

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

Financial statements for the year ended  
31 December 2021 prepared in accordance  
and Independent Auditors' Report

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## Responsibility for the Financial Statements

Management is responsible for ensuring that financial statements are prepared for each financial period in accordance with International Financial Reporting Standards ("IFRS") as published by the International Accounting Standards Board ("IASB"), which give a true and fair view of the state of affairs and results of Balkan Investigative Reporting Regional Network BIRN (the "Association") for that period.

After making enquiries, Management has a reasonable expectation that the Association has adequate resources to continue in operational existence for the foreseeable future. For this reason, Association continues to adopt the going concern basis in preparing the financial statements.

In preparing these financial statements, the responsibilities of Association include ensuring that:

- suitable accounting policies are selected and then applied consistently;
- judgments and estimates are reasonable and prudent;
- applicable accounting standards are followed, subject to any material departures disclosed and explained in the financial statements; and
- the financial statements are prepared on the going concern basis unless it is inappropriate to presume that the Association will continue in business.

Management is responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time, the financial position of the Association. Management is to ensure that the financial statements comply with the Accounting and Auditing Law in the Federation of Bosnia and Herzegovina. Management is also responsible for safeguarding the assets of the Association, and hence, for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Signed on behalf of the Association



Marija Ristić

Director



Balkan Investigative Reporting Regional Network  
Splitka 6  
71000 Sarajevo  
Bosnia and Herzegovina

15 April 2022

## Auditors' Report

### **To the management of Balkan Investigative Reporting Regional Network:**

#### *Opinion*

We have audited the accompanying financial statements of the Balkan Investigative Reporting Regional Network, BIRN (the "Association"), set out on pages 4 to 23, which comprise the statement of financial position as at 31 December 2021, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Association as at 31 December 2021, and of its financial performance and its cash flows for the year then ended in accordance with the legal financial reporting framework applicable in the Federation of Bosnia and Herzegovina.

#### *Basis for opinion*

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Association within the meaning of Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants („IESBA") and have fulfilled our other responsibilities under those ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### *Responsibilities of Management and those charged with governance for the financial statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the legal financial reporting framework applicable in the Federation of Bosnia and Herzegovina and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

### *Auditors' 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 auditors' 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 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 scepticism throughout the planning and performance of 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 entity'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 Association'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 Association 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 are required to communicate with Management 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.

**n.Consulting d.o.o.**

Nerman Čeho, director

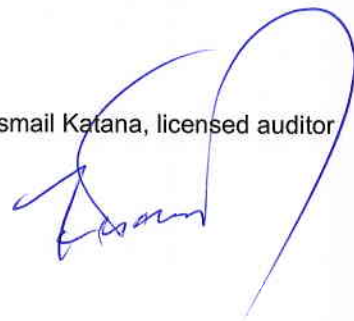


Sarajevo, Bosnia and Herzegovina

15 April 2022



Ismail Katana, licensed auditor



Balkan Investigative Reporting Regional Network  
Statement of comprehensive income  
for the year ended 31 December 2021  
(All amounts are expressed in BAM, unless otherwise stated)

	Note	2021	2020
Donors contributions	5	6,024,475	4,562,608
Other income	6	<u>47,536</u>	<u>48,228</u>
<b>Total income</b>		<b><u>6,072,011</u></b>	<b><u>4,610,836</u></b>
Staff expenses	7	(309,844)	(221,416)
Professional services	8	(5,047,948)	(3,757,481)
Other operating expenses	9	(628,539)	(465,312)
Depreciation and amortization	10	<u>(15,746)</u>	<u>(5,653)</u>
<b>Total operating costs</b>		<b><u>(6,002,077)</u></b>	<b><u>(4,449,862)</u></b>
Financial income		882	759
Foreign exchange differences, net		<u>(75,116)</u>	<u>(25,038)</u>
<b>Surplus / (deficit) for the year</b>		<b><u>(4,300)</u></b>	<b><u>136,695</u></b>
Other comprehensive income		-	-
<b>Total comprehensive income / (loss)</b>		<b><u>(4,300)</u></b>	<b><u>136,695</u></b>

The accompanying notes form an integral part of these financial statements.

