

**European Bank
for Reconstruction and Development**

The Balkan Region Special Fund

**Annual Financial Report
31 December 2014**

The Balkan Region Special Fund

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Statement of comprehensive income

For the year ended 31 December 2014

	Note	Year to 31 December 2014 € 000	Year to 31 December 2013 € 000
Fee income		45	43
Foreign exchange movement		-	(7)
Other operating expenses	3	(7)	(7)
Net profit and comprehensive income for the year		38	29
Attributable to:			
Contributors		38	29

Balance sheet

	Note	31 December 2014 € 000	31 December 2013 € 000
Assets			
Placements with credit institutions		7,904	7,866
Other financial assets	4	25	47
Total assets		7,929	7,913
Liabilities			
Other financial liabilities	5	20	42
Contributors' resources			
Contributions	6	9,779	9,779
Accumulated loss		(1,870)	(1,908)
Total contributors' resources		7,909	7,871
Total liabilities		7,929	7,913
Memorandum items			
Guarantees		7,377	7,663

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Statement of changes in contributors' resources

For the year ended 31 December 2014

	Contributions	Accumulated loss	Total
	€ 000	€ 000	€ 000
At 31 December 2012	9,772	(1,937)	7,835
Revaluation of contributions	7	-	7
Total comprehensive income for the year	-	29	29
At 31 December 2013	9,779	(1,908)	7,871
Total comprehensive income for the year	-	38	38
At 31 December 2014	9,779	(1,870)	7,909

Statement of cash flows

For the year ended 31 December 2014

	Year to 31 December 2014	Year to 31 December 2013
	€ 000	€ 000
Cash flows from operating activities		
Net profit for the year	38	29
Adjustment for:		
Foreign exchange	-	7
	<u>38</u>	<u>36</u>
Decrease/(increase) in operating assets:		
Fee income receivable	(1)	1
Decrease in operating liabilities:		
Accrued expenses	1	-
Net cash from operating activities	38	37
Net increase in cash and cash equivalents	38	37
Cash and cash equivalents at beginning of year	7,866	7,829
Cash and cash equivalents at 31 December	7,904	7,866

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Accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

A. Basis of preparation

These financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”). The financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets and liabilities held at fair value through profit or loss. The financial statements have been prepared on a going concern basis.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the policies of the Balkan Region Special Fund (“the Fund”). The areas involving a higher degree of judgement or complexity, or areas where judgements and estimates are significant to the financial statements, are disclosed in “Critical accounting estimates and judgements” within the section for Accounting Policies.

New and amended IFRS mandatorily effective for the current reporting period

The following new and amended standards are effective for the current reporting period:

Pronouncement	Nature of change	Impact
Investment entities – amendments to IFRS 10, IFRS 12 and IAS 27	Introduces an exception to consolidating particular subsidiaries for “investment entities”, requiring instead such subsidiaries to be measured at fair value through profit or loss in accordance with IFRS 9 Financial Instruments. New disclosure requirements are also introduced.	Not applicable as the Fund is not an investment entity.
IAS 32 (Amendment) Financial Instruments: Presentation – Offsetting of Financial Assets and Financial Liabilities	Updates the application guidance and basis of conclusions in relation to the offsetting of financial assets and financial liabilities.	Applicable but no changes of presentation required.

IFRS not yet mandatorily effective but adopted early

IFRS 9: Financial Instruments is the IASB’s replacement project for IAS 39. The Standard has developed in phases and was completed in July 2014 with a mandatory application date for annual reporting periods beginning on or after January 1, 2018. The Fund adopted the first phase ‘recognition and measurement of financial assets’ (November 2009) in its 2010 financial statements. See the accounting policy for financial assets for more details.

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IFRS not yet mandatorily effective and not adopted early

The following standards are not yet effective and have not been adopted early.

