

# **Transparency International - Moldova**

## **Financial Statements**

**for the period 1 January to 31 December 2013**

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### Abbreviations used within the report:

ALAC – Advocacy and Legal Advice Centres  
NIS – project National Integrity System Assessment  
Col – Project monitoring Conflict of Interests policy  
CPA – Central Public Authorities  
NED – National Endowment for Democracy  
EEF – East European Foundation

## **Independent Auditor's Report**

***To the management of Transparency International - Moldova  
Chisinau, Republic of Moldova***

We have audited the accompanying financial statements of Transparency International Moldova NGO (further, "TI-Moldova") for the period of time between 1<sup>st</sup> of January, 2013 and 31<sup>st</sup> of December 31, 2013:

- Balance Sheet as of December 31, 2013;
- Statement of special account for the period from 1<sup>st</sup> of January 2013 till 31<sup>st</sup> of December 2013;
- Cash Flow Statement as of December 31, 2013;
- Statements of sources and use of funds for the twelve month period ending on December 31, 2013.

These financial statements are the responsibility of the TI-Moldova's management. Our responsibility is to express an opinion on the accompanying financial statements based on our audit.

We have conducted our audit in accordance with the International Auditing Standards applicable to special-purpose audit engagements. Those Standards require that we plan and perform the audit to obtain reasonable assurance that the financial schedules are free of significant distortion. An audit includes examining, on the test basis, the evidence supporting the amounts and disclosures in the financial schedules. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall presentation of financial schedules.

In conducting the audit, a special attention was paid to the following:

- Design and operation of the accounting system of the Projects, i.e. documentation, authorization of transactions, acquisition of goods and services, business trips documentation, book-keeping and accounts reconciliation;
- All the necessary supporting documents, records, and accounts have been kept in respect of all the Project's revenue and expenses;
- The received funds have been spent efficiently for the purpose of the Projects in accordance with the budget and other clauses set by the Grant Agreements;
- All the expenses are properly documented and are in accordance with the budgets prescribed by the Grant Agreements;

- All the expenses have been incurred in accordance with the legislation in force; and
- All the assets acquired by means of the grants exist.

The financial statements are prepared on the cash receipts and disbursements basis, which means that revenues are recognized when received rather than when earned, and expenses are recognized when paid rather than when incurred.

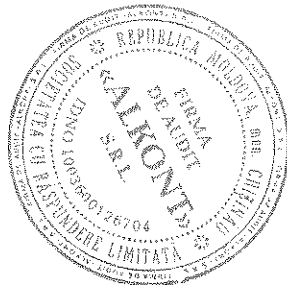
In our opinion, the financial statements of Transparency International - Moldova NGO referred to in the opening paragraph present fairly, in all the significant respects, the financial position of the TI-Moldova as at December 31, 2013, and its statement of special account and statements of sources and uses of funds for the 12 month period then ended, funds received and expenses incurred by the Projects within the period of 1<sup>st</sup> January 2013 to 31<sup>st</sup> December 2013, in accordance with the cash receipts and disbursements basis and requirements of the Grant Agreements.

