 163,442.89	9.20%
	SOEs Audit & asset valuation	180,000.00	39,000.00	16,557.11	163,442.89	9.20%
Total Σ(23:25)	Legal Department	€ 30,000.00	€ 22,284.46	€ 15,868.38	€ 2,331.62	52.89%
23	Representation and legal services	8,200.00	10,545.00	7,095.00	1,105.00	86.52%
24	Maintenance of database for registration of claims	10,000.00	11,739.46	8,773.38	1,226.62	87.73%
25	Legal publications of PAK	11,800.00	-	-	-	0.00%
Total Σ(26)	Riorganization and Administration of SOEs	€ 300,000.00	€ 187,661.07	€ 145,729.42	€ 154,270.58	48.58%
26	Support to administratation of SOEs	300,000.00	187,661.07	145,729.42	154,270.58	48.58%

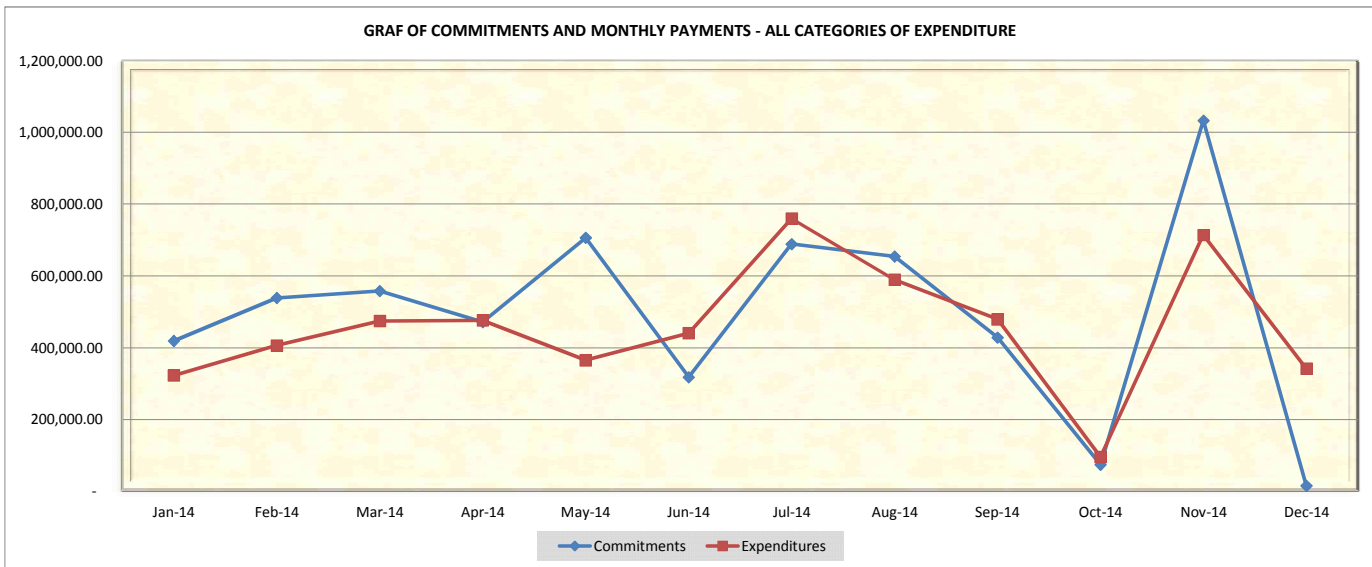
REPORT AS PER SUB-BUDGET LINES DESCRIPTION

Total Σ(27:28)	Liquidation	€ 976,417.00	€ 323,124.71	€ 262,687.67	€ 713,729.33	26.90%
27	Transition Phase	968,804.00	315,572.46	256,696.67	712,107.33	26.50%
28	Liquidation Phase	7,613.00	7,552.25	5,991.00	1,622.00	78.69%

Total Σ(29:35)	Privatisation	€ 635,256.00	€ 371,880.26	€ 191,067.90	€ 444,188.10	30.08%
29	Cadastral Services	20,500.00	2,076.00	2,076.00	18,424.00	10.13%
30	Publication in newspapers regarding Privatisation Notices	108,000.00	18,322.19	11,247.24	96,752.76	10.41%
31	Announcements on TV, Radion and Marketing, and Materials	128,940.00	37,641.38	25,095.27	103,844.73	19.46%
32	Establishment of NewCo	9,500.00	2,500.00	2,500.00	7,000.00	26.32%
33	Security Services for SOE buildings	363,578.10	308,236.79	147,357.09	216,221.01	40.53%
34	Legal expenses regarding privatisation	4,537.90	3,103.90	2,792.30	1,745.60	61.53%
35	Management Information System and Documentation on SOE (MISD)	200.00	-	-	200.00	0.00%

Total Σ(1:35)	PRIVATISATION AGENCY OF KOSOVO	€ 7,345,873.00	€ 5,907,257.22	€ 5,468,210.20	€ 1,877,662.80	74.44%
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	A. Budget Appropriations	B. Commitments	C. Expenditures	D=A-C Budget Unspent	C/A % of Expenditures vs Budget
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REPORT STATEMENT ACCORDING TO ECONOMIC CODES

Table 9

as of 31-Dec-14

Programme Code	Economic Code, Category and Budget Line Name	A	B	C	D	E=A-D	F=B-D	G=B-C	H=C-D
		Budget Appropriations	Budget Allocations	Commitments	Expenditures	Unspent Budget	Unspent Allocations	Not Committed Allocations	Unspent Commitments
22900	11000 Wages & Salaries	3,500,000.00	3,500,000.00	3,500,000.00	3,500,000.00	-	-	-	0.00
	13000 Goods & Services	1,466,200.00	1,303,570.00	1,290,624.31	1,165,763.52	300,436.48	137,806.48	12,945.69	124,860.79
	13200 Utilities	98,000.00	98,000.00	79,782.41	77,636.20	20,363.80	20,363.80	18,217.59	2,146.21
	21000 Subsidies & Transfers	-	-	-	-	-	-	-	-
	30000 Capital expenditure	160,000.00	117,900.00	92,900.00	92,900.00	67,100.00	25,000.00	25,000.00	-
	Central Administration	€ 5,224,200.00	€ 5,019,470.00	4,963,306.72	€ 4,836,299.72	€ 387,900.28	€ 183,170.28	€ 56,163.28	€ 127,007.00
23100	11000 Wages & Salaries	-	-	-	-	-	-	-	-
	13000 Goods & Services	180,000.00	93,000.00	39,000.00	16,557.11	163,442.89	76,442.89	54,000.00	22,442.89
	13200 Utilities	-	-	-	-	-	-	-	-
	21000 Subsidies & Transfers	-	-	-	-	-	-	-	-
	30000 Capital expenditure	-	-	-	-	-	-	-	-
	Audit	€ 180,000.00	€ 93,000.00	39,000.00	€ 16,557.11	€ 163,442.89	€ 76,442.89	€ 54,000.00	€ 22,442.89
23000	11000 Wages & Salaries	-	-	-	-	-	-	-	-
	13000 Goods & Services	30,000.00	25,500.00	22,284.46	15,868.38	14,131.62	9,631.62	3,215.54	6,416.08
	13200 Utilities	-	-	-	-	-	-	-	-
	21000 Subsidies & Transfers	-	-	-	-	-	-	-	-
	30000 Capital expenditure	-	-	-	-	-	-	-	-
	Legal Department	€ 30,000.00	€ 25,500.00	22,284.46	€ 15,868.38	€ 14,131.62	€ 9,631.62	€ 3,215.54	€ 6,416.08
23200	11000 Wages & Salaries	-	-	-	-	-	-	-	-
	13000 Goods & Services	220,000.00	187,000.00	124,361.06	82,429.41	137,570.59	104,570.59	62,638.94	41,931.65
	13200 Utilities	-	-	-	-	-	-	-	-
	21000 Subsidies & Transfers	80,000.00	80,000.00	63,300.01	63,300.01	16,699.99	16,699.99	16,699.99	0.00
	30000 Capital expenditure	-	-	-	-	-	-	-	-
	Corporate Governance	€ 300,000.00	€ 267,000.00	187,661.07	€ 145,729.42	€ 154,270.58	€ 121,270.58	€ 79,338.93	€ 41,931.65
22700	11000 Wages & Salaries	-	-	-	-	-	-	-	-
	13000 Goods & Services	976,417.00	579,955.00	323,124.71	262,687.67	713,729.33	317,267.33	256,830.29	60,437.04
	13200 Utilities	-	-	-	-	-	-	-	-
	21000 Subsidies & Transfers	-	-	-	-	-	-	-	-
	30000 Capital expenditure	-	-	-	-	-	-	-	-
	Liquidation	€ 976,417.00	€ 579,955.00	323,124.71	€ 262,687.67	€ 713,729.33	€ 317,267.33	€ 256,830.29	€ 60,437.04

REPORT STATEMENT ACCORDING TO ECONOMIC CODES

22600	11000 Wages & Salaries	-	-	-	-	-	-	-	-
	13000 Goods & Services	635,256.00	509,967.00	371,880.26	191,067.90	444,188.10	318,899.10	138,086.74	180,812.36
	13200 Utilities	-	-	-	-	-	-	-	-
	21000 Subsidies & Transfers	-	-	-	-	-	-	-	-
	30000 Capital expenditure	-	-	-	-	-	-	-	-
	Privatisation	€ 635,256.00	€ 509,967.00	371,880.26	€ 191,067.90	€ 444,188.10	€ 318,899.10	€ 138,086.74	€ 180,812.36

Programme Code	Economic Code, Category and Budget Line Name	Budget Appropriations	Budget Allocations	Commitments	Expenditures	Unspent Budget	Unspent Allocations	Not Committed Allocations	Unspent Commitments
11000	Wages & Salaries (11000)	3,500,000.00	3,500,000.00	3,500,000.00	3,500,000.00	-	-	-	0.00
13000	Goods & Services(13000)	3,507,873.00	2,698,992.00	2,171,274.80	1,734,373.99	1,773,499.01	964,618.01	527,717.20	436,900.81
13200	Utilities (13200)	98,000.00	98,000.00	79,782.41	77,636.20	20,363.80	20,363.80	18,217.59	2,146.21
21000	Subsidies and transfers (21000)	80,000.00	80,000.00	63,300.01	63,300.01	16,699.99	16,699.99	16,699.99	0.00
30000	Capital expenditure (30000)	160,000.00	117,900.00	92,900.00	92,900.00	67,100.00	25,000.00	25,000.00	-
	Total	€ 7,345,873.00	€ 6,494,892.00	5,907,257.22	€ 5,468,210.20	€ 1,877,662.80	€ 1,026,681.80	€ 587,634.78	€ 439,047.02

PRIVATIZATION AGENCY OF KOSOVO
SUMMARY OF FINANCIAL STATEMENT- YEAR 2014

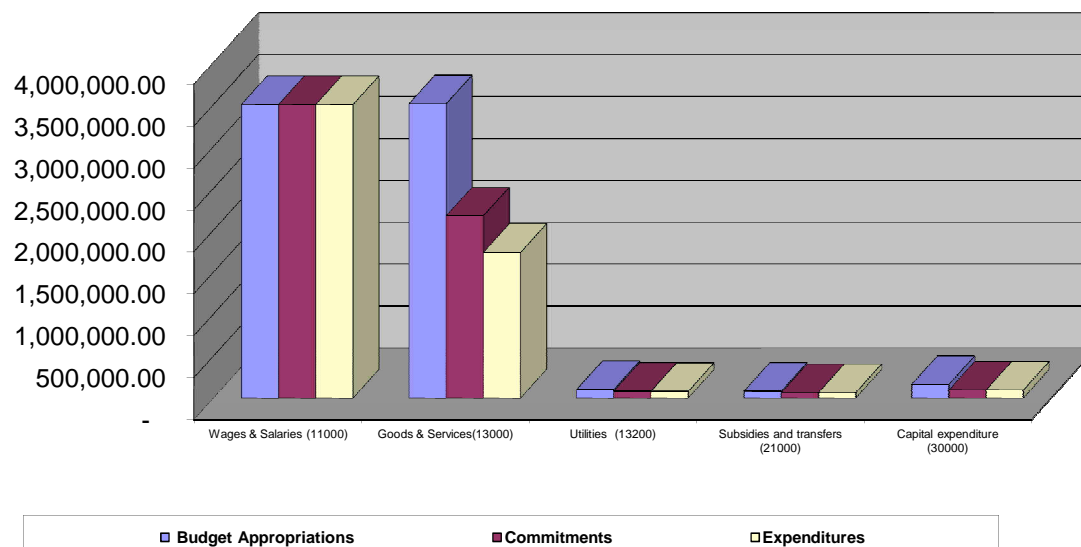


Table 10

as of 31-Dec-14

Budget Line Name	A Budget Appropriation	B Allocations	C Commitments	D Expenditures	E=A-D Unspent Budget	F=B-D Unspent Allocations	G=B-C Not Committed Allocations	H=C-D Unspent Commitments	C/A Commitments vs Budget	% D/A Expenditures vs Budget	% C/B Commitments vs Allocations	% D/B Expenditures vs Commitments
Central Administration	385,721.70	385,721.70	385,721.70	385,721.70	0.00	0.00	-	0.00	100%	100%	100%	100%
Riorganization and Administration of SOEs	47,600.00	47,600.00	28,461.05	20,461.05	27,138.95	27,138.95	19,138.95	8,000.00	60%	43%	60%	43%
TOTAL	€ 433,321.70	€ 433,321.70	€ 414,182.75	€ 406,182.75	€ 27,138.95	€ 27,138.95	€ 19,138.95	€ 8,000.00	96%	94%	96%	94%

Budget Line Name	Budget Appropriation	Allocations	Commitments	Expenditures	Unspent Budget	Unspent Allocations	Not Committed Allocations	Unspent Commitments
Pagat & mëditjet (11000)	385,721.70	385,721.70	385,721.70	385,721.70	-	0.00	0.00	0.00
Mallrat dhe shërbimet (13000)	47,600.00	47,600.00	28,461.05	20,461.05	27,138.95	27,138.95	19,138.95	8,000.00
Shërbimet Publike (13200)	-	-	-	-	-	0.00	0.00	0.00
Subvencionet dhe transferet (21000)	-	-	-	-	-	0.00	0.00	0.00
Shpenzimet kapitale (30000)	-	-	-	-	-	0.00	0.00	0.00
TOTAL	€ 433,321.70	€ 433,321.70	€ 414,182.75	€ 406,182.75	€ 27,138.95	€ 27,138.95	€ 19,138.95	€ 8,000.00

Budget Line Name	No. of commitments	No. of payments	Reconciled Payments	Advance Payments	Payments Pending Reconciliation
Central Administration	5	5	5	0	0
SOEs	14	12	12	0	0
TOTAL	19	17	17	0	0

TOTAL TRANSACTIONS per working day	0.1
TOTAL TRANSACTIONS in fiscal year	36
Payments per working day	0.0
Commitments per working day	0.1
Total payments in current year	17
Total commitments in current year	19
No. days until 31-Dec-14	365

Table 11

Integral part of financial statements for period ended on:

31-Dec-14

Depreciation = (Cost - remaining value) / Useful life

Period	Depreciation	Net Value	Last day of reporting period
Year 2008 (from 1 July 2008 to 31 December 2008)	95.24	874,137.68	31-Dec-08
Year 2009	49,282.77	526,532.74	31-Dec-09
Year 2010	107,711.35	717,143.55	31-Dec-10
Year 2011	134,443.61	698,540.26	31-Dec-11
Year 2012	157,373.83	605,358.49	31-Dec-12
Year 2013	155,786.43	554,772.14	31-Dec-13
Period January - December 2014	165,752.05	493,031.08	31-Dec-14
Accumulated depreciation	€ 770,445.28		
Total Historical Cost = Net Value of current year + accumulated depreciation	€ 1,263,476.36		
Historical cost of capital asset on 31 December 2014	€ 899,147.87		
Historical cost of inventory on 31 December 2014	€ 364,328.50		
Difference [must be zero]	€ 0.00		

Category ID	Description of category	Usful life [year]
13501	Furniture	6
13502	Telephone	8
13503	Computers	4
13504	IT equipment up to € 1000	3
13505	Copy machine	5
13509	Other equipment	7
31120	Non-residential objects	40
31600	IT equip exceeding € 1,000	3
31610	IT hardware equipment	3
31640	Computers	4
31650	Copy machine	5
31680	Software	7
31690	Other equipment	7
31700	Transportation vehicles	7
31900	Other capital	10

CONSIDERING DEPRECIATION OF CAPITAL ASSETS AND INVENTORY

Period	Year	Historical cost	Depreciation	Net Value
	1-Jan-00	0	0	0
Year 2008	2008	-	95.24	(95.24)
Year 2009	2009	575,910.76	49,282.77	526,532.74
Year 2010	2010	298,322.16	107,711.35	717,143.55
Year 2011	2011	115,840.32	134,443.61	698,540.26
Year 2012	2012	64,192.06	157,373.83	605,358.49
Year 2013	2013	105,200.07	155,786.43	554,772.13
Year 2014	2014	104,011.00	165,752.05	493,031.08
	TOTAL	€ 1,263,476.36	€ 770,445.28	€ 493,031.08



AGJENCIA KOSOVARE E PRIVATIZIMIT
KOSOVSKA AGENCIJA ZA PRIVATIZACIJU
PRIVATISATION AGENCY OF KOSOVO

FINANCIAL STATEMENTS OF TRUST FUNDS

FOR THE PERIOD ENDED ON 31 DECEMBER 2014

TABLES OF FINANCIAL REPORTS

Reports according to Article 20 of the law no. 04/L-034 for Privatization Agency of Kosovo