Pronouncement	Nature of change	Potential Impact
IFRS 9 Financial Instruments	Classification and measurement of financial liabilities (October 2010) Hedge accounting (November 2013) Impairment methodology and introduction of 'fair value through other comprehensive income' measurement category for financial assets represented by simple debt instruments (July 2014). IFRS 9 to be adopted in its entirety for annual reporting periods beginning on or after January 1, 2018.	The Fund is yet to assess the potential impact of adopting this standard
Amendments to: IFRS 10: Consolidation Financial Statements and IAS 28: Investments in Associates and Joint Ventures	Provides guidance for the accounting for the loss of control of a subsidiary as a result of a transaction involving an associate or a joint venture that is accounted for using the equity method. Effective for annual reporting periods beginning on or after 1 January 2016.	The Fund is yet to assess the potential impact of adopting this standard
Amendments to: IFRS 11: Joint Arrangements	Provides guidance on the accounting for acquisitions of interests in joint operations in which the activity constitutes a business. Effective for accounting periods beginning on or after 1 July 2016.	The Fund is yet to assess the potential impact of adopting this standard
IFRS 15: Revenue from Contracts with Customers	Establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. Effective for annual reporting periods beginning on or after 1 January 2017.	The Fund is yet to assess the potential impact of adopting this standard
Amendments to: IAS 1: Presentation of Financial Statements	Various amendments to improve presentation and disclosure under IAS 1. Effective for annual reporting periods beginning on or after 1 January 2016.	The Fund is yet to assess the potential impact of adopting this standard
Amendments to: IAS 16: Property, Plant and Equipment and IAS 38: Intangible Assets	Clarification of acceptable methods of depreciation and amortisation Effective for annual reporting periods beginning on or after 1 January 2016.	The Fund is yet to assess the potential impact of adopting this standard

A number of existing standards were reviewed by the IASB in December 2014 as part of the IFRS annual improvements cycle. It is the Fund's opinion that none of these amendments, effective for accounting periods beginning on or after 1 January 2016, will have a material impact on the Fund's financial statements.

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B. Significant accounting policies

Financial assets - Classification and measurement

The Fund early adopted the first instalment of IFRS 9: Financial Instruments, concerning the classification and measurement of financial assets, with effect from 1 January 2010. Pursuant to that adoption, the Fund classifies its financial assets in the following categories: those measured at amortised cost and those measured at fair value. This classification depends on both the contractual characteristics of the assets and the business model adopted for their management.

Financial assets at amortised cost

An investment is classified as ‘amortised cost’ only if both of the following criteria are met: the objective of the Fund’s business model is to hold the asset to collect the contractual cash flow; and the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding, interest being consideration for the time value of money and the credit risk associated with the principal amount outstanding.

Investments meeting these criteria are measured initially at fair value plus transaction costs that are directly attributable to the acquisition of the financial assets. They are subsequently measured at amortised cost using the effective interest method less any impairment. The Fund’s financial assets at amortised cost are recognised at settlement date.

Financial assets at fair value

If either of the two criteria above is not met, the debt instrument is classified as ‘fair value through profit or loss’. The Fund does not currently have any such assets in this category.

Financial liabilities

The Fund has not adopted early that part of IFRS 9 which relates to financial liabilities and therefore still applies IAS 39: Financial Instruments.

All financial liabilities are measured at amortised cost, except for financial guarantees which are measured in accordance with IAS 39, as described under ‘Financial guarantees’ below.

Financial guarantees

The Fund provides guarantees to the European Bank for Reconstruction and Development (“the Bank”) to cover principal losses the Bank may incur from providing its own guarantees under its Trade Facilitation Programme (“TFP”). The Fund’s resources are allocated into a TFP sub-account and the TFP guarantees are provided on a first-loss basis.

When a guarantee is issued, it is initially recognised at its fair value. This is measured as the present value of the fees to be received by the Fund for the provision of those guarantees. This initial fair value represents both an asset for the Fund and a liability for the same amount.

