

BALKAN INVESTIGATIVE REPORTING NETWORK

(BIRN)

Pristina - Kosovo

**FINANCIAL STATEMENTS FOR THE YEAR
ENDED 31 DECEMBER 2017**

Pristina, April 23, 2018



N.Sh. "Balluku & Zhaveli", General Partnership

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial report.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the BIRN Kosovo ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the BIRN Kosovo to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosure, and whether the financial statement present the underlying transactions and events in manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Balluku & Zhaveli
Pristina, Kosova

Tomorr Zhaveli
Legal auditor



Pristina, 23 April 2018

Balkan Investigative Reporting Network ("BIRN Kosovo")

Statement of financial position as of December 31, 2017

(Amounts in Euro)

	<u>December 31,</u> <u>2017</u>	<u>December 31,</u> <u>2016</u>
Assets		
Current assets		
Cash and bank	700,424	232,174
Advance for employers - Other	-	1,476
Advance for Partners in Projects	15,155	-
Accounts Receivable	587,598	592,295
Total current assets	<u>1,303,177</u>	<u>825,945</u>
Non-current assets		
Property and equipment	41,846	67,481
Total non-current assets	<u>41,846</u>	<u>67,481</u>
Total assets	<u>1,345,023</u>	<u>893,426</u>
Liabilities and fund balance		
Creditors / Payables	-	4,140
Deferred Income	1,303,177	821,805
Total Liabilities	<u>1,303,177</u>	<u>825,945</u>
Fund balance		
Permanent Restricted Funds – non-current assets	67,481	93,507
Excess of Income /Expenses for the year	(25,635)	(26,026)
Total fund Balance	<u>41,846</u>	<u>67,481</u>
Total liabilities and Fund balance	<u>1,345,023</u>	<u>893,426</u>

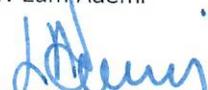
Authorized for issue by the management on 24/04/2018

Ms. Jeta Xharra



Executive Director

Mr. Lum Ademi



Finance Manager

The accompanying notes on pages 4 to 16 form an integral part of this Statement.

Balkan Investigative Reporting Network ("BIRN Kosovo")

Statement of performance for the year ended December 31, 2017

(Amounts in Euro)

	<u>2017</u>	<u>2016</u>
Income		
Project grants	883,971	1,168,376
Total Income	<u>883,971</u>	<u>1,168,376</u>
Expenditure		
Personnel	-494,726	-564,725
Projects expenses	-371,039	-576,227
Projects expenses - New Equipment	-8,826	-17,390
Administrative expenses	-5,890	-7,480
Other Expenses	-3,489	-2,554
Total Expenditures	<u>-883,971</u>	<u>-1,168,376</u>
Excess of Income over expenses	<u>0</u>	<u>0</u>
Other Income and expenses		
Plus: Fixed asset purchased during the year	8,826	17,390
Minus: Depreciation	-34,462	-43,416
Total other Income and Expenses	<u>-25,636</u>	<u>-26,026</u>
Total of Expenditure and other income and expenses	<u>-909,606</u>	<u>-1,194,402</u>
EXCESS OF INCOME / EXPENSES FOR THE YEAR	<u>-25,635</u>	<u>-26,026</u>

The accompanying notes on pages 4 to 16 form an integral part of this Statement.

Balkan Investigative Reporting Network ("BIRN Kosovo")

Statement of Cash Flows as of December 31, 2017

(Amounts in Euro)

	<i>December 31, 2017</i>	<i>December 31, 2016</i>
Profit / (loss) for the year	-25,636	-26,026
<i>Adjustment for:</i>		
Depreciation & amortization	34,462	43,416
Operating income before change in working capital	8,826	17,390
<i>Changes in operating assets and liabilities</i>		
(Increase) / decrease in accounts receivable	4,698	1,608
(Increase) / decrease in accounts payable	-4,140	-2,255
(Increase) / decrease in accounts receivable and other	1,476	-1,476
(Increase) / decrease in advances given for projects partners	-15,155	46,088
(Increase) / decrease in deferred revenue	481,372	-274,780
Net cash flow from operating activities	477,076	-213,425
Cash flows from investing activities		
Payments for purchases of equipment	-8,826	-16,339
Payments for purchases of intangible assets	-	-1,051
Net cash flow from investing activities	-8,826	-17,390
Net change in cash and cash equivalents	468,250	-230,815
Cash and cash equivalents at beginning	232,175	462,989
Cash and cash equivalents at end	700,425	232,175