Balkan Investigative Reporting Regional Network  
Statement of financial position  
as at 31 December 2021

(All amounts are expressed in BAM, unless otherwise stated)

	Note	31 December 2021	31 December 2020
<b>ASSETS</b>			
<b>Non-current assets</b>			
Tangible and intangible assets	10	97,685	35,186
Advances given for intangible assets		12,285	12,285
Investments in associates	11	317	317
Long-term deposits		10,800	5,000
		<b>121,087</b>	<b>52,788</b>
<b>Current assets</b>			
Receivables from donors and other assets	12	236,849	220,870
Cash and cash equivalents	13	2,014,054	1,518,333
		<b>2,250,903</b>	<b>1,739,203</b>
<b>TOTAL ASSETS</b>		<b>2,371,990</b>	<b>1,791,991</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Accumulated surplus		379,432	383,732
		<b>379,432</b>	<b>383,732</b>
<b>Current liabilities</b>			
Deferred income	14	1,923,357	1,333,319
Trade and other payables	15	68,079	74,691
Bank account overdrafts		1,122	249
		<b>1,992,558</b>	<b>1,408,259</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>2,371,990</b>	<b>1,791,991</b>

The accompanying notes form an integral part of these financial statements.

Signed on behalf of the Association on 15 April 2022:



Marija Ristić, Director



Balkan Investigative Reporting Regional Network  
Statement of changes in equity  
for the year ended 31 December 2021  
(All amounts are expressed in BAM, unless otherwise stated)

	<u>Accumulated surplus</u>	<u>Total</u>
<b>Balance at 31 December 2019</b>	<b><u>247,037</u></b>	<b><u>247,037</u></b>
Surplus for the year	136,695	136,695
Other comprehensive income		
<i>Total comprehensive loss</i>	<u>136,695</u>	<u>136,695</u>
<b>Balance at 31 December 2020</b>	<b><u>383,732</u></b>	<b><u>383,732</u></b>
Surplus for the year	(4,300)	(4,300)
Other comprehensive income	-	-
<i>Total comprehensive income</i>	<u>(4,300)</u>	<u>(4,300)</u>
<b>Balance at 31 December 2021</b>	<b><u>379,432</u></b>	<b><u>379,432</u></b>

The accompanying notes form an integral part of these financial statements.



Balkan Investigative Reporting Regional Network  
Statement of cash flows  
for the year ended 31 December 2021

(All amounts are expressed in BAM, unless otherwise stated)

	2021	2020
<b>Operating activities</b>		
Surplus / (deficit)	(4,300)	136,695
Adjustments for:		
Depreciation of tangible assets	15,746	5,653
Disposal of tangible assets	14	-
Write-off of liabilities	-	875
Losses from donated non-current assets	-	725
Finance income recognized in income statement	(882)	(759)
<i>Cash flows before movements in working capital</i>	<i>10,578</i>	<i>143,189</i>
(Increase) / decrease in receivables from donors and other receivables	(21,779)	(120,032)
Increase / (decrease) in trade and other payables	(5,739)	23,402
(Decrease) / increase in deferred income	590,038	(390,518)
<b>Net cash (used in) / from operating activities</b>	<b>573,098</b>	<b>(343,959)</b>
<b>Investing activities</b>		
Purchases of equipment and intangible assets	(78,259)	(25,478)
Interest received	882	759
<b>Net cash used in investing activities</b>	<b>(77,377)</b>	<b>(24,719)</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>495,721</b>	<b>(368,678)</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>1,518,333</b>	<b>1,887,011</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>2,014,054</b>	<b>1,518,333</b>

The accompanying notes form an integral part of these financial statements.

**Balkan Investigative Reporting Regional Network**  
**Notes to the financial statements**  
**for the year ended 31 December 2021**

*(All amounts are expressed in BAM, unless otherwise stated)*

**1. GENERAL**

Balkan Investigative Reporting Regional Network (the "Association") is association established on 12 February 2005 under Ministry of Justice of Bosnia and Herzegovina, registration number RU-297/05. The Association implements a multi-year media development program in the territory of Balkans.

The registered address of the Association is Splitska no. 6, Sarajevo, Bosnia and Herzegovina.

As at 31 December 2021, the Association had 8 employees (2020: 6 employees).