Director of the Audit Firm, Auditor



Alla Kulikovskaia

July 10, 2014



**TRANSPARENCY INTERNATIONAL MOLDOVA NGO**  
**I. Balance Sheets as of December 31, 2013**

Assertions	Notes	December 31, 2013		December 31, 2012	
		MDL	EUR	MDL	EUR
<b>CURRENT ASSETS:</b>	3				
Cash	3.1	776 252	43 198	78 423	4 902
Inventory	3.2	43 713	2 433	43 563	2 723
Debtors and Prepayments	3.3,3.4	1 996 752	111 118	51 331	3 209
<b>TOTAL CURRENT ASSETS</b>		<b>2 816 717</b>	<b>156 749</b>	<b>173 317</b>	<b>10 835</b>
<b>FIXED ASSETS:</b>	4				
Intangible Fixed assets	4.1	0		0	
Tangible Fixed assets	4.2	35 400	1 970	49 561	3 098
<b>TOTAL FIXED ASSETS</b>		<b>35 400</b>	<b>1 970</b>	<b>49 561</b>	<b>3 098</b>
<b>Total Assets</b>		<b>2 852 117</b>	<b>158 719</b>	<b>222 878</b>	<b>13 933</b>
<b>LIABILITIES and NET ASSETS</b>					
Liabilities				3 935	246
Targeted Financing	5	2 711 448	150 890	78 423	4 902
Net Assets	6	140 669	7 829	140 520	8 784
<b>Total Net Assets</b>		<b>2 852 117</b>	<b>158 719</b>	<b>222 878</b>	<b>13 933</b>

Executive Director

Chief Accountant

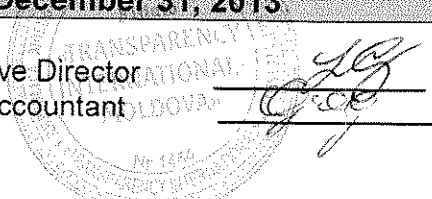


**TRANSPARENCY INTERNATIONAL MOLDOVA NGO**  
**II. FINAL PROGRESS REPORT**  
For 12 month period ended on December 31, 2013

(all amounts expressed in EUR)

Assertions	12 months period ended December 31, 2013
<b>Cash Balance at the Beginning of the Reporting Period</b>	
NED Gr.2012-952 – USD 3 416	2 502
SOROS Foundation – MDL 26 749	1 672
TIM member fee	728
<b>Total as of January 01, 2013</b>	<b>4 902</b>
<b>Cash Receipts</b>	
TI-Secretariat, Pr. FKZ 2513AA0166	40 710
TI-Secretariat, EC, ENPI/2012/310-064	47 204
EC, ENPI 2013/313-750	154 745
Co-funding by NED, Gr.2012-952 – USD 10 000	7 693
SOROS Foundation, Grant 13712 – MDL 136431	8 390
SOROS Foundation, Grant 14008 – MDL 218058	12 660
SOROS Foundation, Grant 13959 – MDL 158388	9 741
EEF Grant 186 – MDL 32250	1 810
TI Secretariat – USD 700	538
<b>Total Cash Inflows per Projects</b>	<b>283 491</b>
<i>Exchange rate difference</i>	594
<b>Cash Disbursements</b>	
TI-Secretariat, Pr. FKZ 2513AA0166	40 710
TI-Secretariat, EC, ENPI/2012/310-064	30 790
EC, ENPI 2013/313-750	132 772
NED Gr.2012-952 – USD 10 000	10 195
SOROS Foundation, Grant 13712 – MDL 136431	10 062
SOROS Foundation, Grant 14008 – MDL 218058	8 759
SOROS Foundation, Grant 13959 – MDL 158388	9 741
EEF Grant 186 – MDL 32250	1
TIM member fee and Other	2 759
<b>Total Cash Outflows</b>	<b>245 789</b>
<b>Cash Balance at the End of the Reporting Period</b>	
TI-Secretariat, Pr. FKZ 2513AA0166	0
TI-Secretariat, EC, ENPI/2012/310-064	14 942
EC, ENPI 2013/313-750	21 973
NED Gr.2012-952 – USD 10 000	0
SOROS Foundation, Grant 13712 – MDL 136431	0
SOROS Foundation, Grant 14008 – MDL 218058	3 902
SOROS Foundation, Grant 13959 – MDL 158388	0
EEF Grant 186 – MDL 32250	1 794
TIM member fee and Other	587
<b>Total as of December 31, 2013</b>	<b>43 198</b>

Executive Director  
Chief Accountant



**TRANSPARENCY INTERNATIONAL MOLDOVA NGO**  
**III. CASH FLOW STATEMENT**  
**For 12 month period ended on Dacember 31, 2013**

