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Abbreviations used within the report:

TI-S – Transparency International e.V. (Secretariat)

NED – National Endowment for Democracy

MFA Netherlands – Minister of Foreign Affairs of Kingdom of the Netherlands

PASOS – Policy Association for an Open Society

Independent Auditor's Report

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

1. We have audited the accompanying financial schedules comprising sources and use of targeted financing of Activities within 2017 and TI-Moldova administration costs in order to find out whether they satisfy the Grant Agreements concluded for approved activities in 2017 between donating agencies and Transparency International Moldova (TI-M).

2. We have audited the accompanying financial statements of the Transparency International Moldova (TI-M) as of December 31, 2017, and the corresponding documents on program implementation for the period January 1, 2017 – December 31, 2017.

Management of TI-M is responsible for the reliability of these financial statements. Our responsibility is to express an opinion on the corresponding financial statements based on our audit.

3. We have conducted our audit in compliance with the International Auditing Standards applicable to special-purpose audit engagements. These Standards require that we plan and perform the audit so as to obtain reasonable assurance about whether financial statements are free of material misstatement. An audit includes the examination of evidence that confirms the data of financial statements and information disclosure. It also implies assessment of the accounting principles used and analysis of significant accounting estimates made by the management, as well as evaluation of the overall presentation of financial statements.

4. In conducting the audit, special attention was paid to the following aspects:

- Design and operation of the accounting system within Projects, i.e. documentation, authorization of transactions, procurement of goods and services, business trip documentation, book-keeping and account reconciliation;
- Whether all the necessary supporting documents, records, and accounts were kept in respect of all Programs incomes and expenditure;
- Whether received funds were spent efficiently for Programs purposes in compliance with budgets and other clauses stipulated by Grant Agreements;

- Whether all the expenses were duly documented in compliance with the budgets stipulated by Grant Agreements;
- Whether all the expenses were incurred in compliance with the current legislation;
- Whether all the assets procured from grants exist.

We believe that our audit provides a reasonable basis for an opinion.

5. In our opinion, the financial statements referred to in paragraph 1 above are presented fairly, in all the significant aspects, the funds received and expenses incurred by the TI-M within January 1 – December 31, 2017, are in compliance with the accrual method as described in chapter IV(8).

Director of Audit Firm, Auditor

June 28, 2018



Alla Kulikovskaia

TRANSPARENCY INTERNATIONAL MOLDOVA
I. Balance Sheets as of December 31, 2017

Assertions	Notes	December 31, 2017	
		MDL	EUR
CURRENT ASSETS:	3		
Cash	3.1	1 351 999	66 242
Inventory	3.2	7 483	367
Debtors and Prepayments	3.3	54 668	2 678
TOTAL CURRENT ASSETS		1 414 150	69 287
FIXED ASSETS:	4		
Tangible Fixed Assets	4.1	15 699	769
TOTAL FIXED ASSETS		15 699	769
Total Assets		1 429 849	70 056
LIABILITIES and NET ASSETS			
Targeted Financing	5	1 351 999	66 242
Liabilities	6	609	30
Net Assets	7	77 241	3 784
Total Net Assets and Liabilities		1 429 849	70 056



Executive Director

Chief Accountant

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TRANSPARENCY INTERNATIONAL MOLDOVA
II. FINAL PROGRESS REPORT
For 12 months period ended on December 31, 2017

Assertions	12 months period ended December 31, 2017	
	MDL	EUR
Balance at the Beginning of the Reporting Period		
TI-Secretariat, funding Pr. G160458	350 284	16 768
NED funding Project No. 2016-512	250 844	12 008
US Embassy Project No.SMD700-16-GR021	87 273	4 178
MFA Netherlands funded Project BKR/16/AF/01	135 757	6 499
MFA Netherlands funded Project 28994-AF-03	799 378	38 267
PASOS funding Grant 354-731	34	2
TIM member fee and Other	46 605	2 231
Total as of January 01, 2017	1 670 176	79 953
Incomes		
TI-Secretariat, funding Pr. G160458	171 581	8 216
NED funding Project No. 2016-512	73 444	3 541
MFA Netherlands funded Project 28994-AF-03	1 345 247	65 000
PASOS ENPI 354-731	356 441	17 210
TIM member fee and Other	3 625	175
Total Incomes per Projects	1 950 338	94 142
Exchange rate difference	-33 178	4
Expenditure		
TI-Secretariat, funding Pr. G160458	519 605	24 981
NED funding Project No. 2016-512	323 027	15 549
US Embassy Project No.SMD700-16-GR021	86 870	4 182
MFA Netherlands funded Project BKR/16/AF/01	136 762	6 499
MFA Netherlands funded Project 28994-AF-03	1 082 259	52 538
PASOS funding Grant 354-731	74 809	3 531
TIM member fee and Other	12 005	577
Total Expenditure	2 235 337	107 857
Balance at the End of the Reporting Period		
TI-Secretariat, funding Pr. G160458	70	3
NED funding Project No. 2016-512	0	0
US Embassy Project No.SMD700-16-GR021	0	0
MFA Netherlands funded Project BKR/16/AF/01	0	0
MFA Netherlands funded Project 28994-AF-03	1 035 380	50 729
PASOS funding Grant 354-731	279 228	13 681
TIM member fee and Other	37 321	1 829
Total as of December 31, 2017	1 351 999	66 242