Article 20: Reports, budget and accounts

Article 20.1.1.2. financial statements of trust funds



AGJENCIA KOSOVARE E PRIVATIZIMIT
KOSOVSKA AGENCIJA ZA PRIVATIZACIJU
PRIVATISATION AGENCY OF KOSOVO

TRUST FUNDS FINANCIAL STATEMENTS

FOR PERIOD END 31 DECEMBER 2014

TABLES OF FINANCIAL REPORTS

Reports pursuant to Article 20 of the Law 04/L-034 on Privatisation Agency of Kosovo

Article 20: Reports, budget and accounts

Article 20.1.1.2 trust funds financial statements

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EXPLANATORY NOTES REGARDING TABLES OF FINANCIAL STATEMENTS

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	<p>CBK bank account statement as per type of trust funds:</p> <p>It presents:</p> <ul style="list-style-type: none"> a) Situation of trust fund bank accounts for current account and time deposits for the reporting period; b) Situation of trust fund accounts from 2008 until the year before reporting period. 	1
	<p>Cash flow summary statement for third party transactions and internal transactions for the period 2003-2014:</p> <p>It presents:</p> <ul style="list-style-type: none"> a) Cash flow summary statement for third party transactions (sales, bid deposits, collected lease etc); and b) Cash flow summary statement for internal transactions (transfer from one trust account into another e.g. transfer of 75% from the sale from privatisation account into liquidation account; transfer of a portion of money for 20% for workers that are kept in trust until claims are reviewed by SCSC etc). 	2
	<p>Cash flow summary statement for third party transactions and internal transactions for the period January – December 2014</p> <p>It presents:</p> <ul style="list-style-type: none"> a) Cash flow summary statement for third party transactions (sales, bid deposits, collected lease etc); and b) Cash flow summary statement for internal transactions (transfer from one trust account into another e.g. transfer of 75% from the sale from privatisation account into liquidation account; transfer of a portion of money for 20% for workers that are kept in trust until claims are reviewed by SCSC etc). 	3
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Nr.	Description of report	Page
	<ul style="list-style-type: none"> c) current outcome from privatisation accounts d) current amounts in time deposits; e) current situation of privatisation accounts f) summary of privatisation proceeds for contracts signed and amount pending contract signing. g) Amounts returned to Ministry of Finance for the payment of half of charter capital of NewCos created and sold by the Agency. 	
Table 3.	<p>Summary and income and outcome details in liquidation (as per regions)</p> <p>It is a summary and details of income and outcome from liquidation accounts. The following sub-tables are presented:</p> <ul style="list-style-type: none"> a) Revenue report; b) Report on payments and distribution as per type of expenses; c) Report on payments and distribution as per type of creditors; d) Detailed analysis on liquidation revenue (all codes); e) Detailed analysis of expenses and liquidation distribution (all codes); f) Report on time deposits from liquidation accounts. 	3-6
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report signed on 30-Jan-15
for the period as of 31-Dec-14

	Current Accounts			Time Deposits		Total		31-Dec-13		31-Dec-12		31-Dec-11		31-Dec-10		31-Dec-09		31-Dec-08	
	31-Dec-14 1	31-Dec-14 2	31-Dec-14 3=1+2	31-Dec-13 4	31-Dec-12 5	31-Dec-11 6	31-Dec-10 7	31-Dec-09 8	31-Dec-08 9										
Table 1: BALANCE OF ACCOUNTS IN CBK PER CATEGORY	AMOUNT	AMOUNT	AMOUNT	AMOUNT	AMOUNT	AMOUNT	AMOUNT	AMOUNT	AMOUNT										
1 Privatisation Trust Money	50,614,070	190,454	50,804,524	122,250,942	210,850,705	279,466,900	278,534,087	259,719,544	261,147,260										
2 Liquidation Trust Money	453,109,850	4,309,546	457,419,396	385,590,737	273,474,558	267,860,645	214,480,470	175,188,793	123,626,811										
3 SOE Money in Trust	5,070,894	-	5,070,894	6,893,134	5,971,317	5,401,324	5,691,148	3,388,895	5,673,507										
4 SOE Commercialisation Money in Trust	3,667,287	-	3,667,287	3,667,287	3,667,287	4,115,381	3,520,026	3,567,460	2,940,103										
5 Employees Entitlement in trust (transferred from privatisation and liquidation accounts)	24,932,761	-	24,932,761	27,809,806	30,926,511	20,963,568	9,662,836	132,986	147,085										
6 Privatisation Bid Deposits	51,738	-	51,738	321,749	1,749,269	2,016,346	3,139,227	3,391,091	4,718,572										
7 Privatisation Tender Submission Fee	267,527	-	267,527	267,537	49,860	2,231,034	1,892,396	1,428,339	1,080,181										
8 Liquidation Bid Deposits	182,325	-	182,325	1,043,427	928,663	1,594,671	1,371,067	638,468	1,378,924										
9 Liquidation Registration Fee	336,510	-	336,510	223,503	74,417	308,096	195,846	49,642	50,007										
10 Liquidation Review Committee deposit	25	-	25	25	0	9,915	8,519	-	-										
11 PAK Charter Capital	1,109,549	-	1,109,549	1,109,549	1,109,549	1,105,722	1,095,678	1,094,207	1,091,134										
12 PAK Reserve Fund	1,514,217	-	1,514,217	1,300,459	1,009,718	590,787	2,591,945	2,433,523	1,451,204										
13 Donor Money	8,463	-	8,463	8,463	8,463	8,435	8,359	8,347	8,330										
14 PAK Administrative Tariff	16,935,553	500,000	17,435,553	19,841,679	19,583,043	-	-	-	-										
15 Current Account money in Time Deposit accounts	1	-	1	0	0	89,844	1,696	-	-										
16 Investments in Treasury Bills	-	-	-	-	-	-	-	-	-										
17 BALANCE OF Trust Funds	557,800,769	5,000,000	562,800,769	570,328,298	549,403,359	585,762,669	522,193,299	451,041,297	403,313,119										

GRAND TOTAL TRUST FUNDS (time deposit and current accounts) 562,800,769.12 €

Gjendja e llogarive (me depozitat kohor) në BQK është	557,800,769.12
Depoziti Kohor në Raiffeisen Bank	5,000,000.00 €
GJITHSEJT FONDET NË MIRËBESIM	562,800,769.12

Adem Selishta
a. Director of Finance and Budget
Privatisation Agency of Kosovo

30-Jan-15

Korab Lufi
a. Head of Funds Management Unit
Privatisation Agency of Kosovo

30-Jan-15

CASH FLOW SUMMARY STATEMENT ACCORDING TO THE TYPE OF BANK ACCOUNT
on third party transactions and internal transactions

1-Jul-03 until 31-Dec-14

1-Jul-03	31-Dec-14	31-Dec-14	31-Dec-14	31-Dec-14	31-Dec-14	31-Dec-14	31-Dec-14	31-Dec-14	8=1+4+7						
										Cash flow from 1 July 2003 to the above date			Cash flow from 1 July 2003 to the above date		
										transactions with external parties	transactions with external parties	transactions with external parties	transactions with external parties	transactions with external parties	transactions with external parties
1	2	3	4=2-3	5	6	7=5-6	8=1+4+7								
CATEGORY OF BANK ACCOUNTS AT CBK	BEGINNING BALANCE	inflows	outflows	Balance	inflows	outflows	Balance	ENDING BALANCE							
1 Privatisation	-	622,875,169	121,064,830	501,810,339	50,376,472	501,382,287	(451,005,815)	50,804,524							
2 Liquidation	-	98,020,830	51,105,469	46,915,360	442,158,064	31,654,028	410,504,036	457,419,396							
3 SOE Money in Trust	-	16,288,659	6,275,962	10,012,697	397,453	5,339,256	(4,941,803)	5,070,894							
4 Commercialisation	-	5,507,257	1,173,406	4,333,851	138	666,703	(666,564)	3,667,287							
5 Employees Entitlement	-	233,068	16,940,648	(16,707,580)	42,628,530	988,189	41,640,342	24,932,761							
6 Privatisation Bid Deposits	-	173,775,286	144,192,131	29,583,155	3,683,943	33,215,360	(29,531,417)	51,738							
7 Privatisation Tender Submission Fee	-	3,294,390	1,022,322	2,272,068	982,845	2,987,386	(2,004,541)	267,527							
8 Liquidation Bid Deposits	-	40,234,937	33,030,841	7,204,095	156,763	7,178,533	(7,021,771)	182,325							
9 Liquidation Registration Fee	-	926,031	169,566	756,465	-	419,955	(419,955)	336,510							
10 Liquidation Review Committee deposit	-	22,979	13,136	9,843	-	9,818	(9,818)	25							
11 PAK Charter Capital	-	1,132,178	22,629	1,109,549	-	-	-	1,109,549							
12 PAK Reserve Fund	-	185,410	2,226,203	(2,040,792)	9,168,947	5,613,938	3,555,009	1,514,217							
13 Donor	-	8,475	12	8,463	-	-	-	8,463							
14 PAK Administrative Tariff	-	752,974	22,527,142	(21,774,168)	39,642,196	432,475	39,209,721	17,435,553							
15 Time Deposit	-	1	-	1	-	-	-	1							
16 Investments in Treasury Bills	-	-	-	-	-	-	-	-							
BALANCE OF TRUST FUNDS	-	963,257,644	399,764,297	563,493,347	589,195,351	589,887,928	(692,577)	562,800,769							

Adem Selishta
a. Director of Finance and Budget
Privatisation Agency of Kosovo

30-Jan-15

Korab Lufi
a. Head of Funds Management Unit
Privatisation Agency of Kosovo

30-Jan-15

CASH FLOW SUMMARY STATEMENT ACCORDING TO THE TYPE OF BANK ACCOUNT
on third party transactions and internal transactions

1-Jan-14 until 31-Dec-14

CATEGORY OF BANK ACCOUNTS AT CBK	1-Jan-14 1	31-Dec-14 Cash flow from 1 January 2013 to the above date			31-Dec-14 Cash flow from 1 January 2013 to the above date			8=1+4+7
		transactions with external parties	transactions with external parties	transactions with external parties	internal transactions	internal transactions	internal transactions	
		2	3	4=2-3	5	6	7=5-6	
BEGINNING BALANCE	inflows	outflows	Balance	inflows	outflows	Balance	ENDING BALANCE	
1 Privatisation	122,250,942.15	2,025,930	4,430,831	(2,404,901)	2,012,905	71,054,423	(69,041,518)	50,804,524
2 Liquidation	385,590,737.35	13,793,415	6,141,553	7,651,861	67,708,982	3,532,184	64,176,798	457,419,396
3 SOE Money in Trust	6,893,134.32	1,050,901	635,630	415,270	-	2,237,511	(2,237,511)	5,070,894
4 Commercialisation	3,667,286.74	-	-	-	-	-	-	3,667,287
5 Employees Entitlement	27,809,806.38	735	10,489,071	(10,488,336)	8,420,446	809,155	7,611,291	24,932,761
6 Privatisation Bid Deposits	321,749.28	845,000	845,009	(9)	190,000	460,002	(270,002)	51,738
7 Privatisation Tender Submission Fee	267,537.25	30,900	30,910	(10)	100,000	100,000	-	267,527
8 Liquidation Bid Deposits	1,043,426.72	5,044,494	4,664,652	379,842	-	1,240,944	(1,240,944)	182,325
9 Liquidation Registration Fee	223,502.52	144,839	31,832	113,007	-	-	-	336,510
10 Liquidation Review Committee deposit	25.00	-	-	-	-	-	-	25
11 PAK Charter Capital	1,109,549.39	-	-	-	-	-	-	1,109,549
12 PAK Reserve Fund	1,300,458.58	758	-	758	283,000	70,000	213,000	1,514,217
13 Donor	8,463.19	-	-	-	-	-	-	8,463
14 PAK Administrative Tariff	19,841,679.29	406,614	3,572,177	(3,165,563)	943,995	184,559	759,436	17,435,553
15 Time Deposit	0.31	-	-	-	-	-	-	0
16 Investments in Treasury Bills	-	-	-	-	-	-	-	-
BALANCE OF TRUST FUNDS	570,328,298.48	23,343,585	30,841,666	(7,498,080)	79,659,329	79,688,778	(29,449)	562,800,769

Adem Selishta

a. Director of Finance and Budget
Privatisation Agency of Kosovo

30-Jan-15

Korab Lufi

a. Head of Funds Management Unit
Privatisation Agency of Kosovo

30-Jan-15

as of 31-Dec-14

Table 1

REPORT OF SALES AS PER REGIONS (including deposits transferred from deposit account)*

	SPIN OFF SALES	LIQUIDATION SALES	TOTAL
ALL REGIONS	573,630,722.64	88,698,991.64 €	662,329,714.28 €
Prishtina	216,456,815.06	40,882,533.94	257,339,349.00
Peja	97,589,678.53	10,567,095.56	108,156,774.09
Prizren	91,703,697.84	7,447,758.13	99,151,455.97
Gjilan	137,216,685.68	17,588,337.11	154,805,022.79
Mitrovica	30,663,845.53	12,213,266.90	42,877,112.43

Summary -Privatisation Proceeds IN CENTRAL BANK OF KOSOVO (CBK)

report signed on 30-Jan-15
for the period as of 31-Dec-14

Table 2

Table 2: SUMMARY OF PRIVATISATION TRUST MONEY		AMOUNT
1=sum(12:20)	Privatisation proceeds (includes interest)	598,072,265.54 €
2	Privatisation proceeds (without interest)	573,594,438.12 €
3	Regular Spin Off proceeds (net of interest)	477,074,390.46
4	interest earned from regular spin off proceeds	20,212,716.51
5	Newco shareholder money from Regular Spin Off transferred to MF	780,000.00
6	Special Spin Off proceeds (net of interest)	95,707,547.66
7	interest earned from special spin off proceeds	4,265,110.91
8	Newco shareholder money from Special Spin Off transferred to MFE	32,500.00
9=1x75%	Liquidation's entitlement (75% of proceeds)	448,554,199.16
10=1x20%	Employees' entitlement (20% of proceeds)	119,614,453.11
11=1x5%	Agency's Administrative Tariff (5% of proceeds)	29,903,613.28
12	Paid to employees (transferred to BSPK) directly from the privatisation trust funds	70,656,528.98
13	Transferred to the Employees Entitlement Trust Accounts	37,256,134.56
14	Newco shareholder money paid by bidders and transferred to MFE	812,500.00
15	Transferred to the Liquidation Trust Accounts (from 75% of sales)	408,616,469.90
16	Transferred to Agency Administrative Tariff account (5% of sales)	29,926,108.57
17	Privatisation trust funds transferred in time deposit accounts	190,453.87
18	Funds in transit to return to individual accounts	-
19	Privatisation Trust Funds (in current accounts)	50,614,069.66
Balance of Privatisation proceeds (in time deposits and current accounts)		50,804,523.53 €

Table 3: SUMMARY OF PRIVATISATION PROCEEDS (contracts reference)	AMOUNT
Signed Contracts	597,223,194.17
Pending Contracts	17,966.00
Cancelled Tenders	18,605.37
Newco shareholder money paid by bidders and transferred to MFE	812,500.00
TOTAL PRIVATISATION PROCEEDS SO FAR	598,072,265.54 €

Adem Selishta

a. Director of Finance and Budget
Privatisation Agency of Kosovo

Korab Lufi

a. Head of Funds Management Unit
Privatisation Agency of Kosovo

30-Jan-15

30-Jan-15

Table 3

as of 31-Dec-14

MAIN SUMMARY OF INCOME / RECEIPTS AND EXPENDITURES / DISTRIBUTIONS

			ALL REGIONS	PRISHTINA	PEJA	PRIZREN	GJILAN	MITROVICA
99%	A	Liquidation Trust Money (currently in the bank current accounts)	453,109,850.12	165,386,937.86	78,418,342.92	71,155,180.74	108,839,971.59	29,309,417.01
1%	B	Liquidation Trust Money (in time deposit investments)	4,309,546.13 €	2,237,282.13	470,975.50	-	1,601,288.50	-
0%	C	Liquidation Trust Money (in treasury bills investments)	-	-	-	-	-	-
100%	D=A+B+C	BALANCE Liquidation Trust Money	457,419,396.25 €	167,624,219.99 €	78,889,318.42 €	71,155,180.74 €	110,441,260.09 €	29,309,417.01 €

Table 1:

Code	Type	GRAND TOTAL Income / Receipts (ALL Liquidation Accounts)	513,532,243.07 €	196,007,265.61 €	85,265,974.31 €	76,975,172.91 €	122,713,487.03 €	32,570,343.21 €
=i1 (liq.sale)+i3(deposits)	Income / Receipts	Liquidation proceeds from SALE of ASSETS (includes deposits for contracted sales)	88,698,991.64	40,882,533.94	10,567,095.56	7,447,758.13	17,588,337.11	12,213,266.90
i2	Income / Receipts	Interest earned on the liquidation trust accounts	8,384,315.79	4,236,984.79	1,307,951.40	1,053,540.61	1,404,862.51	380,976.48
i4	Income / Receipts	Incoming Value Added Tax (VAT) - charged on top of the sale price	532,714.35	31,360.80	488,133.90	-	13,219.65	-
i5	Income / Receipts	VAT recovered from Tax Administration of Kosovo (TAK)	-	-	-	-	-	-
i6	Income / Receipts	Transfers of 75% of particular Privatisation trust acc.to Liquidation trust account	408,616,469.90	145,327,956.62	72,607,661.50	68,202,998.62	103,169,237.62	19,308,615.54
i7	Income / Receipts	SOE Trust Money kept by PAK and transferred to Liquidation accounts	4,885,045.82	4,640,471.66	-	63,093.09	79,800.55	101,680.52
i8	Income / Receipts	Cash deposits from SOE safes (vaults) into Liquidation Trust Accounts	23,028.70	-	-	-	23,028.70	-
i9	Income / Receipts	Transfers from SOE bank accounts into Liquidation Trust Accounts	191,722.30	33,671.70	38,070.31	7,572.11	111,930.32	477.86
i10	Income / Receipts	Receipts from SOE debtors	-	-	-	-	-	-
i11	Income / Receipts	Receipts from SOE shares in other companies	-	-	-	-	-	-
i12	Income / Receipts	Rent Revenues during the liquidation process	2,186,356.60	851,486.31	252,761.64	196,749.67	320,033.07	565,325.91
i13	Income / Receipts	Operating Revenues during the liquidation process (other)	13,597.97	2,799.79	4,300.00	3,460.68	3,037.50	-
i14	Income / Receipts	Revenues created from returning goods in transit	-	-	-	-	-	-
i15	Income / Receipts	Revenues created from advance payments returned by other enterprises for advanced made before liquidation	-	-	-	-	-	-
i16	Income / Receipts	transfer from other trust accounts until maturity of time deposits	-	-	-	-	-	-

Table 2:

Code	Type	GRAND TOTAL of Expenditures / Distributions based on TYPE OF EXPENSES (ALL Liquidation Accounts)	56,112,846.82 €	28,383,045.62 €	6,376,655.89 €	5,819,992.17 €	12,272,226.94 €	3,260,926.20 €
e0	Expenditure	Residual Funds to the Government of Kosovo - article 19.3.3 of PAK law	28,934,282.32	16,773,641.82	2,824,427.05	2,371,922.90	5,540,225.96	1,424,064.59
e1	Expenditure	Bank charges	8,192.72	1,583.00	1,151.22	1,062.40	1,749.00	2,647.10
e2	Distribution	Transfer of 20% to Employees (BSPK) from the Liquidation of Assets proceeds	8,643,316.24	4,102,103.68	1,299,550.39	726,927.83	1,906,744.61	607,989.73
e3	Distribution	Transfer of 20% to Employees Entitlement Trust account from the Liquidation of Assets	4,378,332.41	2,845,343.46	166,578.38	342,303.82	1,003,954.39	20,152.36
e4+e4a	Distribution	Agency Administrative Tariff (5% of liquidation sales and 5% of interest on liq. account)	4,813,746.90	2,232,046.62	589,381.03	425,784.50	944,746.38	621,788.37
e12	Expenditure	Secured credit post reorganisation petition	-	-	-	-	-	-
e13	Expenditure	Compensation Awards by the Special Chamber of the Supreme Court	-	-	-	-	-	-
e14	Expenditure	Court Expenses	11,627.39	3,233.00	3,746.31	2,443.00	2,023.08	182.00
e15	Expenditure	Administrator Expenses	-	-	-	-	-	-
e16	Expenditure	Professional Service Providers (Liquidation Authority)	6,324,542.66	1,670,995.17	771,337.99	1,463,319.99	2,108,493.52	310,395.99
e25+e26	Expenditure	Rent Paid	41,857.17	31,360.10	-	6,877.39	3,619.68	-
e17+e18	Expenditure	Service Providers	996,063.87	431,081.81	46,274.90	80,355.00	417,708.16	20,644.00
Σ(e5+e11)+e20+e21+e23+e24+e27+e28	Expenditure	Goods, services, advertising, notices	774,891.32	204,972.65	145,108.42	114,767.69	203,170.69	106,871.87
e22	Expenditure	Services for protection of property and assets	548,441.36	58,875.34	14,430.89	273,634.40	87,842.44	113,658.29
sum(e30,e33)	Expenditure	Monthly Expenses (electricity, water, waste, telecommunication)	51,522.24	8,476.72	136.85	6,007.67	35,491.69	1,409.31
e19+sum(e34:e39)	Expenditure	Payment of taxes (Personal Income Tax, Property Tax, VAT etc)	540,890.03	3,907.23	514,532.46	4,585.58	16,457.34	1,407.42
e40	Expenditure	Reorganisation Expenses Incurred during the Liquidation	-	-	-	-	-	-
sum(e41:e65)	Distribution	Payments to Creditors of SOEs	45,140.19	15,425.02	-	-	-	29,715.17
e66	Distribution	Claims - Owners, shareholders, founders, participants or partners in the SOE	-	-	-	-	-	-
e67	Distribution	Surplus to the Government of Kosovo	-	-	-	-	-	-
Σ(e68:82)	Time deposits	Currently in Time Deposit investments	4,309,546.13	2,237,282.13	470,975.50	-	1,601,288.50	-
e81	Treasury Bills	Currently in Government Treasury Bills investments	-	-	-	-	-	-

Table 3:

			ALL REGIONS	PRISHTINA	PEJA	PRIZREN	GJILAN	MITROVICA
Code	Type	GRAND TOTAL of Expenditures / Distributions based on TYPE OF CLAIMS (ALL Liquidation Accounts)	56,112,846.82 €	28,383,045.62 €	6,376,655.89 €	5,819,992.17 €	12,272,226.94 €	3,260,926.20 €
e2+e3	Distribution	Entitlement of Employees to the 20% from Sale of Assets	13,021,648.65	6,947,447.14	1,466,128.77	1,069,231.65	2,910,699.00	628,142.09
e4+e4a	Distribution	Agency Administrative Tariff (5% of liquidation sales and 5% of interest on liq. account)	4,813,746.90	2,232,046.62	589,381.03	425,784.50	944,746.38	621,788.37
e1+sum(e6:e11)	Expenditure	Costs of Selling or Otherwise Realizing the property or Assets	710,120.70	172,138.71	141,934.64	113,688.99	198,714.53	83,643.83
e12+e13	Expenditure	Secured Credit post reorganisation and Compensation Awards by the Special Chamber	-	-	-	-	-	-
e14	Expenditure	Court Expenses	11,627.39	3,233.00	3,746.31	2,443.00	2,023.08	182.00
e15+e16	Expenditure	Expenses of the Administrator, Liquidation Authority and any supporting Advisors	6,324,542.66	1,670,995.17	771,337.99	1,463,319.99	2,108,493.52	310,395.99
e21+e22	Expenditure	Expenses for the maintenance and protection of property and assets	550,329.56	59,254.54	14,680.89	274,384.40	88,351.44	113,658.29
e5,e17,e18,e20+sum(e23:e33)	Expenditure	Expenses for the continued operation of the enterprise	1,160,518.42	504,956.37	50,486.75	94,631.16	462,515.69	47,928.45
e19+sum(e34:e39)	Expenditure	Liquidation Expenses: Payment of taxes (Personal Income Tax, Property Tax, VAT etc)	540,890.03	3,907.23	514,532.46	4,585.58	16,457.34	1,407.42
e40	Expenditure	Reorganisation Expenses Incurred during the Liquidation	-	-	-	-	-	-
e41	Distribution	Secured Claims to the extent realised from Assets securing such claims	-	-	-	-	-	-
e42	Distribution	Claims for Ownership of specific Assets including Real Assets	-	-	-	-	-	-
e43:e45	Distribution	Wage claims for 3 months gross salary	-	-	-	-	-	-
e46:e48	Distribution	Severance pay unpaid at commencement of the Liquidation	21,681.46	13,135.70	-	-	-	8,545.76
Σ(e49:e65)	Distribution	Unsecured claims	23,458.73	2,289.32	-	-	-	21,169.41
e66	Distribution	Claims of Owners, Shareholders, founders, Participants or Partners	-	-	-	-	-	-
e0+e67	Distribution	Residual Funds and Surplus to the Government of Kosovo	28,934,282.32	16,773,641.82	2,824,427.05	2,371,922.90	5,540,225.96	1,424,064.59
Σ(e68:80)	Time deposits	Currently in Time Deposit Accounts	4,309,546.13	2,237,282.13	470,975.50	-	1,601,288.50	-
e81	Treasury Bills	Investment in Government Treasury Bills	-	-	-	-	-	-

DETAILED BREAKDOWN OF INCOME / RECEIPTS AND EXPENDITURES / DISTRIBUTIONS

99%	A	Liquidation Trust Money (currently in the bank current accounts)	453,109,850.12	165,386,937.86	78,418,342.92	71,155,180.74	108,839,971.59	29,309,417.01
1%	B	Liquidation Trust Money (in time deposit investments)	4,309,546.13 €	2,237,282.13	470,975.50	-	1,601,288.50	-
0%	C	Liquidation Trust Money (in treasury bills investments)	-	-	-	-	-	-
100%	D=A+B+C	BALANCE Liquidation Trust Money	457,419,396.25 €	167,624,219.99 €	78,889,318.42 €	71,155,180.74 €	110,441,260.09 €	29,309,417.01 €

Table 4:

			ALL REGIONS	PRISHTINA	PEJA	PRIZREN	GJILAN	MITROVICA
Code	Type	GRAND TOTAL Income / Receipts (ALL Liquidation Accounts)	513,532,243.07 €	196,007,265.61 €	85,265,974.31 €	76,975,172.91 €	122,713,487.03 €	32,570,343.21 €
i1	Income / Receipts	Liquidation Sale	82,503,886.64	38,962,033.94	9,158,790.56	6,702,258.13	16,343,837.11	11,336,966.90
i2	Income / Receipts	Interest earned	8,384,315.79	4,236,984.79	1,307,951.40	1,053,540.61	1,404,862.51	380,976.48
i3	Income / Receipts	Deposits transferred from bid deposit account	6,195,105.00	1,920,500.00	1,408,305.00	745,500.00	1,244,500.00	876,300.00
i4	Income / Receipts	Incoming VAT	532,714.35	31,360.80	488,133.90	-	13,219.65	-
i5	Income / Receipts	VAT Recovered from TAK	-	-	-	-	-	-
i6	Income / Receipts	Transfer of 75% from privatisation sales	408,616,469.90	145,327,956.62	72,607,661.50	68,202,998.62	103,169,237.62	19,308,615.54
i7	Income / Receipts	transfer of SOE Money in trust	4,885,045.82	4,640,471.66	-	63,093.09	79,800.55	101,680.52
i8	Income / Receipts	Transfer of cash deposits	23,028.70	-	-	-	23,028.70	-
i9	Income / Receipts	Transfer from SOE bank accounts	191,722.30	33,671.70	38,070.31	7,572.11	111,930.32	477.86
i10	Income / Receipts	Receipts from SOE debtors	-	-	-	-	-	-
i11	Income / Receipts	Receipts from SOE shares in other companies	-	-	-	-	-	-
i12	Income / Receipts	Rent Revenues	2,186,356.60	851,486.31	252,761.64	196,749.67	320,033.07	565,325.91
i13	Income / Receipts	Other Revenues	13,597.97	2,799.79	4,300.00	3,460.68	3,037.50	-
i14	Income / Receipts	Revenues created from returning goods in transit	-	-	-	-	-	-
i15	Income / Receipts	Revenues created from advance payments returned by other enterprises for advanced made before	-	-	-	-	-	-
i16	Income / Receipts	transfer from other trust accounts until maturity of time deposits	-	-	-	-	-	-

Table 5:

		ALL REGIONS	PRISHTINA	PEJA	PRIZREN	GJILAN	MITROVICA	
Code	Type	GRAND TOTAL Expenditures / Distributions - all codes (ALL Liquidation Accounts)	56,112,846.82 €	28,383,045.62 €	6,376,655.89 €	5,819,992.17 €	12,272,226.94 €	3,260,926.20 €
e0	Expenditure	Residual Funds to the Government of Kosovo - article 19.3.3 of PAK law	28,934,282.32	16,773,641.82	2,824,427.05	2,371,922.90	5,540,225.96	1,424,064.59
e1	Expenditure	Bank Charges	8,192.72	1,583.00	1,151.22	1,062.40	1,749.00	2,647.10
e2	Distribution	Transfer to Employees (BSPK)	8,643,316.24	4,102,103.68	1,299,550.39	726,927.83	1,906,744.61	607,989.73
e3	Distribution	Transfer to Employees (Retention)	4,378,332.41	2,845,343.46	166,578.38	342,303.82	1,003,954.39	20,152.36
e4	Distribution	Agency Administrative Tariff (5% of liquidation sales)	4,399,802.52	2,022,162.17	524,668.55	374,000.66	875,919.03	603,052.11
e4a	Distribution	Agency Administrative Tariff (5% of interest on liquidation bank account)	413,944.38	209,884.45	64,712.48	51,783.84	68,827.35	18,736.26
e5	Expenditure	Advance payments made by the SOE in liquidation	-	-	-	-	-	-
e6	Expenditure	Advertising Costs	469,087.53	106,283.38	96,915.16	69,113.65	134,309.14	62,466.20
e7	Expenditure	Cost of liquidation sale of assets	32,648.57	9,641.06	7,833.82	5,255.21	5,659.00	4,259.48
e8	Expenditure	Stationary, minor offices expenses, postage	137,003.19	38,565.16	27,662.96	20,737.67	44,813.25	5,224.15
e9	Expenditure	Storage, transportation of SOE records	2,265.80	554.00	770.20	163.20	778.40	-
e10	Expenditure	ADVANCE Petty Cash for minor liquidation costs	421.15	(178.85)	0.00	0.00	-	600.00
e11	Expenditure	CLOSED Petty Cash Actual Expenses for minor liquidation costs	60,501.74	15,690.96	7,601.28	17,356.86	11,405.74	8,446.90
e12	Expenditure	Secured Credit post reorganisation petition	-	-	-	-	-	-
e13	Expenditure	Compensation Awards by the Special Chamber of the Supreme Court	-	-	-	-	-	-
e14	Expenditure	Court Expenses	11,627.39	3,233.00	3,746.31	2,443.00	2,023.08	182.00
e15	Expenditure	Administrator Expenses	-	-	-	-	-	-
e16	Expenditure	Professional Service Providers (Liquidation Authority)	6,324,542.66	1,670,995.17	771,337.99	1,463,319.99	2,108,493.52	310,395.99
e17	Expenditure	Service Providers (Gross Payments)	984,633.87	426,331.81	46,274.90	80,355.00	411,028.16	20,644.00
e18	Expenditure	Service providers (NET payments)	11,430.00	4,750.00	-	-	6,680.00	-
e19	Expenditure	Personal Income Tax for Service Providers	2,997.50	1,327.50	-	-	1,670.00	-
e20	Expenditure	Professional Services	63,230.36	30,005.58	4,075.00	250.00	4,536.60	24,363.18
e21	Expenditure	Service for maintenance of assets	1,888.20	379.20	250.00	750.00	509.00	-
e22	Expenditure	Service for protection of property and assets	548,441.36	58,875.34	14,430.89	273,634.40	87,842.44	113,658.29
e23	Expenditure	Advance payment for official trips	624.28	-	-	-	-	624.28
e24	Expenditure	Official trips	494.98	-	-	-	-	494.98
e25	Expenditure	Rent Paid (Gross)	6,121.60	1,280.00	-	4,045.60	796.00	-
e26	Expenditure	Rent Paid (NET of taxes on rent)	35,735.57	30,080.10	-	2,831.79	2,823.68	-
e27	Expenditure	Goods	2,081.92	1,986.76	-	-	95.16	-
e28	Expenditure	Goods in transit before liquidation	-	-	-	-	-	-
e29	Expenditure	Services	4,643.60	2,045.40	-	1,141.10	1,064.40	392.70
e30	Expenditure	Water	2,165.39	(270.00)	-	2,019.83	415.56	-
e31	Expenditure	Electricity	42,094.46	8,066.72	136.85	3,536.67	28,944.91	1,409.31
e32	Expenditure	Waste	1,040.24	680.00	-	360.24	-	-
e33	Expenditure	Telecommunication (Internet, telephone)	6,222.15	-	-	90.93	6,131.22	-
e34	Expenditure	Tax withheld on rent paid	2,995.21	2,579.73	-	18.30	397.18	-
e35	Expenditure	Tax paid on rent received	5,799.20	-	-	4,391.78	-	1,407.42
e36	Expenditure	Property Municipal Tax	14,242.00	-	14,242.00	-	-	-
e37	Expenditure	Tax on Interest during liquidation	-	-	-	-	-	-
e38	Expenditure	Corporate Tax	-	-	-	-	-	-
e39	Expenditure	VAT paid to TAK	514,856.12	-	500,290.46	175.50	14,390.16	-
e40	Expenditure	Reorganisation Expenses Incurred during the Liquidation	-	-	-	-	-	-

e41	Distribution	Secured Creditors	-	-	-	-	-	-
e42	Distribution	Ownership of Assets Claims	-	-	-	-	-	-
e43	Distribution	Salaries (net) Preferential Creditors 3 salaries	-	-	-	-	-	-
e44	Distribution	Personal Income Tax (preferential creditors 3 salaries)	-	-	-	-	-	-
e45	Distribution	Pension contribution (for preferential creditors 3 salaries)	-	-	-	-	-	-
e46	Distribution	Severance Pay (net) Preferential Creditors	21,681.46	13,135.70	-	-	-	8,545.76
e47	Distribution	Personal Income Tax (preferential creditors severance payment)	-	-	-	-	-	-
e48	Distribution	Pension contribution (for preferential creditors severance payment)	-	-	-	-	-	-
e49	Distribution	Salaries (net) Unsecured Creditors	1,483.10	843.35	-	-	-	639.75
e50	Distribution	Personal Income Tax (unsecured creditors salaries)	-	-	-	-	-	-
e51	Distribution	Pension contribution Unsecured Creditors	927.53	-	-	-	-	927.53
e52	Distribution	Unsecured Creditors Borrowings	-	-	-	-	-	-
e53	Distribution	Advances Received in Cash by SOEs -Unsecured Creditors	-	-	-	-	-	-
e54	Distribution	Domestic Suppliers Unsecured Creditors	510.09	510.09	-	-	-	-
e55	Distribution	International Suppliers Unsecured Creditors	-	-	-	-	-	-
e56	Distribution	Property tax Unsecured Creditors	14,138.55	-	-	-	-	14,138.55
e57	Distribution	Tax on Rent Unsecured Creditors	-	-	-	-	-	-
e58	Distribution	Corporate Tax Unsecured Creditors	1,479.93	-	-	-	-	1,479.93
e59	Distribution	VAT Unsecured Creditors	1,126.60	-	-	-	-	1,126.60
e60	Distribution	Presumptive Tax Unsecured Creditors	-	-	-	-	-	-
e61	Distribution	Electricity Unsecured Creditors	1,779.89	383.58	-	-	-	1,396.31
e62	Distribution	Water Unsecured Creditors	670.25	-	-	-	-	670.25
e63	Distribution	Waste Unsecured Creditors	-	-	-	-	-	-
e64	Distribution	Telecommunication and Internet Unsecured Creditors	567.79	552.30	-	-	-	15.49
e65	Distribution	Other Unsecured Creditors	775.00	-	-	-	-	775.00
e66	Distribution	Claims of Owners, shareholders, founders, participants, partners in the SOE	-	-	-	-	-	-
e67	Distribution	Surplus to the Government of Kosovo	-	-	-	-	-	-