**Management / Representative**

Marija Ristić Director

**Assembly Committee**

Tim Judah	President
Per Byman	Member
Robert Bierman	Member
Steve Crawshaw	Member
Ana Petruševa	Member

**Steering Board**

Ana Petruševa	President
Denis Džidić	Member
Kristina Voko	Member
Dragana Žarković Obradović	Member
Jeta Xharra	Member
Marian Chiriac	Member
Marija Ristić	Member

Based on author and temporary working contracts, the Association had 314 employees (2020: 277 employees), which can be presented as follows:

Regional manager	1	Development - operational management	15
Journalists	164	Web personel	9
Translator	18	Marketing Officer	2
Project manager / Coordinators	8	Trainers	9
Editors	10	Others	78

**2. BASIS FOR THE PREPARATION OF FINANCIAL STATEMENTS**

**New and amended standards, adopted by the Association**

For the first time, the Association has applied the following new and revised standards and amendments, as well as their interpretations, for the annual reporting period beginning on 1 January 2021:

- Covid-19 Rental Concessions - Amendments to IFRS 16
- Reference Interest Rate Reform (IBOR) - Phase 2 amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16.

These changes did not have an impact on amounts recognized in prior periods and are not expected to have a material effect on current or future periods.

Balkan Investigative Reporting Regional Network  
Notes to the financial statements  
for the year ended 31 December 2021

*(All amounts are expressed in BAM, unless otherwise stated)*

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## **2. BASIS FOR THE PREPARATION OF FINANCIAL STATEMENTS (CONTINUED)**

### **Published standards that have not yet entered into force**

Certain new accounting standards and interpretations have been issued, which are not mandatory for the reporting period ending on 31 December 2021 and which have not been previously adopted by the Association.

- Sale or entry into an asset between an investor and its associate or joint venture - Amendments to IFRS 10 and IAS 28 (issued on 11 September 2014 and effective for annual periods beginning on or after the date specified by the IASB).
- IFRS 17: "Insurance Contracts" (issued on 18 May 2017) and amendments to IFRS 17 and IFRS 4 (issued on 25 June 2020) - all effective for annual periods beginning on or after 1 January 2023.
- Classification of liabilities as short-term or long-term - Amendments to IAS 1 (issued on 23 January 2020 and effective for annual periods beginning on or after 1 January 2023).
- Pre-intended inflows, Harmful and contracts - Contract costs, Reference to the Conceptual Framework - Amendments to the narrow scope of IAS 16, IAS 37 and IFRS 3 and Annual Improvements to IFRS 2018-2020 - Amendments to IFRS 1, IFRS 9, IFRS 16 and IAS 41 (issued on 14 May 2020 and effective for annual periods beginning on or after 1 January 2022).
- Amendments to IAS 1 and IFRS Statement of Practice no. 2: Disclosure of accounting policies (issued on 12 February 2021 and effective for annual periods beginning on or after 1 January 2023).
- Amendments to IAS 8: Definition of Accounting Estimates (issued on 12 February 2021 and effective for annual periods beginning on or after 1 January 2023).
- Covid-19 Rental Concessions - (Additional) Amendments to IFRS 16 (issued March 31, 2021 and effective for annual periods beginning on or after April 1, 2021).
- Deferred tax on assets and liabilities arising from individual transactions - Amendments to IAS 12 (issued on 7 May 2021 and effective for annual periods beginning on or after 1 January 2023).

These standards are not expected to have a significant impact on the Association in the current or future reporting periods and on foreseeable future transactions.

## **3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

### **Statement of compliance**

The financial statements have been prepared in accordance with International Financial Reporting Standards ('IFRS'), as published by the Board for International Accounting Standards.

### **Basis for presentation**

The financial statements have been prepared on the historical cost basis except for the revaluation of certain non-current assets and financial instruments.

The financial statements are presented in thousands of Convertible mark (KM) which is the functional currency of the Association.

The financial statements have been prepared on an accrual basis and undergoing concern assumption.

Balkan Investigative Reporting Regional Network  
Notes to the financial statements  
for the year ended 31 December 2021

*(All amounts are expressed in BAM, unless otherwise stated)*

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**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Basis for presentation (continued)**

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and their reported amounts of revenues and expenses during the reporting period. These estimates are based on the information available as at the reporting period date and actual results could differ from those estimates.

The financial statements are prepared on an accrual basis of accounting, under the going concern assumption.

**Revenue recognition**

Grants that compensate the Association for expenses incurred are recognised as revenue in the income and expenditure statement on a systematic basis in the same periods in which the expenses are incurred.

Grants that compensate the Association for the cost of an asset are recognised in the income and expenditure statement on a systematic basis over the useful life of the assets.

**Expenses**

Expenditures are recognized as expense, at historical cost, during the period in which they are incurred.