The initial fair value for both the asset and the liability is subsequently amortised to nil over the life of the guarantee using the effective interest rate method, unless it is both probable that the guarantee will need to be settled and the settlement amount can be reliably estimated. In this case, the liability is measured at the higher of the initial fair value less cumulative amortisation or the expenditure required to settle the commitment at the balance sheet date.

Financial guarantees are recognised within other financial assets and other financial liabilities.

Contributors’ resources

The Fund recognises contributions received from contributors as a liability on the basis that should a contributor choose to withdraw from the Fund, the Fund is obligated to return such contributions to the extent these are not needed to meet existing commitments and obligations of the Fund.

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Statement of cash flows

The statement of cash flows is prepared using the indirect method. Cash and cash equivalents comprise balances with less than three months maturity from the date of the transaction, which are available for use at short notice and that are subject to insignificant risk of changes in value.

Foreign currencies

The Fund's reporting currency for the presentation of its financial statements is the euro (€).

Foreign currency transactions are initially translated into euro using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions, and from the translation at the year-end exchange rate of monetary assets and liabilities denominated in foreign currencies, are included in the income statement.

Contributions

Contributions received in currencies other than euro are translated into euro at the exchange rates ruling at the time of the transaction.

Interest and fees

Interest is recorded on an accruals basis. All interest income is recognised within 'interest income' in the income statement.

Fees received in respect of services provided over a period of time are recognised as income as the services are provided. Other fees and commissions are recognised as income when received.

Taxation

In accordance with Article 53 of the Agreement Establishing the Bank, within the scope of its official activities, the Bank, its assets, property and income are exempt from all direct taxes and all taxes and duties levied upon goods and services acquired or imported, except for those parts of taxes or duties that represent charges for public utility services. As described in note 1, this exemption is extended to the Fund.

C. Critical accounting estimates and judgements

Preparing financial statements in conformity with IFRS requires the Fund to make estimates and judgements that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts included in the income statement during the reporting period.

The Fund's critical accounting estimates and judgements are as follows:

Financial guarantees

The Fund's method for determining the TFP financial guarantees is described under "Financial guarantees" within the accounting policies section of the report and further explained within credit risk within the risk management section of the report.

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Risk management

The Fund was established to assist the reconstruction of the Balkan Countries through the Bank's Balkan Region Action Plan, by providing funds to finance investments and technical cooperation activities and to provide guarantees.

As the purpose of the Fund is to promote development in the Balkan Countries rather than to generate a return on its assets, not all financial risks are actively managed by the Fund. Credit risk is jointly managed with the Bank; however the Fund does not hedge against market risk and is hence exposed to foreign exchange risk and interest rate risk.

Risk governance

The Fund follows the Bank's risk governance procedures as below:

Matters related to Bank-wide risk and associated policies and procedures are considered by the Risk Committee. The Risk Committee is accountable to the President. It oversees all aspects of the Banking portfolio across all sectors and countries, and provides advice on Risk Management policies, measures and controls. It also approves proposals for new products submitted by Banking. The membership comprises senior managers across the Bank including representatives from Risk Management, Finance, Banking and the Office of the General Counsel.

The Risk Committee is chaired by the Vice President Risk and Chief Risk Officer (VP & CRO) who is ultimately responsible for the independent identification, measurement, monitoring and mitigation of all risks incurred by the Bank. The VP & CRO has the overall responsibility for formulating the risk management strategy.

The Managing Director Risk Management reports directly to the VP & CRO and leads the overall management of the Risk Department. The Risk Department provides an independent assessment of risks associated with individual projects investments and loans undertaken by the Bank and performs an ongoing review of the portfolio to monitor the risk presented by projects investments and loans from inception to exit. It develops and maintains the Risk Management policies to facilitate Banking operations and promotes risk awareness across the Bank.

In exercising its responsibilities, Risk Management is guided by its mission to:

- Provide assurance to stakeholders that risk decision-making in the Bank is balanced and within agreed appetite, and that control processes are rigorously designed and applied; and
- Support the Bank's business strategy including the maximisation of transition impact through provision of efficient and effective delivery of risk management advice, challenge and decision making.