Table 6:

Code	Type	GRAND TOTAL - CURRENTLY IN TIME DEPOSITS	4,309,546.13 €	2,237,282.13 €	470,975.50 €	- €	1,601,288.50 €	- €
e68	Time deposits	time deposit 1 month	-	-	-	-	-	-
e69	Time deposits	time deposit 2 months	-	-	-	-	-	-
e70	Time deposits	time deposit 3 months	-	-	-	-	-	-
e71	Time deposits	time deposit 4 months	-	-	-	-	-	-
e72	Time deposits	time deposit 5 months	-	-	-	-	-	-
e73	Time deposits	time deposit 6 months	-	-	-	-	-	-
e74	Time deposits	time deposit 7 months	-	-	-	-	-	-
e75	Time deposits	time deposit 8 months	-	-	-	-	-	-
e76	Time deposits	time deposit 9 months	-	-	-	-	-	-
e77	Time deposits	time deposit 10 months	-	-	-	-	-	-
e78	Time deposits	time deposit 11 months	-	-	-	-	-	-
e79	Time deposits	time deposit 12 months	4,309,546.13	2,237,282.13	470,975.50	-	1,601,288.50	-
e80	Time deposits	time deposit various days	-	-	-	-	-	-
	Time deposits	IN TRANZIT time deposits that have matured but not yet returned to individual accounts	-	-	-	-	-	-
	Time deposits	IN TRANZIT time deposits interest for deposits that have matured but not yet returned to individual accounts	-	-	-	-	-	-

Table 7:

Code	Type	TOTAL - CURRENTLY IN TREASURY BILLS INVESTMENTS	-	-	-	-	-	-
e81	Treasury Bills	Investment in Government Treasury Bills	-	-	-	-	-	-

Table 4

report signed on 30-Jan-15

for the period as of 31-Dec-14

Table 4: SUMMARY OF PAYMENTS TO EMPLOYEES (BSPK) 20% from all privatisation and liquidation proceeds		AMOUNT
1+5+sum(8:13)	GRAND TOTAL paid to employees	96,216,839.72 €
1=2+3+4	Paid from the privatisation proceeds	85,896,905.20
2	Paid from Regular Spin Off Proceeds	57,379,948.82
3	Paid from Special Spin Off Proceeds	13,276,580.16
4	Paid from Employees Entitlement (privatisation proceeds)	15,240,376.22
5=6+7	Paid from liquidation proceeds	8,713,613.91
6	Paid from liquidation proceeds (directly from liquidation accounts)	8,643,316.24
7	Paid from Employees Entitlement (liquidation proceeds)	70,297.67
8	Paid directly from the SOE Money in Trust accounts	11,249.70
9	Paid from Employees Entitlement (SOE Trust Money proceeds)	1,595,070.91
10	Paid directly from the Privatisation Bid Deposit Account	-
11	Paid directly from the Privatisation Bid Submission Fee	-
12	Paid directly from the Liquidation Bid Deposit Account	-
13	Paid directly from the Liquidation Registration Fee	-

Table 4a: GRAND TOTAL transferred to Employees Entitlement trust accounts		41,640,341.21 €
Employees Entitlement transferred to Employees trust account from PRIVATISATION Proceeds		37,256,134.56
Employees Entitlement transferred to Employees trust account from LIQUIDATION Proceeds		4,378,332.41
Employees Entitlement transferred to Employees trust account from SOE Trust Money Proceeds		5,874.24

Adem Selishtaa. Director of Finance and Budget
Privatisation Agency of Kosovo

30-Jan-15

Korab Lufia. Head of Funds Management Unit
Privatisation Agency of Kosovo

30-Jan-15

Table 5

report signed on 30-Jan-15
for the period as of 31-Dec-14

	INTEREST EARNED WITH PAK ACCOUNTS IN CBK	Amount
1	Privatisation Trust Money	24,498,532.13
2	Liquidation Trust Money	8,384,315.79
3	SOE Money in Trust	383,655.12
4	SOE Commercialisation Money in Trust	290,464.74
5	SOE Employees Entitlement	198,217.01
6	Privatisation Bid Deposits	602,080.21
7	Privatisation Tender Submission Fee	79,535.30
8	Liquidation Bid Deposits	84,881.42
9	Liquidation Registration Fee	4,353.53
10	Liquidation Review Committee deposit	85.87
11	PAK Charter Capital	118,972.16
12	PAK Reserve Fund	117,933.83
13	Donor Money	467.25
14	PAK Administrative Tariff	76,787.34
15	TOTAL Number of Accounts in CBK	-
TOTAL INTEREST EARNED (since July 2003 to date)		34,840,281.70 €

Table 1a: Account Types in CBK	No. of active accounts	No. of closed accounts	Opened
Privatisation trust money accounts	739	216	955
Liquidation trust money accounts	467	6	473
SOE Money in Trust	155	9	164
SOE Commercialisation Money in Trust	16	1	17
Employees entitlement accounts	257	2	259
Privatisation bid deposit	1	0	1
Privatisation tender submission fee	1	0	1
Liquidation bid deposit	1	0	1
Liquidation tender submission fee	1	0	1
Liquidation Review Committee deposit	1	0	1
PAK Charter	1	0	1
PAK Reserve Fund	1	0	1
Donor Money	1	0	1
PAK Administrative Tariff	1	0	1
Time Deposit accounts	13	0	13
Investment in Treasury Bills	1	0	1
TOTAL Number of Accounts in CBK	1657	234	1891

as of 31-Dec-14

NUMBER OF TRANSACTIONS BASED ON ACCOUNT TYPE

PAK_Account_type	2003-2014	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
	Grand Total	Total	Total	Total	Total	Total	Total	Total	Total	Total	Total	Total	Total
Privatisation	91,067	3,515	1,380	16,969	26,653	14,707	8,487	6,618	6,708	4,078	1,352	429	171
Liquidation	37,284	7,275	2,968	6,506	9,041	4,560	2,571	2,256	1,721	384	2	-	-
SOE money in trust	12,254	1,495	686	2,100	3,038	1,780	1,183	976	694	186	60	56	-
Commercialisation	2,257	-	444	729	443	279	245	117	-	-	-	-	-
Employees Entitlement	4,867	430	105	1,792	1,746	551	109	73	61	-	-	-	-
Privatisation Bid Deposits	15,033	127	520	815	1,035	1,069	1,114	603	3,194	3,518	2,147	656	235
Privatisation Tender Submission Fee	5,820	102	230	324	428	467	377	190	1,225	1,301	849	138	189
Liquidation Bid Deposits	8,223	1,338	1,549	1,493	1,111	1,316	80	409	677	244	6	-	-
Liquidation Registration Fee	4,129	1,275	595	857	431	535	17	22	263	128	6	-	-
Liquidation Review Committee Deposit	285	-	1	22	218	41	3	-	-	-	-	-	-
PAK Charter Capital	200	-	28	52	29	16	18	14	14	15	13	1	-
PAK Reserve Fund	404	19	23	81	92	43	60	16	15	55	-	-	-
Donor	124	-	21	40	29	15	13	6	-	-	-	-	-
Time Deposit	55,620	4,757	1,206	16,231	21,965	11,461							
PAK Administrative Tariff	2,774	1,167	357	1,250									
Grand Total	240,341	21,500	9,620	48,933	66,579	37,031	14,311	11,439	14,695	9,908	4,437	1,292	596

CLARIFICATION FROM FINANCE AND BUDGET DEPARTMENT**This report is prepared for the issues related to receivables:**

- The category goods and services includes all the obligations such as service provider, physical security of SOE assets, newspapers announcements etc.
- The category professional service provider covers unpaid obligations for the contractor contracted as part of Liquidation Authority
- The category public utilities include unpaid obligations such as electricity, water and waste.

Table 7**SUMMARY OF UNPAID OBLIGATIONS****Situation of unpaid obligations - Trust funds**

For the period as of 31 December 2014

No.	DESCRIPTION	Goods and services	Professional Service Provider	Public utilities	Total
1	Liquidation Coordination Department	28,391	246,316	-	274,707
2	RO Prishtina	62,995	-	4,868	67,863
3	RO Mitrovica	12,104	-	221	12,325
4	RO Peja	28,887	-	-	28,887
5	RO Gjilan	1,630	-	-	1,630
6	RO Prizren	1,350	-	-	1,350
7=Σ(1:6)	Total	135,357	246,316	5,089	386,763

Unpaid obligations are disclosed in details in the annex to financial statements on trust funds.

They are a summary of obligations to service provider for respective SOE's, SOE asset preservation, announcements of notices such as liquidation asset sale or notices for issues related to SOE liquidation and public utilities (electricity, water).

It also covers unpaid obligations to Professional Service Provider for the fixed and variable cost.

FINANCIAL STATEMENT OF TRUST FUNDS
Contingent Liabilities

Report on Contingent Liabilities

For the period ending on 31 December 2014

Table 8

Contingent liabilities that may affect PAK trust funds are unfolded in the below table of contingent liabilities. These liabilities belong to Socially Owned Enterprises which have not been placed in liquidation yet.

Nature of contingent liabilities	Occurrence year	Reason for liability	Potential amount 2014	Category of possibility	Potential amount 2013
contract	various	According to Judgment SCC-08-0095 - the claim for loss of profit, compensation amounts to 14,478,50 and the lawyer in the amount of 365,04 Euro.	14,478.50	low	14,478.50
compensation claim	various	According to Judgment SCC-07-0059-KTA is Ordered to pay 59,807,04 Euro, as well as court expenses in the amount of 780 euro. SOE Famipa	-	low	60,587.04
compensation claim	various	Judgment SCC-10-00214, PAK is liable for payment of 35400. SOE Magjistralja Peje	35,400.00	low	-
compensation claim	various	Judgment SCC-06-0348 , SOE Ratko Mitrovic	122,994.00	low	-
compensation claim	various	Judgment SCC-10-0091, PAK is liable for payment of 113.794	-	low	113,794.00
compensation claim	various	Judgment Cno.190/2007 SOE Auto Prishtina	35,725.00	low	-
compensation claim	various	Judgment Cno.185/2009. for SOE Ujmiri in liquidation	70,000.00	low	
Contract cancellation claim	different	Decision SCC-09-0135, PAK is due 500.00 Euros.	500.00		
TOTAL			€ 279,097.50		€ 188,89.54

1. There is also decision Ref. no. AGJ 75/10 issued by Constitutional Court for workers of SOE Fabrika e Gypave Ferizaj. This decision shall be reviewed during liquidation process of the Socially Owned Enterprise and as soon as the Board has quorum.

CLARIFICATION FROM THE FINANCE AND BUDGET DEPARTMENT

This report is prepared regarding issues related to receivables:

- SOE's in liquidation;
- PAK billing for defaults of buyers of NewCo's sold with Special Spin Off
- penalties imposed by PAK in accordance with Article 27 of PAK Law
- privatisation and liquidation sale proceeds
- liquidation sale proceeds

Table 9**SUMMARY OF RECEIVABLE ACCOUNTS****Situation of receivables - trust funds**

For the period as of 31 December 2014

No	DESCRIPTION	SPECIAL SPIN OFF PENALTIES	PRIVATISATION AND LIQUIDATION ASSET SALE	UNCOLLECTED LEASE	TOTAL
1	SOE Monitoring unit	34,408,404.15			34,408,404.15
2	Sales Department		1,753,134.00		1,753,134.00
3	RO Prishtina			9,968,434.04	9,968,434.04
4	RO Peja			5,845.50	5,845.50
5	RO Mitrovica			285,299.55	285,299.55
6	RO Gjilan			232,054.93	232,054.93
7	RO Prizren			39,546.00	39,546.00
8=Σ(1:7)	Total	34,408,404.15	1,753,134.00	10,531,180.02	46,692,718.17

The value of receivable accounts has increased compared to 2013 period since in the end of 2014 the bill was issued to the leaseholder for the period from 2000 until the end of 2014 for the use of gas station of SOE Ina Trgovina and SOE Jugopetrol. The overall lease amount from 2000 with the 3% penalties for delays in payment is EUR 8,154,346.84.

With regard to uncollected lease (without the preceding value of EUR 8,154,346.84) at the amount of EUR 2,376,833.18 (10,531,180.02 - 8,154,346.84), then compared to the receivable accounts for 2013 and 2014, we have an increased collection during 2014.

Due to actions undertaken by the Agency to release usurped assets and increase efficiency in asset administration, there is considerable increase of lease collection as in following:

Type of bank account	Categorisation	Income from lease collection 2013	Income from lease collection 2014	Increase
Liquidation	i12 - lease income	431,925.24	1,021,556.70	137%
SOE money in trust	si2 - received lease	815,959.65	929,463.96	14%
	TOTAL	1,247,884.89	1,951,020.66	56%

FINANCIAL STATEMENT OF PRIVATISATION ACC STATEMENT

PRIVATISATION TRUST ACCOUNTS

Table 10

number of active accounts at the end of the reporting period:

739

	BALANCE OF CASH FLOW			Year 2014	Year 2013	
	from to	1-Jul-03 31-Dec-14	1-Jul-03 31-Dec-13			1-Jul-03 31-Dec-12
Add: Balance of Inflows (current accounts)						
1 pi1 - sale price		548,640,722.64	546,791,692.64	529,760,235.38	1,849,030.00	17,031,457.26
2 pi2 - interest earned		24,498,532.13	24,469,435.77	24,469,664.53	29,096.36	(228.76)
3 pi3 - Newco registration transferred by bidder		1,250.00	1,250.00	-	-	1,250.00
4 pi4 - Deposit from bid deposit account		24,990,000.00	24,670,000.00	23,027,500.00	320,000.00	1,642,500.00
5 pi5 - sale price transferred from bid deposit account		-	-	-	-	-
6 pi6 - sale price transferred from bid submission fee		-	-	-	-	-
7 pi7 - wrong government transfer by the bank		358,271.09	358,271.09	358,271.09	-	-
8 pi8 - redemption sum paid wrongly in the privatisation		196,656.64	196,656.64	-	-	196,656.64
9 pi9 - transfer from other trust accounts until maturity of time deposits		0.00	(2.00)	(2.00)	2.00	-
Total Inflows (current accounts)		598,685,433	596,487,304	577,615,669	2,198,128	18,871,635
Deduct: Balance of Outflows (current accounts)						
1 pe1 - bank charges		57,156.43	57,140.23	57,106.33	16.20	33.90
2 pe2 - Newco registration transferred to MFE		812,500.00	812,500.00	811,250.00	-	1,250.00
3 pe3 - Agency Administrative Tariff (5% of privatisation sales)		29,926,108.57	29,786,385.02	28,804,965.14	139,723.55	981,419.88
4 pe4 - 20% privatisation proceeds transferred to BSPK		70,656,528.98	66,373,517.72	63,719,451.23	4,283,011.26	2,654,066.49
5 pe5 - Part of 20% privatisation proceeds transferred to employees entitlement accounts		37,256,134.56	30,712,027.55	29,219,500.04	6,544,107.01	1,492,527.51
6 pe6 - 75% of privatisation proceeds transferred to liquidation		408,616,469.90	345,938,780.93	240,967,341.99	62,677,688.97	104,971,438.94
7 pe7 - trf of interest to other trust account		695.61	695.61	695.61	-	-
8 pe8 - transfer to PAK Reserves Fund		-	-	-	-	-
9 pe9 - transfer of sale price to other privatisation trust accounts		-	-	313,533.41	-	(313,533.41)
10 pe10 - Correction of wrong government transfer by the bank		358,158.29	358,158.29	358,158.29	-	-
11 pe11 - correction trf of sale price from bid deposit account		-	-	1,165,805.15	-	(1,165,805.15)
12 pe12 - deposit transferred wrongly from privatisation trust to bidders		-	-	1,150,000.00	-	(1,150,000.00)
13 pe13 - service providers paid wrongly from privatisation accounts		750.00	750.00	750.00	-	-
14 pe14 - transfer of redemption sum to correct redemption accounts		196,406.64	196,406.64	196,406.64	-	-
15 pe15 - transfer to other trust accounts temporarily until maturity of time deposits		-	-	-	-	-
16 pe16 - transfer to third parties on behalf of other trust accounts temporarily until maturity of time deposits		-	-	-	-	-
Total Outflows (current accounts)		547,880,909	474,236,362	366,764,964	73,644,547	107,471,398
Balance of Cash Flow (Inflow - Outflows)		50,804,524	122,250,942	210,850,705	(71,446,419)	(88,599,763)