**Employee benefits**

On behalf of its employees, the Association pays personal income tax and contributions for pension, disability, health and unemployment insurance, on and from salaries, which are calculated as per the set legal rates during the course of the year on the gross salary. The Association pays the tax and contributions in the favour of the institutions of the Federation of Bosnia and Herzegovina (on federal and cantonal level). In addition, meal allowances, transport allowances and vacation bonuses are paid in accordance with the local legislation. These expenses are recorded in the income statement in the period in which the salary expense is incurred.

**Foreign currencies**

Transactions in foreign currencies are translated into the functional currency using the exchange rate prevailing at the date of the transactions or published daily exchange rates. Monetary assets and liabilities denominated in foreign currency at the financial position date are translated to the functional currency at the foreign exchange rate ruling at that date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognised in the income and expenditure statement.

Non-monetary assets and items that are measured in terms of historical cost of a foreign currency are retranslated using the exchange rate at the date of the transaction.

**Tangible assets**

Equipment is stated at cost, less accumulated depreciation and any recognized accumulated impairment losses. The purchase cost includes the purchase price and all costs directly related to bringing the asset into operating condition for its intended use.

Gains and losses on the retirement or disposal of tangible assets are included in the income statement in the period in which they occur.

Balkan Investigative Reporting Regional Network  
Notes to the financial statements  
for the year ended 31 December 2021

*(All amounts are expressed in BAM, unless otherwise stated)*

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**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Tangible assets (continued)**

Depreciation is charged from the moment the tangible asset is ready for its intended use. It is calculated in the basis of the estimated useful life of the asset, using the straight-line method. The estimated rates of depreciation were as follows:

Equipment	20% - 33%
Furniture	20%

**Cash and cash equivalents**

Cash and cash equivalents comprise cash in hand and balance with banks.

**Impairment**

The carrying amounts of the Association's non-financial assets are reviewed at each reporting date to determine whether there is any indication for impairment. If any such indication exists then the asset's recoverable amount is estimated.

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable asset group that generates cash flows that largely are independent from other assets and groups. Impairment losses are recognised in the income and expenditure statement. Impairment losses recognised in respect of cash-generating units are allocated to reduce the carrying amount of the assets in the unit on a pro rata basis.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss in respect of a receivable carried at amortised cost is reversed if the subsequent increase in recoverable amount can be related objectively to an event occurring after the impairment loss was recognised.

In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been an indication that an impairment loss may have decreased and there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

**Deferred income**

Grant income is recognised in the statement of financial position initially as deferred income when it is received. Exceptionally grant income is recognised in the statement of financial position before it has been received if it has been legally contracted and has been allocated for expenses that have been incurred in the reporting period.

Balkan Investigative Reporting Regional Network  
Notes to the financial statements  
for the year ended 31 December 2021

*(All amounts are expressed in BAM, unless otherwise stated)*

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**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Deferred income (continued)**

Deferred income represents the amount of unused grant revenue that has not been expensed in the reporting period. Grant income used for the purchase of fixed assets is recognised as deferred income and is released to the income and expenditure statement on a systematic basis over the useful life of the asset.

**Interest income and expenses**

Interest income is recognised in the income statement as it accrues.

Interest expense is recognised for the interest that is earned on donors' contributions which according to the contribution agreements, should be remitted to the donor.

**Trade and other payables**

Trade and other payables are initially recognised at fair value and then subsequently measured at amortised cost.

**Investments in associates**

An associate is an enterprise over which the Association is in a position to exercise significant influence, but not control, through participation in the financial and operating policy decisions of the investee. Investments in associates are carried in these separate financial statements at cost, including any impairment in the value of individual investments.

**Taxation**

In Bosnia and Herzegovina, the Association is afforded exemption from taxation in line with the normal privileges extended to diplomatic organisations.



Balkan Investigative Reporting Regional Network  
Notes to the financial statements  
for the year ended 31 December 2021

*(All amounts are expressed in BAM, unless otherwise stated)*

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**4. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY**

In the application of the Association's accounting policies, which are described in Note 3, the Management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

**Key sources of estimation uncertainty**

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting period date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

***Useful lives of equipment***

As described in Note 3 above, the Association reviews the estimated useful lives of equipment at the end of each annual reporting period.

***Impairment of trade receivables and other receivables***

The Association recognizes impairment losses for doubtful receivables based on estimated losses that result from the inability of customers to settle their obligations. When evaluating the adequacy of the allowance for doubtful receivables, the Management of the Association makes own assessment based on the age structure of claims and write-downs from previous years.