A. Credit risk

Credit risk is the potential loss to a portfolio that could result from the default of a counterparty or the deterioration of its creditworthiness. The Fund may also be exposed to concentration risk, which is the risk arising from too high a proportion of the portfolio being allocated to a specific country, industry sector or obligor, or to a particular type of instrument or individual transaction.

The Fund is exposed to credit risk as counterparties could default on their contractual obligations.

The carrying amounts of financial assets presented on the balance sheet, together with the guarantees as shown under memorandum items, best represents the Fund's maximum exposure to credit risk at 31 December 2014 and 31 December 2013, without taking account of any collateral held or other credit enhancements.

Credit risk management and measurement

As previously stated, the Fund participates jointly with the Bank in the financing of investments in the Bank's countries of operations. It therefore benefits from the same governance process employed by the Bank in the measurement and management of credit exposures, which is described below.

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Underlying principles and procedures

The Board of Directors ("the Board") approves a credit process document that defines the procedures for the approval, management and review of Banking exposures. The Audit Committee periodically reviews the credit process and its review is submitted to the Board for approval.

Individual projects

The Operations Committee, which is chaired by the First Vice President Banking and whose membership comprises senior managers of the Bank, including the VP & CRO and Managing Director Risk Management, reviews all Banking projects prior to their submission for Board approval. A number of frameworks for smaller projects are considered by the Small Business Investment Committee or by senior management under a delegated authority framework supervised by the Operations Committee. The project approval process is designed to ensure compliance with the Bank's criteria for sound banking, transition impact and additionality. It operates within the authority delegated by the Board, via the Executive Committee, to approve projects within Board-approved framework operations. The Operations Committee is also responsible for approving significant changes to existing operations.

Risk Management conducts reviews of all exposures within the Banking portfolio. At each review, Risk Management assesses whether there has been any change in the risk profile of the exposure, recommends actions to mitigate risk and reconfirms or adjusts the risk rating. It also reviews the fair value of equity investments.

Portfolio level review

Risk Management reports on the development of the portfolio as a whole on a quarterly basis to the Audit Committee of the Board. The report includes a summary of key factors affecting the portfolio and provides analysis and commentary on trends within the portfolio and various sub-portfolios. It also includes reporting on compliance with all portfolio risk limits including an explanation of any limit breaches.

EBRD internal ratings

Probability of default (PD)

The Bank assigns its internal risk ratings to all counterparties, including borrowers, investee companies, guarantors and sovereigns in the Banking portfolio. Risk ratings reflect the financial strength of the counterparty as well as consideration of any implicit support, for example from a major shareholder. The sovereign rating takes into consideration the ratings assigned by external rating agencies. For non-sovereign operations, probability of default ratings are normally capped by the sovereign rating, except where the Bank has recourse to a guarantor from outside the country which may have a better rating than the local sovereign rating.

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The table below shows the Bank's internal probability of default rating scale from 1.0 (lowest risk) to 8.0 (highest risk) and how this maps to the external ratings of Standard & Poor's (S&P). References to risk rating through this text relate to probability of default ratings unless otherwise specified.

EBRD risk rating category	EBRD risk rating	External rating equivalent	Category name	Broader category
1	1.0	AAA	Excellent	Investment Grade
2	1.7	AA+	Very Strong	
	2.0	AA		
3	2.3/2.5	AA-	Strong	
	2.7	A+		
	3.0	A		
4	3.3	A-	Good	
	3.7	BBB+		
	4.0	BBB		
5	4.3	BBB-	Fair	Risk class 5
	4.7	BB+		
	5.0	BB		
6	5.3	BB-	Weak	Risk class 6
	5.7	B+		
	6.0	B		
7	6.3	B-	Special Attention	Classified
	6.7	CCC+		
	7.0	CCC		
8	7.3	CCC-/CC/C	Expected Loss/Impaired	
	8.0	D		

Loss given default (LGD)

The Bank also assigns loss given default ratings on a scale of 0 per cent to 100 per cent determined by the seniority of the instrument in which the Bank invested and the jurisdiction and sector of the transaction.