FINANCIAL STATEMENT OF PRIVATISATION ACC STATEMENT

Balance of time deposit accounts

17 pe17 - time deposit 1 month	132,085,766.08	132,085,766.08	132,085,766.08	-	-
18 pe18 - time deposit 2 months	(47,152,907.06)	(47,152,907.06)	(47,152,907.06)	-	-
19 pe19 - time deposit 3 months	(7,046,694.96)	(2,402,504.44)	(2,402,504.44)	(4,644,190.52)	-
20 pe20 - time deposit 4 months	-	-	-	-	-
21 pe21 - time deposit 5 months	27,152,907.06	27,152,907.06	27,152,907.06	-	-
22 pe22 - time deposit 6 months	(15,172,068.96)	(15,172,068.95)	(19,816,259.47)	(0.01)	4,644,190.52
23 pe23 - time deposit 7 months	-	-	-	-	-
24 pe24 - time deposit 8 months	-	-	-	-	-
25 pe25 - time deposit 9 months	(49,853,965.44)	(49,853,965.44)	(49,853,965.44)	-	-
26 pe26 - time deposit 10 months	-	-	-	-	-
27 pe27 - time deposit 11 months	-	-	-	-	-
28 pe28 - time deposit 12 months	708,732.26	4,971,023.01	518,278.39	(4,262,290.75)	4,452,744.62
29 pe29 - time deposit various days	(40,531,315.13)	(40,531,315.13)	(40,531,315.13)	-	-
Total - time deposits	190,454	9,096,935	(0)	(8,906,481)	9,096,935

1	Balance in Current Accounts	50,614,070	113,154,007	210,850,705
2	Balance in Time Deposit Accounts	190,454	9,096,935	(0)
3	time deposits in transit	-	-	-
4	total time deposits	190,454	9,096,935	(0)
5=1+4	BALANCE OF ACCOUNTS (current and time deposit)	50,804,524	122,250,942	210,850,705
	as of	31-Dec-14	31-Dec-13	31-Dec-12

Adem Selishta
a. Director of Finance and Budget
Privatisation Agency of Kosovo

30-Jan-15

Korab Lufi
a. Head of Funds Management Unit
Privatisation Agency of Kosovo

30-Jan-15

FINANCIAL STATEMENT OF LIQUIDATION STATEMENT

LIQUIDATION TRUST ACCOUNTS

number of active accounts at the end of the reporting period: 467

Table 11

		BALANCE OF CASH FLOW					
		from to	1-Jul-03 31-Dec-14	1-Jul-03 31-Dec-13	1-Jul-03 31-Dec-12	Year 2014	Year 2013
Add: Balance of Inflows (current accounts)							
1	i1 - Liquidation Sale		82,503,886.64	70,896,212.57	58,458,470.56	11,607,674.07	12,437,742.01
2	i2 - Interest earned		8,384,315.79	8,278,888.04	8,278,888.04	105,427.75	-
3	i3 - Deposits transferred from bid deposit account		6,195,105.00	5,076,105.00	4,234,050.00	1,119,000.00	842,055.00
4	i4 - Incoming VAT		532,714.35	532,714.35	532,714.35	-	-
5	i5 - VAT Recovered from TAK		-	-	-	-	-
6	i6 - Transfer of 75% from privatisation sales		408,616,469.90	345,938,780.93	240,967,341.99	62,677,688.97	104,971,438.94
7	i7 - transfer of SOE Money in trust		4,885,045.82	2,647,535.18	2,607,983.95	2,237,510.64	39,551.23
8	i8 - Transfer of cash deposits		23,028.70	23,028.70	23,028.70	-	-
9	i9 - Transfer from SOE bank accounts		191,722.30	174,953.81	174,953.81	16,768.49	-
10	i10 - Receipts from SOE debtors		-	-	-	-	-
11	i11 - Receipts from SOE shares in other companies		-	-	-	-	-
12	i12 - Rent Revenues		2,186,356.60	1,164,799.90	732,874.66	1,021,556.70	431,925.24
13	i13 - Other Revenues		13,597.97	10,780.62	10,680.62	2,817.35	100.00
14	i14 - Revenues created from returning goods in transit		-	-	-	-	-
15	i15 - Revenues created from advance payments returned by other enterprises for advanced made before liquidation		-	-	-	-	-
16	i16 - transfer from other trust accounts until maturity of time deposits		-	-	-	-	-
Total Inflows (current accounts)			513,532,243	434,743,799	316,020,987	78,788,444	118,722,812
Deduct: Balance of Outflows (current accounts)							
1	e0 - Residual Funds to the Government of Kosovo - article 19.3.3 of PAK law		28,934,282.32	28,934,282.32	28,934,282.32	-	-
2	e1 - Bank Charges		8,192.72	7,756.52	7,499.62	436.20	256.90
3	e2 - Transfer to Employees (BSPK)		8,643,316.24	7,337,267.52	5,642,411.32	1,306,048.72	1,694,856.20
4	e3 - Transfer to Employees (Retention)		4,378,332.41	3,311,148.74	2,142,829.35	1,067,183.67	1,168,319.39
5	e4 - Agency Administrative Tariff (5% of liquidation sales)		4,399,802.52	3,610,089.68	3,133,167.03	789,712.84	476,922.65
6	e4a - Agency Administrative Tariff (5% of interest on liquidation bank account)		413,944.38	413,944.38	413,944.38	-	-
7	e5 - Advance payments made by the SOE in liquidation		-	-	-	-	-
8	e6 - Advertising Costs		469,087.53	387,153.81	387,451.21	81,933.72	(297.40)
9	e7 - Cost of liquidation sale of assets		32,648.57	1,659.00	1,659.00	30,989.57	-
10	e8 - Stationary, minor offices expenses, postage		137,003.19	15,484.45	15,484.45	121,518.74	-
11	e9 - Storage, transportation of SOE records		2,265.80	1,087.60	1,087.60	1,178.20	-
12	e10 - ADVANCE Petty Cash for minor liquidation costs		421.15	(178.85)	(178.85)	600.00	-
13	e11 - CLOSED Petty Cash Actual Expenses for minor liquidation costs		60,501.74	60,699.70	60,699.70	(197.96)	-
14	e12 - Secured Credit post reorganisation petition		-	-	-	-	-
15	e13 - Compensation Awards by the Special Chamber of the Supreme Court		-	-	-	-	-
16	e14 - Court Expenses		11,627.39	3,566.39	3,566.39	8,061.00	-
17	e15 - Administrator Expenses		-	-	-	-	-
18	e16 - Professional Service Providers (Liquidation Authority)		6,324,542.66	3,055,529.86	-	3,269,012.80	3,055,529.86
19	e17 - Service Providers (Gross Payments)		984,633.87	888,153.87	897,825.87	96,480.00	(9,672.00)

FINANCIAL STATEMENT OF LIQUIDATION STATEMENT

20 e18 - Service providers (NET payments)	11,430.00	138,930.00	11,430.00	(127,500.00)	127,500.00
21 e19 - Personal Income Tax for Service Providers	2,997.50	2,997.50	2,997.50	-	-
22 e20 - Professional Services	63,230.36	55,344.27	55,094.27	7,886.09	250.00
23 e21 - Service for maintenance of assets	1,888.20	1,838.20	1,838.20	50.00	-
24 e22 - Service for protection of property and assets	548,441.36	255,754.96	165,947.96	292,686.40	89,807.00
25 e23 - Advance payment for official trips	624.28	-	-	624.28	-
26 e24 - Official trips	494.98	494.98	494.98	-	-
27 e25 - Rent Paid (Gross)	6,121.60	6,121.60	6,121.60	-	-
28 e26 - Rent Paid (NET of taxes on rent)	35,735.57	35,735.57	35,735.57	-	-
29 e27 - Goods	2,081.92	1,825.76	1,825.76	256.16	-
30 e28 - Goods in transit before liquidation	-	-	-	-	-
31 e29 - Services	4,643.60	2,770.80	930.00	1,872.80	1,840.80
32 e30 - Water	2,165.39	2,299.67	1,727.26	(134.28)	572.41
33 e31 - Electricity	42,094.46	31,688.36	30,941.38	10,406.10	746.98
34 e32 - Waste	1,040.24	360.24	360.24	680.00	-
35 e33 - Telecommunication (Internet, telephone)	6,222.15	6,222.15	6,222.15	-	-
36 e34 - Tax withheld on rent paid	2,995.21	2,995.21	2,995.21	-	-
37 e35 - Tax paid on rent received	5,799.20	5,799.20	5,799.20	-	-
38 e36 - Property Municipal Tax	14,242.00	14,242.00	14,242.00	-	-
39 e37 - Tax on Interest during liquidation	-	-	-	-	-
40 e38 - Corporate Tax	-	-	-	-	-
41 e39 - VAT paid to TAK	514,856.12	514,856.12	514,856.12	-	-
42 e40 - Reorganisation Expenses Incurred during the Liquidation	-	-	-	-	-
43 e41 - Secured Creditors	-	-	-	-	-
44 e42 - Ownership of Assets Claims	-	-	-	-	-
45 e43 - Salaries (net) Preferential Creditors 3 salaries	-	-	-	-	-
46 e44 - Personal Income Tax (preferential creditors 3 salaries)	-	-	-	-	-
47 e45 - Pension contribution (for preferential creditors 3 salaries)	-	-	-	-	-
48 e46 - Severance Pay (net) Preferential Creditors	21,681.46	21,681.46	21,681.46	-	-
49 e47 - Personal Income Tax (preferential creditors severance payment)	-	-	-	-	-
50 e48 - Pension contribution (for preferential creditors severance payment)	-	-	-	-	-
51 e49 - Salaries (net) Unsecured Creditors	1,483.10	1,483.10	1,483.10	-	-
52 e50 - Personal Income Tax (unsecured creditors salaries)	-	-	-	-	-
53 e51 - Pension contribution Unsecured Creditors	927.53	927.53	927.53	-	-
54 e52 - Unsecured Creditors Borrowings	-	-	-	-	-
55 e53 - Advances Received in Cash by SOEs -Unsecured Creditors	-	-	-	-	-
56 e54 - Domestic Suppliers Unsecured Creditors	510.09	510.09	510.09	-	-
57 e55 - International Suppliers Unsecured Creditors	-	-	-	-	-
58 e56 - Property tax Unsecured Creditors	14,138.55	14,138.55	14,138.55	-	-
59 e57 - Tax on Rent Unsecured Creditors	-	-	-	-	-
60 e58 - Corporate Tax Unsecured Creditors	1,479.93	1,479.93	1,479.93	-	-
61 e59 - VAT Unsecured Creditors	1,126.60	1,126.60	1,126.60	-	-
62 e60 - Presumptive Tax Unsecured Creditors	-	-	-	-	-
63 e61 - Electricity Unsecured Creditors	1,779.89	1,779.89	1,779.89	-	-
64 e62 - Water Unsecured Creditors	670.25	670.25	670.25	-	-
65 e63 - Waste Unsecured Creditors	-	-	-	-	-
66 e64 - Telecommunication and Internet Unsecured Creditors	567.79	567.79	567.79	-	-
67 e65 - Other Unsecured Creditors	775.00	775.00	775.00	-	-
68 e66 - Claims of Owners, shareholders, founders, participants, partners in the SOE	-	-	-	-	-
69 e67 - Surplus to the Government of Kosovo	-	-	-	-	-
Total Outflows (current accounts)	56,112,847	49,153,062	42,546,429	6,959,785	6,606,633
Balance of Cash Flow (Inflow - Outflows)	457,419,396	385,590,737	273,474,558	71,828,659	112,116,180

FINANCIAL STATEMENT OF LIQUIDATION STATEMENT

Balance of time deposit accounts						
70	e68 - time deposit 1 month	84,393,455.98	84,393,455.98	84,393,455.98	-	-
71	e69 - time deposit 2 months	(27,001,631.63)	(27,001,631.63)	(27,001,631.63)	-	-
72	e70 - time deposit 3 months	(29,708,744.21)	(22,352,934.73)	(22,352,934.73)	(7,355,809.48)	-
73	e71 - time deposit 4 months	-	-	-	-	-
74	e72 - time deposit 5 months	(22,998,107.37)	(22,998,107.37)	(22,998,107.37)	-	-
75	e73 - time deposit 6 months	(8,978,187.77)	(8,978,187.78)	(16,333,997.26)	-	7,355,809.48
76	e74 - time deposit 7 months	-	-	-	-	-
77	e75 - time deposit 8 months	-	-	-	-	-
78	e76 - time deposit 9 months	(25,663,247.32)	(25,663,247.32)	(25,663,247.32)	-	-
79	e77 - time deposit 10 months	-	-	-	-	-
80	e78 - time deposit 11 months	-	-	-	-	-
81	e79 - time deposit 12 months	9,185,327.17	20,303,366.58	4,875,781.04	(11,118,039.41)	15,427,585.54
82	e80 - time deposit various days	25,080,681.26	25,080,681.26	25,080,681.26	-	-
Total - time deposits		4,309,546	22,783,395	(0)	(18,473,849)	22,783,395
1	Balance in Current Accounts	453,109,850	362,807,342	273,474,558		
2	Balance in Time Deposit Accounts	4,309,546	22,783,395	(0)		
3	time deposits in transit			(26,268.53)		
4	total time deposits	4,309,546	22,783,395	(26,269)		
5=1+4	BALANCE OF ACCOUNTS (current and time deposit)	457,419,396	385,590,737	273,448,289		
	as of	31-Dec-14	31-Dec-13	31-Dec-12		

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30-Jan-15

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30-Jan-15

FINANCIAL STATEMENT OF SOE MONEY IN TRUST STATEMENT

SOE MONEY IN TRUST ACCOUNTS

Table 12

number of active accounts at the end of the reporting period:

155

BALANCE OF CASH FLOW						
	from	1-Jul-03	1-Jul-03	1-Jul-03	Year 2014	Year 2013
	to	31-Dec-14	31-Dec-13	31-Dec-12		
Add: Balance of Inflows (current accounts)						
1	si1 - interest earned	383,655.12	383,655.12	383,655.12	-	-
2	si2 - rent received	7,832,547.91	6,903,083.95	6,087,124.30	929,463.96	815,959.65
3	si3 - TAK sales through confiscation of SOE assets	1,686,062.68	1,686,062.68	1,578,162.08	-	107,900.60
4	si4 - dividend from SOE shares in other Enterprises	22,140.84	22,140.84	22,140.84	-	-
5	si5 - sale of SOE shares in other Enterprises	450,593.92	450,593.92	450,593.92	-	-
6	si6 - Incoming VAT from other Enterprises	75,812.11	75,812.11	75,812.11	-	-
7	si7 - sale of services	4,055.00	3,555.00	3,555.00	500.00	-
8	si8 - sale of assets by SOEs	2,448,043.59	2,448,043.59	2,448,043.59	-	-
9	si9 - wrong government transfer by the bank	1,051.20	1,051.20	1,051.20	-	-
10	si10 - sale of goods by SOEs	309,718.60	309,718.60	91,562.00	-	218,156.60
11	si11 - transfer of funds from other SOE funds	2,680,656.82	2,680,656.82	2,680,656.82	-	-
12	si12 - compensation for expenses made from Kosovo Budget	52,807.00	52,807.00	52,807.00	-	-
13	si13 - wrong transfer by third parties	-	-	-	-	-
14	si14 - transfer temporarily from other trust accounts	188,432.85	188,432.85	188,432.85	-	-
15	si15 - sale of apartments by PAK	85,163.64	41,001.08	14,214.05	44,162.56	26,787.03
Total Inflows (current accounts)		16,220,741	15,246,615	14,077,811	974,127	1,168,804
Deduct: Balance of Outflows (current accounts)						
1	se1 - SOE Trust Money transferred to liquidation	4,878,254.32	2,640,743.68	2,601,192.45	2,237,510.64	39,551.23
2	se2 - bank charges	844.66	616.96	458.86	227.70	158.10
3	se3 - Agency Administrative Tariff (5% of other SOEs revenues if applicable)	246,107.20	246,107.20	246,107.20	-	-
4	se4 - transfer to other trust accounts temporarily until maturity of time deposits	-	-	-	-	-
5	se5 - transfer to third parties on behalf of other trust accounts temporarily until maturity of time deposits	-	-	-	-	-
6	se6 - transfer to BSPK from SOE trust accounts	11,249.70	11,249.70	11,249.70	-	-
7	se7 - personal income tax	113,083.98	55,305.95	52,161.60	57,778.03	3,144.35
8	se8 - pension contribution	272,334.77	251,020.71	246,412.21	21,314.06	4,608.50
9	se9 - municipal property tax	122,660.16	122,660.16	122,660.16	-	-
10	se10 - VAT paid to TAK	344,750.75	335,016.75	302,761.69	9,734.00	32,255.06
11	se11 - transfer to Keshilli i Menaxhimit te Bankkosit	511,612.15	511,612.15	511,612.15	-	-
12	se12 - service providers	6,650.00	1,550.00	1,550.00	5,100.00	-
13	se13 - Water	18,441.53	1,245.38	1,245.38	17,196.15	-
14	se14 - Waste	6,543.78	417.02	417.02	6,126.76	-
15	se15 - Telecommunication (Internet, telephone)	541.75	541.75	541.75	-	-
16	se16 - Electricity	372,231.23	174,165.49	71,846.48	198,065.74	102,319.01
17	se17 - Petty cash expenses	-	-	-	-	-
18	se18 - court Orders for Lawyers	3,649.80	3,649.80	3,375.80	-	274.00
19	se19 - Salaries for SOE employees	3,589,916.55	3,400,449.98	3,359,455.93	189,466.57	40,994.05
20	se20 - services	79,829.27	44,666.08	44,456.08	35,163.19	210.00
21	se21 - Rent paid (Gross)	13,187.87	13,187.87	13,187.87	-	-
22	se22 - Rent paid (NET of taxes on Rent)	-	-	-	-	-
23	se23 - Tax withheld on Rent paid	-	-	-	-	-
24	se24 - Tax paid on Rent received	78,337.39	61,921.39	38,448.78	16,416.00	23,472.61
25	se25 - transfer to SOEs for operations	5,018.23	5,018.23	5,018.23	-	-
26	se26 - service providers	3,667.98	1,400.00	1,400.00	2,267.98	-
27	se27 - transferred to employees entitlement accounts	5,874.24	5,874.24	5,874.24	-	-
28	se28 - transfer to Kosovo Budget	53,579.82	53,579.82	53,579.82	-	-
29	se29 - court Orders for award to Enterprises (claimants)	-	-	-	-	-
30	se30 - court Orders for award to physical claimants	-	-	-	-	-
31	se31 - presumptive Tax	57,046.47	57,046.47	57,046.47	-	-
32	se32 - corporate income Tax	7,805.66	7,805.66	7,805.66	-	-
33	se33 - transfer to SOE debtors	346,628.00	346,628.00	346,628.00	-	-
Total Outflows (current accounts)		11,149,847	8,353,480	8,106,494	2,796,367	246,987
Balance of Cash Flow (Inflow - Outflows)		5,070,894	6,893,134	5,971,317	(1,822,240)	921,817
Balance of time deposit accounts						