Balkan Investigative Reporting Regional Network  
Notes to the financial statements  
for the year ended 31 December 2021

(All amounts are expressed in BAM, unless otherwise stated)

**5. DONORS CONTRIBUTIONS**

	<b>2021</b>	<b>2020</b>
<i>Restricted donors contributions</i>		
Swedish International Development Cooperation Agency (SIDA)	1,464,282	788,435
British Council – BRIT	1,370,887	462,164
European Commission – Strengthening Quality News and Ind. Journalism in Western Balkans and Turkey	976,890	1,062,362
The State of the Netherlands, Ministry of Foreign Affairs Security Policy Department	452,492	-
Die ERSTE österreichische Spar-casse Privatstiftung - RepDeM	431,707	363,429
European Commission – Balkan Transitional Justice	243,663	499,613
BIRN Kosovo, subgrant Austrian Development Agency	141,618	102,595
The Federal Ministry for Economic Cooperation and Development (BMZ) – NOST	108,321	-
Fondation Nicolas Puech	106,480	93,427
Network of European Foundations – EUAI Fund	83,816	-
The German Marshall Fund of the United States – BTD FY2021	71,672	-
Network of European Foundations – Civitates	59,588	171,209
Konrad-Adenauer-Stiftung, BIRN Summer School of Investigative Reporting	58,676	-
Konrad-Adenauer-Stiftung, Digital Rights Monitoring Database	57,062	-
The Regional Youth Cooperation Office	50,516	-
European Commission – CIJA	40,098	-
International Federation of Journalists AISBL – EBU	34,872	-
CIN-CG, subgrant European Commission	32,286	14,972
Internews – RepDem Gif Internews	13,117	-
International Press Institute – IJ4EU	9,714	-
The State of the Netherlands, Ministry of Foreign Affairs – MATRA	8,849	211,647
Hedayah	5,166	27,149
Central European University – Black waters	1,527	16,785
Department of State Counterterrorism Bureau – CIJA RVI	-	378,810
Erste Stiftung österreichische Spar-casse Privatstiftung - BFJE and TIDE 2019	-	46,946
The German Marshall Fund of the United States – BTD C19	-	43,317
EBU – The International Federation of Journalist	-	42,689
NGO 35 mm – Montenegro – Regional Robin Hood	-	11,635
Erste Stiftung – Alumni Meeting	-	8,811
Share Fondation	-	8,475
	<b>5,823,299</b>	<b>4,354,470</b>
<i>Unrestricted donors contributions</i>		
Rockefeller Brothers Fund	201,176	208,138
	<b>201,176</b>	<b>208,138</b>
	<b>6,024,475</b>	<b>4,562,608</b>



Balkan Investigative Reporting Regional Network  
Notes to the financial statements  
for the year ended 31 December 2021

*(All amounts are expressed in BAM, unless otherwise stated)*

**6. OTHER INCOME**

	<b>2021</b>	<b>2020</b>
Services rendered – foreign	44,006	42,960
Services rendered – domestic	3,290	3,912
Write-off of liabilities	-	875
Other income	240	481
	<b>47,536</b>	<b>48,228</b>

**7. STAFF EXPENSES**

	<b>2021</b>	<b>2020</b>
Gross salaries	292,105	207,819
Meal allowance	12,464	9,008
Transport allowance	3,710	2,438
Other income	1,565	2,151
	<b>309,844</b>	<b>221,416</b>

**8. PROFESSIONAL SERVICES**

	<b>2021</b>	<b>2020</b>
Royalties and taxes	1,743,301	1,709,683
Expense related to joint work on projects	1,476,211	1,589,593
Web services and web subscription	252,344	113,014
Consulting fees	250,947	33,778
Conference meeting and training expenses	225,381	59,790
Editorial expenses	159,507	149,284
Film production	44,458	14,702
Accounting and auditing services	30,203	31,838
Translation services	13,718	20,065
Business trip	5,979	10,710
Other professional services	16,616	25,024
	<b>5,047,948</b>	<b>3,757,481</b>

Balkan Investigative Reporting Regional Network  
Notes to the financial statements  
for the year ended 31 December 2021

(All amounts are expressed in BAM, unless otherwise stated)