Assertions	Amount in MDL	Amount in Euro	Amount in USD
<b>Opening Balance as of 1 January 2013</b>	<b>78 423,23</b>	<b>0</b>	<b>0</b>
<b>Cash Earnings</b>			
Donations	557 909,74	242 659,63	10 700,00
<b>Total Cash Available for Activities</b>	<b>636 332,97</b>	<b>242 659,63</b>	<b>10 700,00</b>
<b>Cash Expenditure</b>	<b>406 758,76</b>	<b>21 238,55</b>	<b>10 700,00</b>
<b>Closing Balance</b>	<b>232 234,89</b>	<b>30 274,13</b>	<b>0</b>
<b>Balance in EUR</b>		<b>43 197,82</b>	

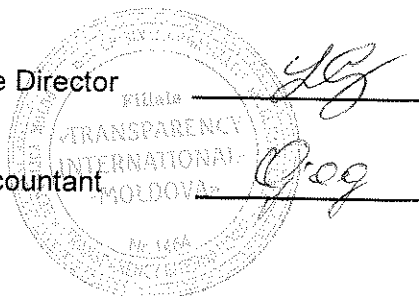
\* 01.01.2013: 1 EUR = 15,9967, 1 USD=12,0634

31.12.2013: 1 EUR = 17,9697, 1 USD=13,0570

/Detailed cash flow report in annex 1/

Executive Director

Chief Accountant



**TRANSPARENCY INTERNATIONAL MOLDOVA NGO**  
**IV. STATEMENTS OF SOURCES AND USERS OF FUNDS**  
For 12 month period ended on December 31, 2013

**Advocacy and Legal Advice Centers: "Hand in Hand with citizens for anti-corruption reform" Project FKZ 25113AA0166**

Items	Donation	
	MDL	EUR
<b>Incomes</b>	<b>674 304,87</b>	<b>40 710,50</b>
<b>Expenditure</b>		
A. Human Resources	500 614,91	30 224,15
B. Other Costs, Equipment and Supplies	56 040,52	3 383,39
C. Other direct costs	117 649,44	7 102,95
<b>Total Expenditure</b>	<b>674 304,87</b>	<b>40 710,50</b>
<b>Current Account Balance</b>	<b>0</b>	<b>0</b>

**"National Integrity System Assessments in European Neighbourhood East region" Project**  
(Grant contract: ENPI/2012/310-064)  
For the period of March 01 – December 31, 2013

Items	MDL	EUR
<b>Incomes:</b>		
EU funded for direct costs	759 816,56	47 204,13
<b>Total Donations</b>	<b>759 816,56</b>	<b>47 204,13</b>
<i>Exchange rate difference</i>	63 193,48	683,85
<b>Expenses Incurred within Program</b>	<b>554 498,10</b>	<b>32 945,50</b>
<b>Activities</b>		
Human resources	453 583,20	26 966,19
Travel	31 718,00	1 918,82
Local Office	5 122,82	301,62
Other costs, services	27 798,50	1 603,57
<b>Total Direct costs</b>	<b>518 222,52</b>	<b>30 790,19</b>
Overheads (7% of direct costs)	36 275,58	2 155,31
<b>Balance as of December 31, 2013</b>	<b>268 511,94</b>	<b>14 942,48</b>



**"Monitoring Conflict of Interest Policy" Project NED No 2012-952**  
For the period of January 01 – June 30, 2013

Items	MDL	EUR Equivalent
<b>Balance at the beginning:</b>	<b>40 024,44</b>	<b>2 502,04</b>
<b>Incomes:</b> National Endowment for Democracy	123 360,80	7 693,37
<b>Total Donations</b>	<b>163 385,24</b>	<b>10 195,41</b>
<b>Expenses Incurred within Program Activities:</b>		
Space & Utilities	10 353,00	646,05
Supplies and Equipment	1 977,00	123,37
Contractual Services	149 267,36	9 314,65
Other direct costs	1 727,72	111,34
<b>Total Expenditure</b>	<b>163 325,08</b>	<b>10 195,41</b>
Exchange rate difference	-0,16	
<b>Balance as of December 31, 2013</b>	<b>0</b>	<b>0</b>

