



Report of the auditors to Resource Center Foundation

Scope

We have audited the financial statements of the Resource Center Foundation as at 31 December 2001 set out on pages 1 to 15 in accordance with International Standards on Auditing. The financial statements have been prepared in conformity with International Accounting Standards.

Respective responsibilities of management and auditors

The financial statements have been prepared by, and are the sole responsibility of the management of the Resource Center Foundation. Our responsibility is to express an opinion on these financial statements based on our audit.

Basis of opinion

We have conducted an audit of the financial statements in accordance with International Standards on Auditing. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial presentation. We believe that our audit provides a reasonable basis for our opinion.

Opinion

1 As discussed in Note 1 (b) to the financial statements, no cash flow comparative figures have been presented in the year 2001 financial statements. This is the result of a presentation for first time of the financial statements under the International Accounting Standards for the preceding financial year where no comparative figures for the year ended 31 December 1999 and cash flow statement for the year 2000 were presented. This caused us to qualify our audit opinion on the financial statements relating to that year.

In our opinion, except for the effect on the financial statements of the matter referred to in the preceding paragraph, the financial statements give a true and fair view of the financial position of Resource Center Foundation as of 31 December 2001, and of the results of its operations and its cashflows for the year then ended in accordance with the International Accounting Standards and comply with the requirements of the Bulgarian law.

16 September 2002

KPMG Bulgaria OOD