**9. OTHER OPERATING EXPENSES**

	2021	2020
Rents and utilities	168,347	94,976
Travel expenses and accommodation	151,214	32,190
Given stipends, awards and development expenses	136,579	128,832
Bank fees and services	70,415	53,558
Printing	37,392	46,031
Contributions, fees and other taxes	22,419	17,331
Representation	15,076	6,302
Communication expenses	12,098	24,285
Office supplies	8,965	13,577
Donations	688	725
Other expenses	5,346	47,505
	<b>628,539</b>	<b>465,312</b>

**10. TANGIBLE AND INTANGIBLE ASSETS**

	Intangible assets	Transport vehicles	Equipment	Furniture	Total
<b><u>HISTORICAL COST</u></b>					
<b>At 31 December 2019</b>	-	-	<b>73,351</b>	<b>8,232</b>	<b>81,583</b>
Additions	21,516	-	1,357	2,605	25,478
Disposals	-	-	(1,332)	-	(1,332)
<b>At 31 December 2020</b>	<b>21,516</b>	-	<b>73,376</b>	<b>10,837</b>	<b>105,729</b>
Additions	28,555	43,900	5,640	164	78,259
Disposals	-	-	(33,277)	(4,072)	(37,349)
<b>At 31 December 2021</b>	<b>50,071</b>	<b>43,900</b>	<b>45,739</b>	<b>6,929</b>	<b>146,639</b>
<b><u>ACCUMULATED DEPRECIATION</u></b>					
<b>At 31 December 2019</b>	-	-	<b>60,637</b>	<b>4,860</b>	<b>65,497</b>
Charge for the year	789	-	3,638	1,226	5,653
Disposals	-	-	(607)	-	(607)
<b>At 31 December 2020</b>	<b>789</b>	-	<b>63,668</b>	<b>6,086</b>	<b>70,543</b>
Charge for the year	8,111	2,195	3,819	1,621	15,746
Disposals	-	-	(33,277)	(4,058)	(37,335)
<b>At 31 December 2021</b>	<b>8,900</b>	<b>2,195</b>	<b>34,210</b>	<b>3,649</b>	<b>48,954</b>
<b><u>CARRYING AMOUNT</u></b>					
<b>At 31 December 2020</b>	<b>20,727</b>	-	<b>9,708</b>	<b>4,751</b>	<b>35,186</b>
<b>At 31 December 2021</b>	<b>41,171</b>	<b>41,705</b>	<b>11,529</b>	<b>3,280</b>	<b>97,685</b>

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**11. INVESTMENTS IN ASSOCIATES**

Company	31 December 2021		31 December 2020	
	Amount	Ownership	Amount	Ownership
BIRN d.o.o. Belgrade, Serbia	317	32,37%	317	32,37%
	<b>317</b>	<b>32,37%</b>	<b>317</b>	<b>32,37%</b>

Summary financial information of associate is shown below:

	31 December 2021	31 December 2020
Total assets	427,463	304,741
Total liabilities	(282,574)	(159,852)
Net assets	144,886	144,889
The Association's share in net assets	<b>46,901</b>	<b>46,901</b>

**12. RECEIVABLES FROM DONORS AND OTHER ASSETS**

	31 December 2021	31 December 2020
<i>Receivables from donors:</i>		
European Commission – Balkan Transitional Justice	181,627	-
Network of European Foundations	39,815	-
Investigative Journalism for Europe	9,715	-
Regional Youth Cooperation Office	3,584	-
Hedayah	1,610	5,373
NVO Fondacija Centar za Istraživačko novinarstvo	498	-
British Council – BRIT	-	96,146
Department of State Counterterrorism Bureau – CIJA RVI	-	73,670
Die ERSTE österreichische Spar-casse Privatstiftung – BFJE & TIDE	-	39,208
Kingdom of the Netherlands - MATRA	-	6,473
	<b>236,849</b>	<b>220,870</b>

**13. CASH AND CASH EQUIVALENTS**

	31 December 2021	31 December 2020
Cash at bank accounts – foreign currencies	1,403,787	1,500,561
Cash at bank accounts – KM	609,231	17,358
Petty cash	1,036	414
	<b>2,014,054</b>	<b>1,518,333</b>

