

**Balkan Investigative Reporting Network
(BIRN Kosovo)**

Pristina - Kosovo

**AUDIT REPORT
AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2021**

Pristina, 29 March 2022



RAPORT I AUDITUESIT TË PAVARUR

**For the Executive Director of
Balkan Investigative Reporting Network (BIRN Kosova)**

Prishtina - Kosova

Opinion

We have audited the financial statements of the Balkan Investigative Reporting Network (BIRN Kosova) - Prishtina, Kosovo, including Statement of financial position as of December 31, 2021 and 2020, the statement of comprehensive statements of income and cash flow statements for the year ended on this date, as well as notes relating to these financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, BIRN's financial position as at 31 December 2021, as well as its financial performance and cash flows for the year ended in accordance with accounting policies and procedures disclosed in Note 2 to the accompanying financial statements and Law 04 / L-57, "On Freedom of Association in Non-Governmental Organizations".

The Basis for Opinion

We conducted our audit in accordance with the International Standards on Auditing (ISAs), our responsibilities deriving from which are further described in the Auditor's Responsibilities section in the Audit of the Financial Statements chapter of our report.

We are independent of the Company, in accordance with the ethical requirements relevant to our auditing of financial statements in Kosovo and have fulfilled all other responsibilities set out by these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Governance and Governance Responsibilities in regard to Financial Statements

Management is responsible for the preparation and fair presentation of financial statements in accordance with the accounting basis disclosed in Note 2 accompanying the financial statements, as well as with any internal controls management determines is necessary to enable preparation of a statement that is free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the organisation's ability to continue as a going concern, disclosing, as applicable, matters related to the going concern and using the going concern basis of accounting, unless management either intends to liquidate the organisation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the organisation's financial reporting process of Organisation.



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 statements.

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, then 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 controls.
- Obtain an understanding of internal controls, which is 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 Company's internal controls.
- 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 Company's 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 Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We then 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
Prishtina, Kosovo

Prishtina, 29 March 2022


Tomorr Zhaveli
Auditor Ligjor



Balkan Investigative Reporting Network - BIRN Kosovo

(Amounts in Euro)

Statement of comprehensive income for the year ended 31 December 2021

	31.12.2021	31.12.2020
Revenues from government grants and other grants	1,111,686	1,375,990
Income from donations and subvention	-	-
Income from business activities	-	-
Profits from the sale of assets	-	-
Other	-	-
Total Revenue	1,111,686	1,375,990
Cost of goods sold / cost of services provided	-	-
Expenditures for project implementation	(444,589)	(597,312)
Staff and contractor costs	(619,605)	(724,230)
Depreciation costs	(38,159)	(34,992)
Operational and administrative costs	(15,103)	(19,054)
Bad debts expenses	-	-
Other expenses	(3,140)	(2,432)
Costs for research and development	-	-
Losses from the sale of assets	-	-
Operating surpluses/(deficit)	(1,120,596)	(1,378,020)
Financial expenses	-	-
Financial income	-	-
Surplus/(Deficit) before tax (if applicable)	0	0
Tax on Profit	-	-
Surplus/(Deficit) for the year	(8,910)	(2,030)
Return of unused grants	-	-
Corrections of previous years	-	-
Surplus/(Deficit) at the end of the year	(8,910)	(2,030)

These financial statements have been approved and signed on behalf of the management

on 29 march 2022

Ms. Jeta Xharra

Executive Director

BIRN

Balkan Investigative Reporting Network
Rrethi i Redaktorëve për Gazetarië Holombuese

Ms. Yllka Hoxha

Finance Manager

Balkan Investigative Reporting Network - BIRN Kosovo

(Amounts in Euro)

Statement of financial Position at 31 December 2021

	31 December 2021	31 December 2020
ASSETS		
Current assets		
Cash and Cash equivalents	1,004,190	902,886
Financial Investment and other	0	0
Commercial and other accounts receivable	305,178	390,208
Project prepayments	113,657	193,430
Inventory	0	0
Other assets	0	0
Total current assets	1,423,025	1,486,524
Non-current assets		
Financial Investment and other	0	0
Property, equipment and plants	94,773	103,683
Intangible Assets	0	0
Other long-term assets	0	0
Total non-current assets	94,773	103,683
Total assets	1,517,798	1,590,207
Liabilities and Fund balance		
Current liabilities		
Accounts payables and other payables	19,045	27,433
Financial liabilities, short-term	0	0
Provisions, Reserves	0	0
Deferred income-grants not earned	1,403,980	1,459,091
Other Liabilities	0	0
Total short-term liabilities	1,423,025	1,486,524
Long-term liabilities		
Financial liabilities, long-term	0	0
Deferred tax liabilities	0	0
Deferred income - grants not earned	0	0
Total long-term liabilities	0	0
Total liabilities	1,423,025	1,486,524
Fund Balance		
The fund at beginning of the year	103,683	105,714
Excess / (decrease) of the year	(8,910)	(2,030)
Net Fund balance	94,773	103,683
Total Liabilities and fund balance	1,517,798	1,590,207

These financial statements have been approved and signed on behalf of the management

on 23 March 2022

Ms. Jeta Xharra

Executive Director

BIRN

Balkan Investigative Reporting Network
and Office for the Media's Freedom

Ms. Yllka Hoxha

Finance Manager

Balkan Investigative Reporting Network - BIRN Kosovo

(Amounts in Euro)

Statement of cash flows for the year ended 31 December 2021

	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES:		
Excess / (Deficit) at the end of the year	(8,910)	(2,030)
<i>Adjustments for non-cash items of expenses and revenues</i>		
Depreciation of property, equipment and plants	38,159	34,992
Changes in Assets and Operating Liabilities		
(Increase) / decrease in account Receivables and other	85,031	16,372
(Increase) / decrease in other assets - Prepayments	79,772	(60,090)
Increase / (decrease) in Accounts payable and other	(8,388)	(13,323)
Increase / decrease in accounts of deferred revenues	(55,111)	154,322
Increase / (decrease) in other liabilities	0	0
	101,304	97,281
I. CASH FLOWS FROM OPERATING ACTIVITIES	130,553	130,243
II. CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of Property, equipment and plants	(29,249)	(32,962)
Purchase of Intangible assets	0	0
II. CASH FLOWS FROM INVESTING ACTIVITIES	(29,249)	(32,962)
III. CASH FLOWS FROM FINANCING ACTIVITIES:		
	0	0
III. CASH FLOWS FROM FINANCING ACTIVITIES	0	0
INCREASE/(DECREASE) OF NET CASH AND CASH EQUIVALNTES	101,304	97,281
CASH AND CASH EQUIVALNTES AT BEGENING	902,885	805,604
CASH AND CASH EQUIVALNTES AT END	1,004,189	902,885