FINANCIAL STATEMENT OF SOE MONEY IN TRUST STATEMENT

34	se34 - time deposit 1 month	2,119,516.10	2,119,516.10	2,119,516.10	-	-
35	se35 - time deposit 2 months	(640,546.02)	(640,546.02)	(640,546.02)	-	-
36	se36 - time deposit 3 months	(99,001.38)	(99,001.38)	(99,001.38)	-	-
37	se37 - time deposit 4 months	-	-	-	-	-
38	se38 - time deposit 5 months	640,546.02	640,546.02	640,546.02	-	-
39	se39 - time deposit 6 months	(533,396.31)	(533,396.31)	(533,396.31)	-	-
40	se40 - time deposit 7 months	-	-	-	-	-
41	se41 - time deposit 8 months	-	-	-	-	-
42	se42 - time deposit 9 months	(640,458.60)	(640,458.60)	(640,458.60)	-	-
43	se43 - time deposit 10 months	-	-	-	-	-
44	se44 - time deposit 11 months	-	-	-	-	-
45	se45 - time deposit 12 months	1,082.37	1,082.37	1,082.37	-	-
46	se46 - time deposit various days	(847,742.18)	(847,742.18)	(847,742.18)	-	-
Total - time deposits		0	0	0	-	-

1	Balance in Current Accounts	5,070,894	6,893,134	5,971,317		
2	Balance in Time Deposit Accounts	0	0	0		
3	time deposits in transit					
4	total time deposits	0	0	0		
5=1+4	BALANCE OF ACCOUNTS (current and time deposit)	5,070,894	6,893,134	5,971,317		
	as of	31-Dec-14	31-Dec-13	31-Dec-12		

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FINANCIAL STATEMENT OF COMMERCIALISATION

COMMERCIALISATION ACCOUNTS

Table 13

number of active accounts at the end of the reporting period:

16

		BALANCE OF CASH FLOW				
		from	1-Jul-03	1-Jul-03	1-Jul-03	
		to	31-Dec-14	31-Dec-13	31-Dec-12	Year 2014
						Year 2013
Add: Balance of Inflows (current accounts)						
1	ci1 - rent earned from commercialisation		5,020,552.09	5,020,552.09	5,020,552.09	-
2	ci2 - interest earned		290,464.74	290,464.74	290,464.74	-
3	ci3 - commercialisation bid submission tariff		195,377.55	195,377.55	195,377.55	-
Total Inflows (current accounts)			5,506,394	5,506,394	5,506,394	-
Deduct: Balance of Outflows (current accounts)						
						0.00
1	ce1 - commercialisation proceeds transferred to liquidation		6,791.50	6,791.50	6,791.50	-
2	ce2 - Agency Administrative Tariff (5% of commercialisation revenues)		264,829.95	264,829.95	264,829.95	-
3	ce3 - transfer of commercialisation tariff to Agency reserve fund		206,510.00	206,510.00	206,510.00	-
4	ce4 - transfer to other trust accounts temporarily until maturity of time deposits		-	-	-	-
5	ce5 - bank charges		(302.59)	(302.59)	(302.59)	-
6	ce6 - service provider for SOEs in commercialisation		8,392.50	8,392.50	8,392.50	-
7	ce7 - payment of debtors		590,110.02	590,110.02	590,110.02	-
8	ce8 - municipal property tax		74,222.51	74,222.51	74,222.51	-
9	ce9 - court deposits		-	-	-	-
10	ce10 - court expenses nonrefundable		120.90	120.90	120.90	-
11	ce11 - services		500,000.00	500,000.00	500,000.00	-
12	ce12 - transfer temporarily to other trust accounts		188,432.85	188,432.85	188,432.85	-
Total Outflows (current accounts)			1,839,107.64 €	1,839,107.64 €	1,839,107.64 €	- €
Balance of Cash Flow (Inflow - Outflows)			3,667,287	3,667,287	3,667,287	-
Balance of time deposit accounts						
13	ce13 - time deposit 1 month		1,061,792.89	1,061,792.89	1,061,792.89	-
14	ce14 - time deposit 2 months		(81,354.35)	(81,354.35)	(81,354.35)	-
15	ce15 - time deposit 3 months		549,728.28	549,728.28	549,728.28	-
16	ce16 - time deposit 4 months		-	-	-	-
17	ce17 - time deposit 5 months		81,354.35	81,354.35	81,354.35	-
18	ce18 - time deposit 6 months		(107,461.99)	(107,461.99)	(107,461.99)	-
19	ce19 - time deposit 7 months		-	-	-	-
20	ce20 - time deposit 8 months		-	-	-	-
21	ce21 - time deposit 9 months		(115,948.96)	(115,948.96)	(115,948.96)	-
22	ce22 - time deposit 10 months		-	-	-	-
23	ce23 - time deposit 11 months		-	-	-	-
24	ce24 - time deposit 12 months		(139,850.24)	(139,850.24)	(139,850.24)	-
25	ce25 - time deposit various days		(1,248,259.98)	(1,248,259.98)	(1,248,259.98)	-
Total - time deposits			-	-	-	-
1	Balance in Current Accounts		3,667,287	3,667,287	3,667,287	
2	Balance in Time Deposit Accounts		-	-	-	
3	time deposits in transit		-	-	-	
4	total time deposits		-	-	-	
5=1+4	BALANCE OF ACCOUNTS (current and time deposit)		3,667,287	3,667,287	3,667,287	
			as of	31-Dec-13	31-Dec-12	

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30-Jan-15

FINANCIAL STATEMENT OF EMPLOYEES ENTITLEMENT

EMPLOYEES ENTITLEMENT ACCOUNTS

Table 14

number of active accounts at the end of the reporting period:

257

		BALANCE OF CASH FLOW			Year 2014	Year 2013
		from	1-Jul-03	1-Jul-03	1-Jul-03	
		to	31-Dec-14	31-Dec-13	31-Dec-12	
Add: Balance of Inflows (current accounts)						
1	emi1 - employees entitlement transferred from privatisation	37,256,134.56	30,712,027.55	29,219,500.04	6,544,107.01	1,492,527.51
2	emi2 - employees entitlement transferred from liquidation	4,378,332.41	3,311,148.74	2,142,829.35	1,067,183.67	1,168,319.39
3	emi3 - interest earned	198,217.01	198,217.01	198,217.01	-	-
4	emi4 - employees entitlement transferred from SOE money in trust	5,874.24	5,874.24	5,874.24	-	-
5	emi5 - transfer from other trust accounts until maturity of time deposits	(0.00)	(0.00)	(0.00)	-	-
Total Inflows (current accounts)		41,838,558	34,227,268	31,566,421	7,611,291	2,660,847
					0.00	- €
						- €
Deduct: Balance of Outflows (current accounts)						
1	eme1 - employees entitlement privatisation proceeds transferred to BSPK	15,240,376.22	6,074,100.37	639,871.90	9,166,275.85	5,434,228.47
2	eme2 - employees entitlement liquidation proceeds transferred to BSPK	70,297.67	-	-	70,297.67	-
3	eme3 - bank charges	52.20	42.00	38.10	10.20	3.90
4	eme4 - employees entitlement SOE trust money proceeds transferred to BSPK	1,595,070.91	343,318.79	-	1,251,752.12	343,318.79
Total Outflows (current accounts)		16,905,797	6,417,461	639,910	10,488,336	5,777,551
Balance of Cash Flow (Inflow - Outflows)		24,932,761	27,809,806	30,926,511	(2,877,045)	(3,116,704)
Balance of time deposit accounts						
5	eme5 - time deposit 1 month	4,233,341.08	4,233,341.08	4,233,341.08	-	-
6	eme6 - time deposit 2 months	0.00	0.00	0.00	-	-
7	eme7 - time deposit 3 months	2,386,383.16	2,386,383.16	2,386,383.16	-	-
8	eme8 - time deposit 4 months	-	-	-	-	-
9	eme9 - time deposit 5 months	-	-	-	-	-
10	eme10 - time deposit 6 months	-	-	-	-	-
11	eme11 - time deposit 7 months	-	-	-	-	-
12	eme12 - time deposit 8 months	-	-	-	-	-
13	eme13 - time deposit 9 months	(1,705,708.45)	(1,705,708.45)	(1,705,708.45)	-	-
14	eme14 - time deposit 10 months	-	-	-	-	-
15	eme15 - time deposit 11 months	-	-	-	-	-
16	eme16 - time deposit 12 months	(648,831.96)	(648,831.96)	(648,831.96)	-	-
17	eme17 - time deposit various days	(4,265,183.83)	(4,265,183.83)	(4,265,183.83)	-	-
Total - time deposits		-	-	-	-	-
1	Balance in Current Accounts	24,932,761	27,809,806	30,926,511		
2	Balance in Time Deposit Accounts	-	-	-		
3	time deposits in transit	-	-	-		
4	total time deposits	-	-	-		
5=1+4	BALANCE OF ACCOUNTS (current and time deposit)	24,932,761	27,809,806	30,926,511		
		as of	31-Dec-14	31-Dec-13	31-Dec-12	

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30-Jan-15

FINANCIAL STATEMENT OF PRIVATISATION BID DEPOSIT

PRIVATISATION BID DEPOSIT ACCOUNT

Table 15

Account number: 1000435000000104

BALANCE OF CASH FLOW

	from to	1-Jul-03 31-Dec-14	1-Jul-03 31-Dec-13	1-Jul-03 31-Dec-12	Year 2014	Year 2013
Add: Balance of Inflows (current accounts)						
1	pbdi1 - bid deposit	170,117,320.51	169,287,320.51	162,983,987.51	830,000.00	6,303,333.00
2	pbdi2 - interest earned	602,080.21	602,080.21	602,080.21	-	-
3	pbdi3 - payment of sale price in the privatisation bid deposit account	1,617,210.00	1,617,210.00	1,613,210.00	-	4,000.00
4	pbdi4 - payment of tender submission fee in the privatisation bid deposit account	16,950.00	16,950.00	17,650.00	-	(700.00)
5	pbdi5 - transfer of deposit from privatisation bid submission fee	330,000.00	230,000.00	230,000.00	100,000.00	-
6	pbdi6 - correction of previous trf of sale price from bid deposit account	1,188,680.15	1,188,680.15	1,188,680.15	-	-
7	pbdi7 - wrong government transfer by the bank	-	-	-	-	-
8	pbdi8 - wrong transfer by third parties	-	-	-	-	-
9	pbdi9 - transfer from other trust accounts until maturity of time deposits	-	-	-	-	-
Total Inflows (current accounts)		173,872,241	172,942,241	166,635,608	930,000	6,306,633
Deduct: Balance of Outflows (current accounts)						
1	pbde1 - bank charges	60,140.96	60,131.66	60,112.16	9.30	19.50
2	pbde2 - transfer of privatisation bid deposit account interest to Agency reserve fund	601,756.23	601,756.23	601,756.23	-	-
3	pbde2a - transfer of privatisation bid deposit account interest to Administrative Tariff account	323.98	323.98	323.98	-	-
3	pbde3 - transfer to BSPK directly on behalf of other trust accounts temporarily until maturity of time deposits	-	-	-	-	-
4	pbde4 - transfer to other trust accounts temporarily until maturity of time deposits	0.00	(2.00)	(2.00)	2.00	-
5	pbde5 - transfer to third parties on behalf of other trust accounts temporarily until maturity of time deposits	-	-	-	-	-
6	pbde6 - return of deposit to bidder	141,427,424.70	140,597,424.70	133,561,312.40	830,000.00	7,036,112.30
7	pbde7 - forfeit of privatisation bid deposit	3,529,787.62	3,479,787.62	3,339,787.62	50,000.00	140,000.00
8	pbde8 - transfer of deposit to privatisation account	24,990,000.00	24,670,000.00	23,007,500.00	320,000.00	1,662,500.00
9	pbde9 - transfer of sale price from bid deposit to privatisation account	1,899,929.25	1,899,929.25	1,874,396.25	-	25,533.00
10	pbde10 - return of sale price to bidder from bid deposit	1,227,040.15	1,227,040.15	1,207,040.15	-	20,000.00
11	pbde11 - transfer of submission fee to BIDDER from bid deposit	3,500.00	3,500.00	3,500.00	-	-
12	pbde12 - transfer of submission fee to privatisation submission fee	8,300.00	8,300.00	8,300.00	-	-
13	pbde13 - transfer of LIQUIDATION deposit to bidders	49,000.00	49,000.00	49,000.00	-	-
14	pbde14 - correction of double transfers	20,000.00	20,000.00	20,000.00	-	-
15	pbde15 - transfer to Kosovo Budget	3,300.00	3,300.00	3,300.00	-	-
16	pbde16 - return to privatisation accounts for deposits transferred initially to bidders from privatisation accounts	-	-	1,150,012.30	-	(1,150,012.30)
Total Outflows (current accounts)		173,820,503	172,620,492	164,886,339	1,200,011	7,734,153
Balance of Cash Flow (Inflow - Outflows)		51,738	321,749	1,749,269	(270,011)	(1,427,520)

FINANCIAL STATEMENT OF PRIVATISATION BID DEPOSIT

Balance of time deposit accounts						
17	pbde17 - time deposit 1 month	239,756.42	239,756.42	239,756.42	-	-
18	pbde18 - time deposit 2 months	-	-	-	-	-
19	pbde19 - time deposit 3 months	115,656.43	115,656.43	115,656.43	-	-
20	pbde20 - time deposit 4 months	-	-	-	-	-
21	pbde21 - time deposit 5 months	-	-	-	-	-
22	pbde22 - time deposit 6 months	(115,656.43)	(115,656.43)	(115,656.43)	-	-
23	pbde23 - time deposit 7 months	-	-	-	-	-
24	pbde24 - time deposit 8 months	-	-	-	-	-
25	pbde25 - time deposit 9 months	(74,090.67)	(74,090.67)	(74,090.67)	-	-
26	pbde26 - time deposit 10 months	-	-	-	-	-
27	pbde27 - time deposit 11 months	-	-	-	-	-
28	pbde28 - time deposit 12 months	(37,989.72)	(37,989.72)	(37,989.72)	-	-
29	pbde29 - time deposit various days	(127,676.03)	(127,676.03)	(127,676.03)	-	-
Total - time deposits		0	0	0	-	-
1	Balance in Current Accounts	51,738	321,749	1,749,269		
2	Balance in Time Deposit Accounts	0	0	0		
3	time deposits in transit					
4	total time deposits	0	0	0		
5=1+4	BALANCE OF ACCOUNTS (current and time deposit)	51,738	321,749	1,749,269		
	as of	31-Dec-14	31-Dec-13	31-Dec-12		