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**14. DEFERRED INCOME**

	<b>31 December 2021</b>	<b>31 December 2020</b>
Swedish International Development Cooperation Agency (SIDA)	566,730	251,404
European Commission – Western Balkan Media Days	393,448	609,602
The State of the Netherlands, Ministry of Foreign Affairs Security Policy Department	212,129	-
British Council – BRIT	162,505	-
Die ERSTE osterreichische Spar-casse Privatstiftung Rep Dem 2021	152,074	-
Kingdom of the Netherlands – MATRA	136,725	-
German Marshall Fund, Balkan Trust for Democracy	104,321	-
EBU – The International Federation of Journalist	85,252	41,304
Die ERSTE osterreichische Spar-casse Privatstiftung Rep Dem 2020	50,029	164,528
Internews - RepDem Gif Internews	37,694	-
The Federal Ministry for Economic Cooperation and Development (BMZ)	12,405	-
BIRN Kosovo, subgrant Austrian Development Agency (ADA)	10,045	151,662
European Commission – Balkan Transitional Justice	-	62,036
Network of European Foundations – Civitates	-	34,006
CIN-CG, subgrant European Commision	-	11,041
Fondation Nicolas Puech	-	6,209
Black Waters – CEU	-	1,527
	<b>1,923,357</b>	<b>1,333,319</b>

**15. TRADE AND OTHER PAYABLES**

	<b>31 December 2021</b>	<b>31 December 2020</b>
<i>Trade payables:</i>		
Trade payables – related parties	26,735	47,327
Trade payables – other	9,280	15,430
	<b>36,015</b>	<b>62,757</b>
<i>Other payables:</i>		
Liabilities to service contracts with individuals	28,490	10,622
Liabilities for taxes and contributions	3,574	1,312
	<b>32,064</b>	<b>11,934</b>
	<b>68,079</b>	<b>74,691</b>

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**16. RELATED PARTY TRANSACTIONS**

**Transactions in the ordinary course of business**

Transactions between the Association and its related parties are summarized as follows:

	<b>Income / Sales</b>		<b>Expenses / Purchases</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
BIRN d.o.o. Beograd	331,191	90,858	44,006	35,205
BIRN Bosnia	318,437	174,664	-	3,912
BIRN Kosovo	329,326	154,158	3,290	-
BIRN Srbija	323,278	207,500	-	-
BIRN Makedonija	161,512	68,387	-	-
BIRN Albania	46,079	83,476	-	-
	<b>1,509,823</b>	<b>779,043</b>	<b>47,296</b>	<b>39,117</b>

At year end the Association had receivables from and liabilities to related parties as follows:

	<b>Receivables</b>		<b>Liabilities</b>	
	<b>31 December 2021</b>	<b>31 December 2020</b>	<b>31 December 2021</b>	<b>31 December 2020</b>
BIRN d.o.o. Beograd	-	-	1,457	-
BIRN Bosnia	-	-	-	47,327
BIRN Srbija	-	-	7,823	-
	<b>-</b>	<b>-</b>	<b>9,280</b>	<b>47,327</b>

**Directors' remuneration**

The remuneration of Director during the year was as follows:

	<b>2021</b>	<b>2020</b>
Temporary employment contract	107,434	88,309
	<b>107,434</b>	<b>88,309</b>

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**17. FINANCIAL INSTRUMENTS**

*Significant accounting policies*

Basic accounting policies and procedures, including criteria for recognition, basis for presentation, measurement and recognition based on which income and expenses for each category of financial assets, liabilities and equity instruments are recognized, are disclosed in Note 3 of financial statements.

*Categories of financial instruments*

	31 December 2021	31 December 2020
<b>Financial assets</b>		
Receivables (including cash and cash equivalents)	2,261,703	1,744,203
	<b>2,261,703</b>	<b>1,744,203</b>
<b>Financial liabilities</b>		
Amortised cost	69,201	74,940
	<b>69,201</b>	<b>74,940</b>

*Financial risk management objectives*

Department of Finance and Accounting, together with the external accounting agency FinAudit Sarajevo, provides services to the business, co-ordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Association through internal risk reports which analyse exposures by degree and magnitude of risks. These risks include market risk (including currency risk and interest rate risk), credit risk, liquidity risk and cash flow interest rate risk.

*Foreign currency risk*

The Association undertakes certain transactions denominated in foreign currencies. Hence, exposures to exchange rate fluctuations arise.

The amounts of the Association's monetary assets and monetary liabilities at the reporting date, denominated in foreign currencies, were as follows:

	<b>Assets</b>		<b>Liabilities</b>	
	31 December 2021	31 December 2020	31 December 2021	31 December 2020
EUR	1,403,784	1,642,639	-	-
USD	3	3	-	-
GBR	2	96,146	-	-
CHF	-	-	-	6,209

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**17. FINANCIAL INSTRUMENTS (CONTINUED)**

*Foreign currency risk*

The Association is mainly exposed to EUR, USD, GBR and CHF. In Management's opinion, the sensitivity analysis related to EUR is unrepresentative of the inherent foreign exchange risk since in accordance with the Law on Central Bank of Bosnia and Herzegovina the Convertible Mark ("KM") is officially tied to the Euro. Change in the exchange rate would require the amendments of the law and approval by Parliamentary Assembly of Bosnia and Herzegovina.

