

## INDEPENDENT AUDITORS' REPORT

### To the Management of the Balkan Investigative Reporting Network (BIRN – Kosovo)

We have audited the accompanying statement of cash receipts and disbursements (the "Statement") of the Balkan Investigative Reporting Network Kosovo ("BIRN") for the year ended December 31, 2008, and a summary of significant accounting policies and other explanatory notes.

#### *Management's Responsibility for the Statement*

Management is responsible for the preparation and fair presentation of this Statement in accordance with the cash receipts and disbursement basis of accounting. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of Statement that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

#### *Auditor's Responsibility*

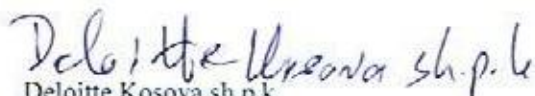
Our responsibility is to express an opinion on this Statement based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the Statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the Statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the Statement.

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

#### *Opinion*

In our opinion, the Statement present fairly, in all material respects, the revenue collected and expenses paid by the BIRN for the year ended December 31, 2008, in accordance with the cash receipts and disbursements basis of accounting as described in note 2 to the Statement.



Deloitte Kosova sh.p.k.  
Prishtina, Kosovo  
June 30, 2009

Balkan Investigative Reporting Network (BIRN-Kosovo)

Statement of Cash Receipts and Disbursements for the year ended December 31, 2008

All amounts are in euro except otherwise stated

	Notes	Year ended December 31, 2008	Year ended December 31, 2007
<b>FINANCING</b>			
Donors funding	3	633,415	325,043
Other donations	3	39,350	26,745
Other income	3	3,634	2,000
<b>TOTAL FINANCING</b>		<b>676,399</b>	<b>353,788</b>
<b>PROJECTS EXPENDITURE</b>			
Personnel	4	153,279	61,693
Operational costs	5	35,799	37,665
Project activities	6	301,685	194,186
<b>TOTAL PROJECTS EXPENDITURE</b>		<b>490,763</b>	<b>293,544</b>
<b>Surplus of funds received over expenditure</b>		<b>185,636</b>	<b>60,244</b>
Cash and bank balance at the beginning of the year		99,732	39,488
<b>Cash and bank balance at the end of the year</b>	7	<b>285,368</b>	<b>99,732</b>

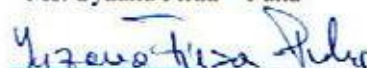
Authorised for issue by the management on June 30, 2009

Ms. Jeta Xharra



Executive Director

Ms. Syzana Firza – Puka



Finance officer

The accompanying notes on pages 2 to 10 form an integral part of this Statement.