**"Monitoring the implementation of anti-corruption policies in central public authorities in 2012" Project 14008**  
For the period of July 15 – December 31, 2013

Items	MDL	EUR Equivalent
<b>Incomes:</b> Soros Foundation Moldova	218 058,11	12 660,21
<b>Total Donations</b>	<b>218 058,11</b>	<b>12 660,21</b>
<b>Expenses Incurred within Program Activities:</b>		
Financial support	111 947,17	6 499,54
Consultants/Experts	17 134,74	994,82
Administrative costs	18 866,99	1 095,38
<b>Total Expenditure</b>	<b>147 948,90</b>	<b>8 589,74</b>
Exchange rate difference	0	(168,95)
<b>Balance as of December 31, 2013</b>	<b>70 109,21</b>	<b>3 901,52</b>

**"Monitoring the implementation of anti-corruption policies in central public authorities in 2012" Project 13712**  
For the period of January 01 – April 16, 2013

Items	MDL	EUR Equivalent
<b>Balance at the beginning:</b>	<b>26 749,26</b>	<b>1 672,17</b>
<b>Incomes:</b> Soros Foundation Moldova	136 430,57	8 390,25
<b>Total Donations</b>	<b>163 179,83</b>	<b>10 062,42</b>
<b>Expenses Incurred within Program Activities:</b>		
Consultants/Experts	108 588,78	6 696,11

Administrative costs	50 411,05	3 108,59
Consumables	3 400,00	209,66
Other costs	780,00	48,06
<b>Total Expenditure</b>	<b>163 179,83</b>	<b>10 062,42</b>
<b>Balance as of December 31, 2013</b>	<b>0</b>	<b>0</b>

**“Good Governments”. Implementation of Anti-Corruption Policies.**  
**Grant contract No.13959**  
**For the period of February 08 – March 31, 2013**

Items	MDL	EUR Equivalent
<b>Incomes: Soros Foundation Moldova</b>	171 171,06	10 526,74
<b>Total Donations</b>	<b>171 171,06</b>	<b>10 526,74</b>
<b>Expenses Incurred within Program Activities</b>		
Services procured	10 848,87	667,19
Financial support	16 273,26	1 000,78
Transportation and hotel services	82 670,40	5 084,09
Other costs	47 007,29	2 890,87
Communication (telephone, internet)	1 588,31	97,68
<b>Total expenditure</b>	<b>158 388,12</b>	<b>9 740,61</b>
Refund for Soros Foundation Moldova on April 18,2013	12 782,94	786,13
<b>Balance as of December 31, 2013</b>	<b>0</b>	<b>0</b>

**“Engaging Civil Society in Monitoring of Interest Policies” Project Col**  
**(EU-funded Grant contract no. ENPI 213-313-750)**  
**For the period of July 01 – December 31, 2013**

Items	MDL	EUR
<b>Incomes:</b>		
EU funded via EC	2 611 909,91	154 745,00
<b>Total Donations</b>	<b>2 611 909,91</b>	<b>154 745,00</b>
<b>Expenses Incurred within Program Activities</b>		
Refund for Ukraine	624 747,52	37 120,00
Refund for Polonia	599 309,52	35 580,00
Refund for Armenia	598 587,25	35 580,00
<b>Activities Moldova:</b>	<b>412 661,16</b>	<b>24 492,15</b>
Human resources	323 481,87	19 168,91
Travel	20 200,00	1 209,58
Local Office	31 314,80	1 875,14
Other costs, services	37 664,49	2 238,51
<b>Balance as of December 31, 2013</b>	<b>394 844,75</b>	<b>21 972,81</b>