Impaired loss provisioning

Impaired definition

An asset is designated as impaired when either the borrower is more than 90 days past due on payment to any material creditor, or when the counterparty is considered unlikely to pay its credit obligations in full without recourse by the Bank to actions such as realising security, if held.

Credit risk exposures

Placements with credit institutions

The Fund's placements with credit institutions were classified in internal credit rating risk category 2 (approximately AA+ to AA- in terms of S&P equivalent).

Other financial assets

Other financial assets represent guarantee fees payable by the Bank to the Fund and the initial fair value balance of guarantee assets less cumulative amortisation.

Guarantees

At 31 December 2014, the Bank had outstanding guarantees under the Balkan Region TFP for which, in the event of a future default, losses incurred by the Bank will be refunded in part from the resources of the Fund. At 31 December 2014, the Fund's maximum exposure under such guarantees was €7.4 million (2013: €7.7 million).

No amounts are currently recognised as required to settle a guarantee commitment (2013: nil). The guarantee liability shown within 'other financial liabilities' on the balance sheet represents the initial fair value recognised when the guarantees were issued less cumulative amortisation. The Fund does not actively manage credit risk on its guarantee exposure.

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B. Market risk

Market risk is the potential loss that could result from adverse market movements. The driver of market risk for the Fund is interest rate risk.

Market risk management and measurement

As discussed at the beginning of the Risk Management section, the Fund does not actively monitor or hedge against market risk.

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. The length of time for which the rate of interest is fixed on a financial instrument indicates to what extent it is exposed to interest rate risk.

The Fund's placements are repriced to market interest rates within one month, therefore the exposure to interest rate risk is considered to be minimal.

Foreign exchange risk

Foreign exchange risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Fund does not hold any assets or liabilities of non-euro denomination as at 31 December 2014, hence it is not exposed to any foreign exchange risk.

C. Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

The Fund's Rules and regulations require guarantees are financed from the resources of the Fund, which comprise contributions received.

Accordingly, the Fund cannot commit more than the available resources and cannot borrow funds to finance operations. The Fund's guarantees are limited to the resources of the TFP sub-account. The Fund recognises contributions received as a liability, which may be returned to a contributor upon termination of a contribution agreement. Amounts returned are based on the Fund's net assets and take into account any existing commitments and guarantees. As a result, the Fund's exposure to liquidity risk is considered to be minimal.

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Notes to the financial statements

1. Creation of the Special Fund

The creation of the Fund was approved by the Board at its meeting on 15 September 1999 and is administered, *inter alia*, in accordance with the AEB and under the terms of the Rules and Regulations of the Fund. The Fund became operational on 7 December 1999 following the signing of the first contribution agreement.

The Fund's principal office is located in London at One Exchange Square, EC2A 2JN.

The Fund was established in accordance with Article 18 of the AEB. The Fund is not part of the ordinary capital resources of the Bank, but any privileges and immunities available to the Bank are extended to the Fund.

2. President's responsibilities

The President is responsible for preparing the financial statements in accordance with IFRS issued by the IASB.

3. Other operating expenses

Other operating expenses comprise administrative expenses directly related to the Fund and includes external auditor's remuneration of €7,200 (2013: €6,500). The Bank pays the remuneration on behalf of the Fund, who in turn reimburses the Bank in full. At 31 December 2014 €7,200 (2013: €6,500) is payable to the Bank in relation to the 2014 external audit. In 2014 the Bank approved an extension of the term of appointment from four years to five with a maximum of two consecutive terms. Deloitte LLP (UK) completes its first four-year term in 2014 and has been re-appointed for the five year period 2015 - 2019.

4. Other financial assets

	2014	2013
	€ 000	€ 000
Fee income receivable from financial guarantees	12	11
Unamortised fair value of TFP financial guarantees	13	36
At 31 December	25	47

5. Other financial liabilities

	2014	2013
	€ 000	€ 000
Unamortised fair value of TFP financial guarantees	13	36
Audit fees payable	7	6
At 31 December	20	42

6. Contributions

Contributions received are set out below.

