



NGO and Business Audit d.o.o. Sarajevo, Društvo za reviziju i finansijski konsalting

Independent Assurance Report – Financial Audit

RAI Steering Group

Stability Pact Anti-Corruption Initiative Regional Secretariat Liaison Office
("SPAI RSLO") /Regional Anti-Corruption Initiative Secretariat ("RAI Secretariat)

Bistrik 5,
71000 Sarajevo
Bosnia and Herzegovina

We have audited Financial Report of the Stability Pact Anti-Corruption Initiative Regional Secretariat Liaison Office (SPAI RSLO) Project named "Regional Anti-Corruption Capacity Building" funded by the American Bar Association ("ABA"). Audited funds relate to the USAID grants No. 13340-6004518; 6004518; 194-A-00-04-00101-00 and 4518 for the period from February 2, 2004 to November 30, 2008. Our responsibility is to express an opinion on the Financial Report based on our audit, which is a financial audit performed in the context of compliance with the applicable Subgrant Agreements Terms and Conditions for the Project. The Financial Report is the responsibility of SPAI RSLO. Our responsibility is to express an opinion on the Financial Reports based on our audit.

We have audited the Financial Report for the period from February 2, 2004 to November 30, 2008 as follows:

All amounts are in US\$

USAID Grant No.	Budget	Revenue	Costs	Eligible Costs
13340-6004518	69.339,00	69.339,00	65.192,94	65.192,94
6004518	490.650,00	408.875,00	377.940,12	377.940,12
194-A-00-04-00101-00	284.998,00	197.917,93	228.085,19	228.085,19
194-A-00-04-00101-00	177.000,00	173.837,66	171.460,81	171.460,81
4518	122.428,00	116.888,81	118.027,31	118.027,31
Total Grant Revenue	-	966.858,40	-	-
Interest	-	631,49	-	-
Total	1.144.415,00	967.489,89	960.706,37	960.706,37

OUTSTANDING FUNDS	6.783,52
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We conducted our audit in accordance with the U.S. Government Auditing Standards issued by the Comptroller General of the United States which concern Audits and Reviews of Historical Financial Information and in accordance with the basic principles and concepts of the International Framework for Assurance Engagements established by the IFAC for the performance of this audit insofar these standards can be usefully applied in this financial audit



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performance of this audit insofar these standards can be usefully applied in this financial audit and in its specific compliance context. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Financial Reports are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the above mentioned Financial Reports. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the Financial Report. This audit also involved evaluating SPAI RSLO 's compliance with the applicable Subgrant Agreements Terms and Conditions for the Project which are set out in the Subgrant Agreements of April 2004; October 2004; February 2006; March 2007 and June 2007. We believe that our audit provides a reasonable basis for our opinion.

In our opinion:

- The Financial Report of the Project named "Regional Anti-Corruption Capacity Building" for the period from February 2, 2004 to November 30, 2008. presents, in all material respects, accurately the expenditure actually incurred and the revenue received for the Project in conformity with the applicable Subgrant Agreements Terms and Conditions; and
- the Project funds provided by the ABA have, in all material respects, been used in conformity with the applicable Subgrant Agreement Terms and Conditions.

This report is intended for the information and use of the ABA, and SPAI RSLO and it can be presented and disclosed to third parties whenever ABA, and SPAI RSLO consider it appropriate.

Sarajevo, January 05, 2009

Signed

NGO and Business Audit d.o.o. Sarajevo

Ismeta Čardaković

Ismeta Čardaković, Auditor



Azra Krajšek

Azra Krajšek, Auditor