Adem Selishta

a. Director of Finance and Budget
Privatisation Agency of Kosovo

30-Jan-15

Korab Lufi

a. Head of Funds Management Unit
Privatisation Agency of Kosovo

30-Jan-15

FINANCIAL STATEMENT OF PRIVATISATION BIDSUBMISSION FEE

PRIVATISATION BID SUBMISSION FEE ACCOUNT

Table 16

Account number: 1000435010000222

		BALANCE OF CASH FLOW			Year 2014	Year 2013	
		from to	1-Jul-03 31-Dec-14	1-Jul-03 31-Dec-13			1-Jul-03 31-Dec-12
Add: Balance of Inflows (current accounts)							
1	pts11 - tender submission fee		2,905,787.43	2,875,787.43	2,659,086.43	30,000.00	216,701.00
2	pts12 - interest earned		79,535.30	79,535.30	79,535.30	-	-
3	pts3 - deposit of sale price in the privatisation tender submission fee		-	-	-	-	-
4	pts4 - bid deposit transferred to privatisation tender submission fee		722,845.00	722,845.00	722,845.00	-	-
Total Inflows (current accounts)							
			3,708,168	3,678,168	3,461,467	30,000	216,701
Deduct: Balance of Outflows (current accounts)							
						0.00	- €
1	ptse1 - bank charges		1,381.44	1,371.54	1,370.04	9.90	1.50
2	ptse2 - transfer of privatisation bid submission fee to Agency reserve fund		2,079,337.09	2,079,337.09	2,079,337.09	-	-
3	ptse2a - transfer of privatisation bid submission fee to Administrative Tariff		94,027.88	194,027.88	194,027.88	(100,000.00)	-
4	ptse3 - transfer to BSPK directly on behalf of other trust accounts temporarily until maturity of time deposits		0.00	0.00	0.00	-	-
5	ptse4 - transfer to other trust accounts temporarily until maturity of time deposits		-	-	-	-	-
6	ptse5 - transfer to third parties on behalf of other trust accounts temporarily until maturity of time deposits		(0.00)	(0.00)	(0.00)	-	-
7	ptse6 - return of tender submission fee to bidder		76,750.00	46,750.00	46,750.00	30,000.00	-
8	ptse7 - transfer to PAK Reserves fund		-	-	-	-	-
9	ptse8 - transfer of bid submission fee to Kosovo Budget		362,035.37	362,035.37	362,035.37	-	-
10	ptse9 - correction of transfer to other trust accounts		1,176.00	1,176.00	1,176.00	-	-
11	ptse10 - Petty cash expenses from privatisation bid submission fee		22.60	22.60	1,000.00	-	(977.40)
12	ptse11 - bid deposit returned to BIDDER from privatisation tender submission fee		270,000.00	270,000.00	270,000.00	-	-
13	ptse12 - court deposits		1,500.00	1,500.00	1,500.00	-	-
14	ptse13 - court expenses (nonrefundable)		40.00	40.00	40.00	-	-
15	ptse14 - transfer of deposit to privatisation bid deposit		530,000.00	430,000.00	430,000.00	100,000.00	-
16	ptse15 - transfer of sale price from submission fee to privatisation		22,845.00	22,845.00	22,845.00	-	-
17	ptse16 - services paid from privatisation bid submission fee		1,525.00	1,525.00	1,525.00	-	-
Total Outflows (current accounts)							
			3,440,640	3,410,630	3,411,606	30,010	(976)
Balance of Cash Flow (Inflow - Outflows)			267,527	267,537	49,860	(10)	217,677

FINANCIAL STATEMENT OF PRIVATISATION BIDSUBMISSION FEE

Balance of time deposit accounts						
17	ptse17 - time deposit 1 month	670,734.13	670,734.13	670,734.13	-	-
18	ptse18 - time deposit 2 months	-	-	-	-	-
19	ptse19 - time deposit 3 months	291,200.74	291,200.74	291,200.74	-	-
20	ptse20 - time deposit 4 months	-	-	-	-	-
21	ptse21 - time deposit 5 months	-	-	-	-	-
22	ptse22 - time deposit 6 months	(291,200.74)	(291,200.74)	(291,200.74)	-	-
23	ptse23 - time deposit 7 months	-	-	-	-	-
24	ptse24 - time deposit 8 months	-	-	-	-	-
25	ptse25 - time deposit 9 months	(207,273.45)	(207,273.45)	(207,273.45)	-	-
26	ptse26 - time deposit 10 months	-	-	-	-	-
27	ptse27 - time deposit 11 months	-	-	-	-	-
28	ptse28 - time deposit 12 months	(106,278.70)	(106,278.70)	(106,278.70)	-	-
29	ptse29 - time deposit various days	(357,181.98)	(357,181.98)	(357,181.98)	-	-
Total - time deposits		-	-	-	-	-
1	Balance in Current Accounts	267,527	267,537	49,860		
2	Balance in Time Deposit Accounts	-	-	-		
3	time deposits in transit	-	-	-		
4	total time deposits	-	-	-		
5=1+4	BALANCE OF ACCOUNTS (current and time deposit)	267,527	267,537	49,860		
	as of	31-Dec-14	31-Dec-13	31-Dec-12		

Adem Selishta

a. Director of Finance and Budget
Privatisation Agency of Kosovo

30-Jan-15

Korab Lufi

a. Head of Funds Management Unit
Privatisation Agency of Kosovo

30-Jan-15

FINANCIAL STATEMENT OF LIQUIDATION BID DEPOSIT

LIQUIDATION BID DEPOSIT ACCOUNT

Table 17

Account number: 1000510000000076

BALANCE OF CASH FLOW

	from to	1-Jul-03 31-Dec-14	1-Jul-03 31-Dec-13	1-Jul-03 31-Dec-12	Year 2014	Year 2013
Add: Balance of Inflows (current accounts)						
1	lbd1 - bid deposit	39,518,989.25	34,475,095.00	29,157,378.00	5,043,894.25	5,317,717.00
2	lbd2 - interest earned	84,881.42	84,881.42	84,881.42	-	-
3	lbd3 - deposit of sale price in the liquidation bid deposit account	28,009.15	28,009.15	28,009.15	-	-
4	lbd4 - deposit of registration fee in the liquidation bid deposit account	780.00	780.00	780.00	-	-
5	lbd5 - transfer of deposit from liquidation registration fee	20,000.00	20,000.00	20,000.00	-	-
6	lbd6 - correction of previous trf of sale price from liquidation deposit account	-	-	-	-	-
7	lbd7 - wrong government transfer by the bank	-	-	-	-	-
Total Inflows (current accounts)		39,652,660	34,608,766	29,291,049	5,043,894	5,317,717
10,635,434.00						
Deduct: Balance of Outflows (current accounts)						
1	lbde1 - bank charges	1,092.48	947.28	804.18	145.20	143.10
2	lbde2 - transfer of liquidation bid deposit account interest to Agency reserve fund	84,573.26	84,573.26	84,573.26	-	-
3	lbde2a - transfer of liquidation bid deposit account interest to Administrative Tariff	308.16	308.16	308.16	-	-
4	lbde3 - transfer to BSPK directly on behalf of other trust accounts temporarily until maturity of time deposits	-	-	-	-	-
5	lbde4 - transfer to other trust accounts temporarily until maturity of time deposits	-	-	-	-	-
6	lbde5 - return of deposit to bidder	32,424,722.00	27,760,815.00	23,546,367.00	4,663,907.00	4,214,448.00
7	lbde6 - forfeit of liquidation bid deposit	513,550.00	420,550.00	318,550.00	93,000.00	102,000.00
8	lbde7 - transfer of deposit to liquidation	6,195,105.00	5,076,105.00	4,234,050.00	1,119,000.00	842,055.00
9	lbde8 - transfer to Kosovo Budget	-	-	-	-	-
10	lbde9 - registration fee returned to bidder from liquidation bid deposit	2,050.00	2,050.00	2,050.00	-	-
11	lbde10 - Service Providers paid from liquidation deposit	700.00	700.00	700.00	-	-
12	lbde11 - transfer of sale price to liquidation trust	246,704.40	217,760.15	173,453.15	28,944.25	44,307.00
13	lbde12 - transfer of registration fee to liquidation registration fee	1,530.00	1,530.00	1,530.00	-	-
Total Outflows (current accounts)		39,470,335	33,565,339	28,362,386	5,904,996	5,202,953
Balance of Cash Flow (Inflow - Outflows)		182,325	1,043,427	928,663	(861,102)	114,764

FINANCIAL STATEMENT OF LIQUIDATION BID DEPOSIT

Balance of time deposit accounts						
13	lbde13 - time deposit 1 month	31,254.61	31,254.61	31,254.61	-	-
14	lbde14 - time deposit 2 months	-	-	-	-	-
15	lbde15 - time deposit 3 months	15,076.96	15,076.96	15,076.96	-	-
16	lbde16 - time deposit 4 months	-	-	-	-	-
17	lbde17 - time deposit 5 months	-	-	-	-	-
18	lbde18 - time deposit 6 months	(15,076.96)	(15,076.96)	(15,076.96)	-	-
19	lbde19 - time deposit 7 months	-	-	-	-	-
20	lbde20 - time deposit 8 months	-	-	-	-	-
21	lbde21 - time deposit 9 months	(9,658.45)	(9,658.45)	(9,658.45)	-	-
22	lbde22 - time deposit 10 months	-	-	-	-	-
23	lbde23 - time deposit 11 months	-	-	-	-	-
24	lbde24 - time deposit 12 months	(4,952.33)	(4,952.33)	(4,952.33)	-	-
25	lbde25 - time deposit various days	(16,643.83)	(16,643.83)	(16,643.83)	-	-
Total - time deposits		-	-	-	-	-
1	Balance in Current Accounts	182,325	1,043,427	928,663		
2	Balance in Time Deposit Accounts	-	-	-		
3	time deposits in transit	-	-	-		
4	total time deposits	-	-	-		
5=1+4	BALANCE OF ACCOUNTS (current and time deposit)	182,325	1,043,427	928,663		
	as of	31-Dec-14	31-Dec-13	31-Dec-12		

Adem Selishta

a. Director of Finance and Budget
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30-Jan-15

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a. Head of Funds Management Unit
Privatisation Agency of Kosovo

30-Jan-15

FINANCIAL STATEMENT OF LIQUIDATION REGISTRATION FEE

LIQUIDATION REGISTRATION FEE ACCOUNT

Table 18

Account number: 1000510000000173

		BALANCE OF CASH FLOW			Year 2014	Year 2013
		from	1-Jul-03	1-Jul-03	1-Jul-03	
		to	31-Dec-14	31-Dec-13	31-Dec-12	
Add: Balance of Inflows (current accounts)						
1	lrf1 - registration fee		759,061.00	629,761.00	462,062.00	129,300.00
2	lrf2 - interest earned		4,353.53	4,353.53	4,353.53	-
3	lrf3 - deposit of sale price in the liquidation registration fee		-	-	-	-
4	lrf4 - bid deposit transferred in the liquidation registration fee		106,000.00	106,000.00	106,000.00	-
Total Inflows (current accounts)			869,415	740,115	572,416	129,300
						167,699
						- €
						- €
Deduct: Balance of Outflows (current accounts)						
						0.00
						- €
1	lrf1 - bank charges		743.00	711.20	472.90	31.80
2	lrf2 - transfer of liquidation registration fee to Agency reserve fund		304,325.32	304,325.32	304,325.32	-
3	lrf2a - transfer of liquidation registration fee to Administrative Tariff		78,630.11	78,630.11	78,630.11	-
4	lrf3 - transfer to BSPK directly on behalf of other trust accounts temporarily until maturity of time deposits		-	-	-	-
5	lrf4 - transfer to other trust accounts temporarily until maturity of time deposits		-	-	-	-
6	lrf5 - transfer to third parties on behalf of other trust accounts temporarily until maturity of time deposits		-	-	-	-
7	lrf6 - return of registration fee to bidder		40,600.00	8,800.00	5,800.00	31,800.00
8	lrf7 - transfer to PAK Reserves fund		-	-	-	-
9	lrf8 - transfer of liquidation registration fee to Kosovo Budget		160.01	160.01	160.01	-
10	lrf9 - bid deposit returned to bidder from liquidation registration fee		69,000.00	69,000.00	69,000.00	-
11	lrf10 - court deposits		2,000.00	2,000.00	2,000.00	-
12	lrf11 - court expenses (nonrefundable)		-	-	-	-
13	lrf12 - petty cash expenses from liquidation registration fee		446.25	15,985.37	610.55	(15,539.12)
14	lrf13 - Service Providers paid from liquidation registration fee		-	-	-	-
15	lrf14 - deposit transferred from liq registration fee to liquidation bid deposit		37,000.00	37,000.00	37,000.00	-
16	lrf15 - transfer of sale price from registration fee to liquidation		-	-	-	-
Total Outflows (current accounts)			532,905	516,612	497,999	16,293
Balance of Cash Flow (Inflow - Outflows)			336,510	223,503	74,417	113,007
						149,086

FINANCIAL STATEMENT OF LIQUIDATION REGISTRATION FEE

Balance of time deposit accounts						
16	lfe16 - time deposit 1 month	51,058.72	51,058.72	51,058.72	-	-
17	lfe17 - time deposit 2 months	-	-	-	-	-
18	lfe18 - time deposit 3 months	22,167.26	22,167.26	22,167.26	-	-
19	lfe19 - time deposit 4 months	-	-	-	-	-
20	lfe20 - time deposit 5 months	-	-	-	-	-
21	lfe21 - time deposit 6 months	(22,167.26)	(22,167.26)	(22,167.26)	-	-
22	lfe22 - time deposit 7 months	-	-	-	-	-
23	lfe23 - time deposit 8 months	-	-	-	-	-
24	lfe24 - time deposit 9 months	(15,778.41)	(15,778.41)	(15,778.41)	-	-
25	lfe25 - time deposit 10 months	-	-	-	-	-
26	lfe26 - time deposit 11 months	-	-	-	-	-
27	lfe27 - time deposit 12 months	(8,090.32)	(8,090.32)	(8,090.32)	-	-
28	lfe28 - time deposit various days	(27,189.99)	(27,189.99)	(27,189.99)	-	-
Total - time deposits		-	-	-	-	-
1	Balance in Current Accounts	336,510	223,503	74,417		
2	Balance in Time Deposit Accounts	-	-	-		
3	time deposits in transit					
4	total time deposits	-	-	-		
5=1+4	BALANCE OF ACCOUNTS (current and time deposit)	336,510	223,503	74,417		
	as of	31-Dec-14	31-Dec-13	31-Dec-12		

Adem Selishta

a. Director of Finance and Budget
Privatisation Agency of Kosovo

30-Jan-15

Korab Lufi

a. Head of Funds Management Unit
Privatisation Agency of Kosovo

30-Jan-15

FINANCIAL STATEMENT OF LIQUIDATION REVIEW DEPOSIT

LIQUIDATION REVIEW - DEPOSIT ACCOUNT

Table 19

Account number:

1000510660707137

BALANCE OF CASH FLOW

	from	1-Jul-03	1-Jul-03	1-Jul-03		
	to	31-Dec-14	31-Dec-13	31-Dec-12	Year 2014	Year 2013
Add: Balance of Inflows (current accounts)						
1 rlc1 - interest earned		85.87	85.87	85.87	-	-
2 rlc2 - LRC deposit received by claimants		22,866.62	22,866.62	22,841.62	-	25.00
Total Inflows (current accounts)		22,952	22,952	22,927	-	25
						€
Deduct: Balance of Outflows (current accounts)						
1 rlc1 - bank charges		213.03	213.03	213.03	-	-
2 rlc2 - LRC deposit returned to claimants		12,896.18	12,896.18	12,896.18	-	-
3 rlc3 - transferred to PAK Reserves fund		-	-	-	-	-
4 rlc17 - transferred to PAK Administrative Tariff		9,818.28	9,818.28	9,818.28	-	-
Total Outflows (current accounts)		22,927	22,927	22,927	-	-
						€
Balance of Cash Flow (Inflow - Outflows)		25	25	-	-	25

Balance of time deposit accounts

4 rlc4 - time deposit 1 month		-	-	-	-	-
5 rlc5 - time deposit 2 months		-	-	-	-	-
6 rlc6 - time deposit 3 months		-	-	-	-	-
7 rlc7 - time deposit 4 months		-	-	-	-	-
8 rlc8 - time deposit 5 months		-	-	-	-	-
9 rlc9 - time deposit 6 months		-	-	-	-	-
10 rlc10 - time deposit 7 months		-	-	-	-	-
11 rlc11 - time deposit 8 months		-	-	-	-	-
12 rlc12 - time deposit 9 months		-	-	-	-	-
13 rlc13 - time deposit 10 months		-	-	-	-	-
14 rlc14 - time deposit 11 months		-	-	-	-	-
15 rlc15 - time deposit 12 months		-	-	-	-	-
16 rlc16 - time deposit various days		-	-	-	-	-
Total - time deposits		-	-	-	-	-

1	Balance in Current Accounts	25	25	-
2	Balance in Time Deposit Accounts	-	-	-
3	time deposits in transit	-	-	-
4	total time deposits	-	-	-
5=1+4	BALANCE OF ACCOUNTS (current and time deposit)	25	25	-
	as of	31-Dec-14	31-Dec-13	31-Dec-12

Adem Selishta

a. Director of Finance and Budget
Privatisation Agency of Kosovo

30-Jan-15

Korab Lufi

a. Head of Funds Management Unit
Privatisation Agency of Kosovo

30-Jan-15

FINANCIAL STATEMENT OF PAK CHARTER CAPITAL

PAK CHARTER CAPITAL ACCOUNT

Table 20

Account number:

1000500250000165

BALANCE OF CASH FLOW

	from to	1-Jul-03 31-Dec-14	1-Jul-03 31-Dec-13	1-Jul-03 31-Dec-12	Year 2014	Year 2013
Add: Balance of Inflows (current accounts)						
1 capi1 - interest earned		118,972.16	118,972.16	118,972.16	-	-
2 capi2 - charter capital received from the Kosovo Budget		1,013,199.83	1,013,199.83	1,013,199.83	-	-
3 capi3 - transfers from PAK reserve fund		-	-	-	-	-
<i>Charter Capital received from the Kosovo Budget was at 1 million EUR, whereas the amount of EUR 13,199.83 was the interest earned in the Raiffeisen Bank before the funds were transferred to the Central Bank of Kosovo in Dec 2003.</i>						
Total Inflows (current accounts)		1,132,172	1,132,172	1,132,172	-	-
Deduct: Balance of Outflows (current accounts)						
1 cape1 - bank charges		6.60	6.60	6.60	-	-
2 cape2 - court expenses		1,000.00	1,000.00	1,000.00	-	-
3 cape3 - court Orders for lawyer expenses		406.00	406.00	406.00	-	-
4 cape4 - court Orders for award to Enterprises (claimants)		21,210.00	21,210.00	21,210.00	-	-
5 cape5 - court Orders for award to physical claimants		-	-	-	-	-
Total Outflows (current accounts)		22,623	22,623	22,623	-	-
Balance of Cash Flow (Inflow - Outflows)		1,109,549	1,109,549	1,109,549	-	-
Balance of time deposit accounts						
6 cape6 - time deposit 1 month		453,926.54	453,926.54	453,926.54	-	-
7 cape7 - time deposit 2 months		(123,390.58)	(123,390.58)	(123,390.58)	-	-
8 cape8 - time deposit 3 months		(143,313.85)	(143,313.85)	(143,313.85)	-	-
9 cape9 - time deposit 4 months		-	-	-	-	-
10 cape10 - time deposit 5 months		123,390.58	123,390.58	123,390.58	-	-
11 cape11 - time deposit 6 months		(86,323.55)	(86,323.55)	(86,323.55)	-	-
12 cape12 - time deposit 7 months		-	-	-	-	-
13 cape13 - time deposit 8 months		-	-	-	-	-
14 cape14 - time deposit 9 months		(140,274.54)	(140,274.54)	(140,274.54)	-	-
15 cape15 - time deposit 10 months		-	-	-	-	-
16 cape16 - time deposit 11 months		-	-	-	-	-
17 cape17 - time deposit 12 months		26,735.09	26,735.09	26,735.09	-	-
18 cape18 - time deposit various days		(110,749.69)	(110,749.69)	(110,749.69)	-	-
Total - time deposits		-	-	-	-	-
1	Balance in Current Accounts	1,109,549	1,109,549	1,109,549		
2	Balance in Time Deposit Accounts	-	-	-		
3	time deposits in transit	-	-	-		
4	total time deposits	-	-	-		
5=1+4	BALANCE OF ACCOUNTS (current and time deposit)	1,109,549	1,109,549	1,109,549		
	as of	31-Dec-14	31-Dec-13	31-Dec-12		

Adem Selishta
a. Director of Finance and Budget
Privatisation Agency of Kosovo

30-Jan-15

Korab Lufi
a. Head of Funds Management Unit
Privatisation Agency of Kosovo

30-Jan-15

FINANCIAL STATEMENT OF PAK RESERVE FUND

PAK RESERVE FUND ACCOUNT

Table 21

Account number:

1000500412001805

BALANCE OF CASH FLOW

	from to	1-Jul-03 31-Dec-14	1-Jul-03 31-Dec-13	1-Jul-03 31-Dec-12	Year 2014	Year 2013
Add: Balance of Inflows (current accounts)						
1	rfi1 - interest earned	117,933.83	117,175.50	117,175.50	758.33	-
2	rfi2 - forfeit of privatisation bid deposits	3,529,787.62	3,479,787.62	3,339,787.62	50,000.00	140,000.00
3	rfi3 - forfeit of liquidation bid deposits	585,550.00	492,550.00	338,550.00	93,000.00	154,000.00
4	rfi4 - wrong transfer by third parties	57,750.97	57,750.97	51,009.97	-	6,741.00
5	rfi5 - transfer from interest of privatisation bid deposit account to Agency reserve fund	601,756.23	601,756.23	601,756.23	-	-
6	rfi6 - transfer from interest of privatisation bid submission fee account to Agency reserve fund	-	-	-	-	-
7	rfi7 - transfer from interest of liquidation bid deposit account to Agency reserve fund	84,573.26	84,573.26	84,573.26	-	-
8	rfi8 - transfer from interest of liquidation registration fee account to Agency reserve fund	-	-	-	-	-
9	rfi9 - transfer of commercialisation tariff to Agency reserve fund	206,510.00	206,510.00	206,510.00	-	-
10	rfi10 - transfer of privatisation tender submission fee as PAK revenue	2,079,337.09	2,079,337.09	2,079,337.09	-	-
11	rfi11 - transfer of liquidation registration fee as PAK revenue	304,325.32	304,325.32	304,325.32	-	-
Total Inflows (current accounts)		7,567,524	7,423,766	7,123,025	143,758	300,741
Deduct: Balance of Outflows (current accounts)						
1	rfe1 - bid deposit returned to privatisation bid deposit from Reserves fund	60,000.00	60,000.00	50,000.00	-	10,000.00
2	rfe2 - transfer of reserve fund to MF Treasury PAK Privatisation Administrative Tariff account	1,800,000.00	1,800,000.00	1,800,000.00	-	-
3	rfe3 - transfer to other trust accounts temporarily until maturity of time deposits	(0.00)	(0.00)	(0.00)	-	-
4	rfe4 - transfer to BSPK directly on behalf of other trust accounts temporarily until maturity of time deposits	-	-	-	-	-
5	rfe5 - bank charges	353.70	353.70	353.70	-	-
6	rfe6 - transfer of reserve fund to AKP Tarifa Administrative	3,776,830.35	3,846,830.35	3,846,830.35	(70,000.00)	-
7	rfe7 - transfer to third parties	416,123.36	416,123.36	416,123.36	-	-
Total Outflows (current accounts)		6,053,307	6,123,307	6,113,307	(70,000)	10,000
Balance of Cash Flow (Inflow - Outflows)		1,514,217	1,300,459	1,009,718	213,758	290,741

FINANCIAL STATEMENT OF PAK RESERVE FUND

Balance of time deposit accounts						
8	rfe8 - time deposit 1 month	1,055,163.02	1,055,163.02	1,055,163.02	-	-
9	rfe9 - time deposit 2 months	-	-	-	-	-
10	rfe10 - time deposit 3 months	458,101.42	458,101.42	458,101.42	-	-
11	rfe11 - time deposit 4 months	-	-	-	-	-
12	rfe12 - time deposit 5 months	-	-	-	-	-
13	rfe13 - time deposit 6 months	(458,101.42)	(458,101.42)	(458,101.42)	-	-
14	rfe14 - time deposit 7 months	-	-	-	-	-
15	rfe15 - time deposit 8 months	-	-	-	-	-
16	rfe16 - time deposit 9 months	(326,071.50)	(326,071.50)	(326,071.50)	-	-
17	rfe17 - time deposit 10 months	-	-	-	-	-
18	rfe18 - time deposit 11 months	-	-	-	-	-
19	rfe19 - time deposit 12 months	(167,191.95)	(167,191.95)	(167,191.95)	-	-
20	rfe20 - time deposit various days	(561,899.57)	(561,899.57)	(561,899.57)	-	-
Total - time deposits		-	-	-	-	-
<hr/>						
1	Balance in Current Accounts	1,514,217	1,300,459	1,009,718		
2	Balance in Time Deposit Accounts	-	-	-		
3	time deposits in transit					
4	total time deposits	-	-	-		
5=1+4	BALANCE OF ACCOUNTS (current and time deposit)	1,514,217	1,300,459	1,009,718		
	as of	31-Dec-14	31-Dec-13	31-Dec-12		

Adem Selishtaa. Director of Finance and Budget
Privatisation Agency of Kosovo

30-Jan-15

Korab Lufia. Head of Funds Management Unit
Privatisation Agency of Kosovo

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FINANCIAL STATEMENT OF DONOR

DONOR ACCOUNT

Account number:

1000500660704858

Table 22

		BALANCE OF CASH FLOW			Year 2014	Year 2013
		from	1-Jul-03	1-Jul-03	1-Jul-03	
		to	31-Dec-14	31-Dec-13	31-Dec-12	
Add: Balance of Inflows (current accounts)						
1	di1 - interest earned		467.25	467.25	467.25	-
2	di2 - donation received		8,001.94	8,001.94	8,001.94	-
Total Inflows (current accounts)			8,469	8,469	8,469	-
Deduct: Balance of Outflows (current accounts)						
1	de1 - bank charges		6.00	6.00	6.00	-
2	de2 - balance transferred to PAK Reserved Fund		-	-	-	-
Total Outflows (current accounts)			6	6	6	-
Balance of Cash Flow (Inflow - Outflows)			8,463	8,463	8,463	-
Balance of time deposit accounts						
8	de3 - time deposit 1 month		3,462.90	3,462.90	3,462.90	-
9	de4 - time deposit 2 months		-	-	-	-
10	de5 - time deposit 3 months		(1,093.31)	(1,093.31)	(1,093.31)	-
11	de6 - time deposit 4 months		-	-	-	-
12	de7 - time deposit 5 months		-	-	-	-
13	de8 - time deposit 6 months		(658.54)	(658.54)	(658.54)	-
14	de9 - time deposit 7 months		-	-	-	-
15	de10 - time deposit 8 months		-	-	-	-
16	de11 - time deposit 9 months		(1,070.12)	(1,070.12)	(1,070.12)	-
17	de12 - time deposit 10 months		-	-	-	-
18	de13 - time deposit 11 months		-	-	-	-
19	de14 - time deposit 12 months		203.96	203.96	203.96	-
20	de15 - time deposit various days		(844.89)	(844.89)	(844.89)	-
Total - time deposits			-	-	-	-
1	Balance in Current Accounts		8,463	8,463	8,463	
2	Balance in Time Deposit Accounts		-	-	-	
3	time deposits in transit		-	-	-	
4	total time deposits		-	-	-	
5=1+4	BALANCE OF ACCOUNTS (current and time deposit)		8,463	8,463	8,463	
		as of	31-Dec-14	31-Dec-13	31-Dec-12	

Adem Selishta
a. Director of Finance and Budget
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30-Jan-15

Korab Lufi
a. Head of Funds Management Unit
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FINANCIAL STATEMENT OF ADMINISTRATIVE TARIFF

ADMINISTRATIVE TARIFF

Table 23

Account number:

1000501000045681

		BALANCE OF CASH FLOW				
		from	1-Jul-03	1-Jul-03	1-Jul-03	
		to	31-Dec-14	31-Dec-13	31-Dec-12	Year 2014
						Year 2013
Add: Balance of Inflows (current accounts)						
1	ati1 - Interest earned on Agency Administrative Tariff		76,787.33	67,110.05	67,110.05	9,677.28
2	ati2 - Agency Administrative Tariff (5% of liquidation sales)		4,385,637.37	3,595,924.53	3,119,001.88	789,712.84
3	ati3 - Agency Administrative Tariff (5% of privatisation sales)		29,940,273.72	29,800,550.17	28,819,130.29	139,723.55
4	ati4 - Agency Administrative Tariff (5% of commercialisation revenues)		264,829.95	264,829.95	264,829.95	-
5	ati5 - Agency Administrative Tariff (5% of other SOEs revenues if applicable)		246,107.20	246,107.20	246,107.20	-
6	ati6 - Agency Administrative Tariff (from PAK Reserve Fund)		3,776,830.35	3,846,830.35	3,846,830.35	(70,000.00)
7	ati7 - Agency Administrative Tariff (from Privatisation Bid Deposit Account)		323.98	323.98	323.98	-
8	ati8 - Agency Administrative Tariff (from Privatisation Submission Fee)		93,017.53	193,017.53	193,017.53	(100,000.00)
9	ati9 - Agency Administrative Tariff (from Liquidation Bid Deposit Account)		308.16	308.16	308.16	-
10	ati10 - Agency Administrative Tariff (from Liquidation Registration Fee)		78,630.11	78,630.11	78,630.11	-
11	ati11 - Agency Administrative Tariff (from 5% of Interest on Liquidation Bank Account)		413,944.38	413,944.38	413,944.38	-
12	ati12 - Agency Administrative Tariff (from Liquidation Review Deposit account)		9,818.28	9,818.28	9,818.28	-
Total Inflows (current accounts)			39,286,508	38,517,395	37,059,052	769,114
Deduct: Balance of Outflows (current accounts)						
1	ate1 - bank charges		1,421.69	388.09	0.60	1,033.60
2	ate2 - transfer of Agency administrative tariff to MF Treasury		18,548,000.00	16,248,000.00	16,248,000.00	2,300,000.00
3	ate3 - transfer to other trust accounts temporarily until maturity of time deposits		-	-	-	-
4	ate4 - transfer to Liquidation Authority		2,693,447.60	2,181,605.60	1,228,009.00	501,842.00
5	ate5 - payment of goods		-	-	-	-
6	ate6 - payment of services		618,086.51	245,721.71	-	372,364.80
7	ate7 - payment of capital expenditures		-	-	-	-
Total Outflows (current accounts)			21,850,956	18,675,715	17,476,010	3,175,240
Balance of Cash Flow (Inflow - Outflows)			17,435,553	19,841,679	19,583,043	(2,406,127)
Balance of time deposit accounts						
8	ate8 - time deposit 1 month		-	-	-	-
9	ate9 - time deposit 2 months		-	-	-	-
10	ate10 - time deposit 3 months		(8,000,000.00)	-	-	(8,000,000.00)
11	ate11 - time deposit 4 months		-	-	-	-
12	ate12 - time deposit 5 months		-	-	-	-
13	ate13 - time deposit 6 months		8,000,000.00	8,000,000.00	-	8,000,000.00
14	ate14 - time deposit 7 months		-	-	-	-
15	ate15 - time deposit 8 months		-	-	-	-
16	ate16 - time deposit 9 months		-	-	-	-
17	ate17 - time deposit 10 months		-	-	-	-
18	ate18 - time deposit 11 months		-	-	-	-
19	ate19 - time deposit 12 months		500,000.00	119,669.84	-	380,330.16
20	ate20 - time deposit various days		-	-	-	-
Total - time deposits			500,000	8,119,670	-	(7,619,670)
1	Balance in Current Accounts		16,935,553	11,722,009	19,583,043	
2	Balance in Time Deposit Accounts		500,000	8,119,670	-	
3	time deposits in transit		-	-	-	
4	total time deposits		500,000	8,119,670	-	
5=1+4	BALANCE OF ACCOUNTS (current and time deposit)		17,435,553	19,841,679	19,583,043	
		as of	31-Dec-14	31-Dec-13	31-Dec-12	

Adem Selishta
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30-Jan-15

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FINANCIAL STATEMENT OF TIME DEPOSIT

TIME DEPOSIT ACCOUNTS

Table 24

number of active accounts at the end of the reporting period: 13

		BALANCE OF CASH FLOW			Year 2014	Year 2013
		from	1-Jul-03	1-Jul-03	1-Jul-03	
		to	31-Dec-14	31-Dec-13	31-Dec-12	
Add: Balance of Inflows (current accounts)						
1	tdi1 - time deposit transferred by PAK from PAK individual accounts		321,974,329.81	181,974,329.81	141,974,329.81	140,000,000.00
2	tdi2 - interest on time deposit received by CBK		7,228,687.32	7,083,727.60	7,083,727.60	144,959.72
3	tdi3 - interest current account paid on time deposit		0.02	0.02	0.02	-
Total Inflows (current accounts)			329,203,017	189,058,057	149,058,057	140,144,960
Deduct: Balance of Outflows (current accounts)						
						0.00
1	tde1 - time deposit transferred by CBK in their accounts until maturity		321,974,329.85	181,974,329.84	141,974,329.84	140,000,000.01
2	tde2 - interest on time deposit received by CBK AND transferred to PAK individual accounts		7,228,687.30	7,083,727.58	7,083,727.58	144,959.72
3	tde3 - bank charges		(0.60)	(0.30)	-	(0.30)
Total Outflows (current accounts)			329,203,017	189,058,057	149,058,057	140,144,959
Balance of Cash Flow (Inflow - Outflows)			0.60	0	0	0
1	Balance of Current money in Time Deposit Accounts		0.60	0	0	
2	Time deposits to return to individual accounts from time deposit accounts		0.60		(26,269)	
3	Interest to return to individual accounts from time deposit				(9,959)	
4	Amounts to return to Time deposits from individual accounts				10,657	
5	Money attributed to current accounts but residing in Time Deposit Accounts		1.20	0.31	(25,571)	
6	BALANCE OF ACCOUNTS (current and time deposit)		0.60	0.31	0	
		as of	31-Dec-14	31-Dec-13	31-Dec-12	

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AGJENCIA KOSOVARE E PRIVATIZIMIT
KOSOVSKA AGENCIJA ZA PRIVATIZACIJU
PRIVATISATION AGENCY OF KOSOVO

FINANCIAL STATEMENTS OF TRUST FUNDS

FOR THE PERIOD ENDED ON 31 DECEMBER 2014

TABLES OF FINANCIAL REPORTS

Reports according to Article 20 of the law no. 04/L-034 for Privatization Agency of Kosovo

Article 20: Reports, budget and accounts

Article 20.1.1.2. financial statements of trust funds