	2014	2014	2013	2013
	€ 000	%	€ 000	%
Cumulative contributions received				
Austria	276	2.8	276	2.8
Canada	1,472	15.1	1,472	15.1
Denmark	750	7.7	750	7.7
Norway	1,568	16.0	1,568	16.0
Switzerland	4,218	43.1	4,218	43.1
Taipei China	1,495	15.3	1,495	15.3
At 31 December	9,779	100.0	9,779	100.0

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7. Analysis of current and non-current assets and liabilities

The table below provides the classification of current and non-current assets and liabilities in the balance sheet.

	Current	Non-current	Total	Current	Non-current	Total
	2014	2014	2014	2013	2013	2013
	€ 000	€ 000	€ 000	€ 000	€ 000	€ 000
Assets						
Placements with credit institutions	7,904	-	7,904	7,866	-	7,866
Other financial assets	25	-	25	22	25	47
Total assets	7,929	-	7,929	7,888	25	7,913
Liabilities						
Other financial liabilities	(20)	-	(20)	(42)	-	(42)
Total contributors' resources	(7,909)	-	(7,909)	(7,871)	-	(7,871)
Total liabilities	(7,929)	-	(7,929)	(7,913)	-	(7,913)

8. Fair value of financial assets and liabilities

The carrying amounts of financial assets and liabilities presented on the balance sheet approximate to their fair value.

9. Events after the reporting period

There have been no material post-reporting date events that would require disclosure or adjustment to these financial statements.

10. Related parties

The Fund's related parties are the Bank and the contributors.

The Bank is entitled to charge the Fund a management fee of an amount equal to 2.5 and 5 per cent of contributions received. As there were no contributions received in 2014, there were no management fees paid by the Fund to the Bank (2013: nil) and there was no accrued management fee payable by the Fund to the Bank at 31 December 2014 (2013: nil). Also during 2014, the Fund received fees from the Bank in relation to TFP guarantees of €45,000 (2013: €43,000), of which €12,000 are receivable as at 31 December 2014 (2013: €11,000).

Audit fees payable to the Bank are outlined in note 3.

Contributions received from the contributors are outlined in note 6.

INDEPENDENT AUDITOR'S REPORT TO THE GOVERNORS OF THE EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT ("THE BANK")

Report on the financial statements

We have audited the financial statements of the Balkan Region Special Fund ("the Fund") for the year ended 31 December 2014 which comprise the statement of comprehensive income, the balance sheet, the statement of changes in contributors' resources, the statement of cash flows for the year then ended together with the accounting policies, the risk management statement and the related notes 1 to 10. The financial reporting framework that has been applied in their preparation is the International Financial Reporting Standards as issued by the International Accounting Standards Board.

President's responsibility for the financial statements

The President is responsible for the preparation and fair presentation of the Financial Statements in accordance with the International Financial Reporting Standards issued by the International Accounting Standards Board, and for such internal control as the President determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these Financial Statements 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 Financial Statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Bank's preparation and fair presentation of the Financial Statements 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 Bank'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 Financial Statements.

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 Financial Statements present fairly, in all material respects, the financial position of the Balkan Region Special Fund as at 31 December 2014 and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board.

Other reporting responsibilities

We also report to you if, in our opinion, the Financial Statements are not in agreement with the accounting records, if the proper accounting records have not been kept, or if we have not received all the information and explanations we require for our audit. We have nothing to report in connection with these matters.

Other matters

This report, including the opinion, has been prepared for, and only for, the Bank in accordance with Article 24 of the Agreement Establishing the Bank dated 29 May 1990, and for the use of the contributors and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this Report is shown or into whose hands it may come, save where expressly agreed by our prior consent in writing.



Deloitte LLP
Chartered Accountants
London, United Kingdom
8 April 2015