The following table details the Association's sensitivity to a 10% increase and decrease in KM against USD, GBR and CHF. 10% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding USD, GBR and CHF denominated monetary items and adjusts their translation at the period end for a 10% change in foreign currency rates. A positive number below indicates an increase in profit and other equity where KM strengthens 10% against USD, GBR and CHF. For a 10% weakening of KM against USD, GBR and CHF, there would be an equal and opposite impact on the profit and other equity, and the balances below would be negative.

	Impact USD		Impact GBR		Impact CHF	
	2021	2020	2021	2020	2021	2020
Gain / Loss	1	1	-	9,615	-	621

*Interest rate risk management*

The Association is not exposed to interest rate risk as it has no financial instruments (assets and liabilities) issued at floating interest rates.

*Credit risk management*

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Association. The Association has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults.

The Association's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved by the risk management committee annually.



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**17. FINANCIAL INSTRUMENTS (CONTINUED)**

*Liquidity risk management*

The Association manages liquidity risk by maintaining adequate reserves and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

*Liquidity and interest risk tables*

The tables have been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets except where the Association anticipates that the cash flow will occur in a different period.

*Maturity for non-derivative financial assets*

	Weighted average effective interest rate %	From 1 month BAM	2-6 months BAM	7-12 months BAM	1-5 years BAM	Total BAM
<b>31 December 2021</b>						
Non-interest bearing	-	2,014,054	236,849	-	10,800	2,261,703
		<b>2,014,054</b>	<b>236,849</b>	<b>-</b>	<b>10,800</b>	<b>2,261,703</b>
<b>31 December 2020</b>						
Non-interest bearing	-	1,518,333	220,870	-	5,000	1,744,203
		<b>1,518,333</b>	<b>220,870</b>	<b>-</b>	<b>5,000</b>	<b>1,744,203</b>

The following tables detail the Association's remaining contractual maturity for its non-derivative financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Association can be required to pay.

*Maturity for non-derivative financial liabilities*

	Weighted average effective interest rate %	From 1 month BAM	2-6 months BAM	7-12 months BAM	1-5 years BAM	Total BAM
<b>31 December 2021</b>						
Non-interest bearing	-	69,201	-	-	-	69,201
		<b>69,201</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>69,201</b>
<b>31 December 2020</b>						
Non-interest bearing	-	74,940	-	-	-	74,940
		<b>74,940</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>74,940</b>

*Fair value of financial instruments*

The Management considers that carrying amounts of financial assets and liabilities, recorded by amortized cost in financial statements, and does not differ significantly of its fair value.



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**18. EVENTS AFTER THE BALANCE SHEET DATE**

Since 2020, with the spread of the COVID-19 pandemic, significant negative effects of business entities on a global level have been recorded. In many countries, economic entities are forced to suspend or limit their operations for a longer or indefinite period, which is the case with our country as well. Measures taken to combat the spread of the virus, by banning travel, quarantine, social distancing, and by suspending the provision of non-essential services, have significantly disrupted the country's economic activities, ultimately resulting in a decline in all economic indicators. Global and local securities markets are recording a significant trend of weakening and falling stock prices. Governments and central banks have undertaken a series of monetary and fiscal interventions to stabilize economic conditions.

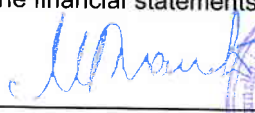
The Association is constantly assessing the potential impact of the Covid-19 virus on the social and economic environment. Based on current knowledge, it is difficult to assess the medium- and long-term financial impact of the virus.

The longer-term impact of the Covid-19 crisis may affect business volumes, cash flows, and profitability. Nevertheless, at the date of the financial statements, the Association is able to meet its obligations and continues to use the going concern principle as a basis for preparing the financial statements.

In addition, there were no significant events between the balance sheet date and the date of approval of these financial statements that require disclosure.

**19. APPROVAL OF FINANCIAL STATEMENTS**

The financial statements were approved by the Management and authorised for issue on 15 April 2022.

  
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Marija Ristić  
Director