Executive Director

Chief Accountant



TRANSPARENCY INTERNATIONAL MOLDOVA NGO
III. CASH FLOW STATEMENT
For 12 months period ended on December 31, 2017

Assertions	Amount in MDL	Amount in EUR	Amount in USD
Opening Balance as of January, 01 2017	296 807,31	56 645,04	9 513,00
Cash Earnings	3 624,97	90 426,00	3 804,00
Donations		90426,00	3804,00
Other incomes	3 624,97		
Currency exchange	2 068 728,35	(85 759,95)	(13 317,00)
Total Cash Available for Activities	2 369 160,63		
Cash expenditure	2 235 336,93		
Exchange rate difference	- 33 178,04		
Closing Balance as of December 31, 2017	100 645,67	61 311,09	0
Balance in EUR		66 242,31	

* 01.01.2017: 1 EUR = 20,8895, 1 USD =19,9814

** 31.12.2017: 1 EUR = 20,4099, 1 USD =17,1002

/Detailed cash flow report in annex 1/

Executive Director 

Chief Accountant 



TRANSPARENCY INTERNATIONAL MOLDOVA
IV. NOTES TO THE FINANCIAL SCHEDULES
For 12 months period ended on December 31, 2017

1. INCOMES

1.1. Within the reporting period, TI-M received donations from:

Agency	Date of receipt	Amount sent,	Amount sent,	MDL available for use	EUR/MDL Exchange rate applied	Total in EUR
		EUR	USD			
NED						
	24.04.2017		3 804,00	73 443,83	20,7399	3 541,19
	subtotal		3 804,00	73 443,83		3 541,19
Embassy Holland						
	05.10.2017	65 000,00		1 345 246,50	20,6961	65 000,00
	subtotal	65 000,00		1 345 246,50		65 000,00
PASOS						
	29.06.2017	17 210,00		356 441,47	20,7113	17 210,00
	subtotal	17 210,00		356 441,47		17 210,00
TI-Secretariat						
	06.09.2017	5 554,00		117 360,46	21,1308	5 554,00
	05.12.2017	2 662,00		54 220,41	20,3683	2 662,00
	subtotal	8 216,00		117 360,46		8 216,00
TOTAL INCOMES		90 426,00	3 804,00	1 892 492,26		93 967,19

1.2. TI-M received from local authorities – 3 624,97 MDL (174,73 EUR)

2. PROGRAMME ACTIVITIES

During the 12 month period ended on December 31, 2017 the Association Transparency International – Moldova has implemented 6 projects:

1. "A Case-Based Approach to Fighting Grant Corruption" Project G160458 (Grant Agreement: with Transparency International e. V. (Secretariat) signed on November 26, 2016 for the period of October 2016 – September 2017 /final stage/;
2. "Promoting Accountability and Transparency in State Enterprises" Project No 2016-512 funded by National Endowment for Democracy (NED) for the period of 2017 /final stage/;
3. "Increasing the Capacity of Vulnerable Strata of Population to Withstand Corruption" Project No.SMD700-16-GR021 funded by U.S Embassy for the period of February 2016 – March 2017 /final stage/;
4. "Building Living Space for poor: Protect the Unprotected" Grant No. BKR/16AF/01 concluded with Minister of Foreign Affairs through Embassy of the Kingdom of the Netherlands in Bucharest for the period of May 2016 – April 2017 /final stage/;
5. "Building a State of Law and Democracy in Moldova: The Contribution of Civil Society" Grant No. 28994-AF-03 concluded with Minister of Foreign Affairs through Embassy of the Kingdom of the Netherlands in Bucharest for the period of July 2016 – December 2018.
6. "Partners in Empowerment" Project awarded to PASOS by European Commission through grant contract no. 354-731 under the grant call EuropeAid/135811/DH/ACT/Multi- ENPI/2014/206 within which TI Moldova recognised as a project co-applicant.

2. PROJECTS

2.1 "A Case-Based Approach to Fighting Grand Corruption" Project G160458 For the period 2017

No.	Items	Expenditure 2017		Previous reporting period	Budget	%%
		MDL	EUR		EUR	
			Balance at the beginning:	350 283,82	16 768,42	
	Incomes:	171 580,87	8 216,00			
	Exchange rate difference	-2 190,09				
	Total sources available for 2017	519 674,60	24 984,42			
A1	Organising a training/workshop for civil society and mass-media	68 369,60	3 287,00		3 198,00	103
B1	Issuring two monitoring reports	193 564,80	9 306,00	6 320,00	15 526,00	101
B2	Conducting two jurnalistic investigations of bak theft related issues	18 699,20	899,00		893,00	101
C1	Media campag,organizing three press-conferences	4 451,20	214,00		271,00	79
C2	Elaborate addiseminatig digests with the results of the moitorig of asset recovery Digest	12 500,80	601,00		812,00	74
C3	TV and radio programs	13 187,20	634,00		722,00	88
D1	Project manager	115 731,20	5 564,00	667,00	6 155,00	101
D3	Accountant	49 462,40	2 378,00		2 337,00	102
D4	Office rent	12 500,80	601,00		577,00	104
D5	IT-services	0,00				
D6	Office Supplies	6 718,40	323,00		325,00	99
D7	Telephone/Internet	7 196,80	346,00		325,00	106
D8	Bank Charges	3 910,40	188,00	2,00	193,00	98
D9	Audit	13 312,00	640,00		640,00	100
	Total Expenditure	519 604,80	24 981,00	6 989,00	31 974,00	100
	Balance as of December 31, 2017	69,80	3,42			

2.2 "Promoting Accountability and Transparency in State Enterprises" Project NED No 2016-512 For the period of 2017

Items	Expenditure		Budget	%%	EUR Equivalent
	MDL	USD	USD		
Balance at the beginning:	250 844,30	12 553,89			12 008,15
Incomes:					
National Endowment for Democracy	73 443,83	3 804,00			3 541,19
Total Donations	324 288,13	16 357,89			15 549,34

Expenditure:

Expenses Incurred within Program Activities:					
Salaries	120 242,19	6 094,94	6 642	92	
Benefits, Allowances & Taxes	42 881,52	2 172,09	2 131	102	
Office Space & Utilities	12 633,50	635,39	600	105	
Supplies & Equipment	4 670,42	235,29	218	107	
Communications & Postage	3 575,29	185,26	152	121	
Travel & Per Diem	10 143,47	508,19	0		
Contractual / Consultant Services	121 658,10	6 161,09	6 304	98	
Other direct costs	7 122,12	365,64	311	117	
Total Expenditure	323 026,62	16 357,89	16 358	100	15 549,34
<i>Exchange rate difference</i>	<i>(1 261,51)</i>				
Balance as of December 31, 2017	0	0			0

**2.3 "Increasing the Capacity of Vulnerable Strata of Population to Withstand Corruption" Project No SMD700-16-GR021
For the period of 2017**

Items	Expenditure		Previous reporting period	Budget	%%	EUR Equivalent
	MDL	USD	USD	USD		
Balance at the beginning:	87 272,76	4 367,70				4 177,83
Exchange rate difference	-402,79	4,93				4,72
Total sources available for 2017	86 869,97	4 372,63				4 182,55
Expenditure:						
Personnel						
Trainer in legal issues	2 103,81	105,83	1 093,95	1 200	100	
Organizer of the surveys	3 776,70	189,97	2 089,72	2 280	100	
Local facilitators of Workshop			539,84	540	100	
Project manager	11 330,12	569,93	6 269,17	6 840	100	
Travel			782,97	780	100	
Supplies	540,00	27,16	178,18	180	114	
Contractual						
Legal advice	59 640,00	3 000,00	6 000,00	9 000	100	
Advertising the hot-line	3 578,40	180,00	790,02	1 020	95	
Other direct costs						
Coffee-breaks during workshops			309,85	300	103	
Telephone/Internet	800,87	40,29	180,12	180	122	
Indirect Costs						
Bank charges	130,07	9,45	158,48	240	70	
Audit	4 970,00	250,00		200	125	
Total expenditure	86 869,97	4 372,63	18 392,30	22 760	100	4 182,55
Balance as of December 31, 2017	0	0				0