

*Makarets Viacheslav Oleksandrovych*

*Director LLC 'AF' MK AUDIT'*

*Certified Auditor Registration number in the Register 100109*

*Auditor's Certificate: No.005913, issued by the decision of The Audit Chamber of Ukraine from 28.04.05 №148*

*Kyiv, Ukraine*

*June 25, 2021*

## **INDEPENDENT AUDITOR'S REPORT**

Management of Civic organization "Transparency International Ukraine",

### **Report on the audit of financial statements**

#### **Opinion**

We have audited the financial statements of small business entity of Civic organization "Transparency International Ukraine", comprise the statement of financial position as at December 31, 2020 and its financial results for the year 2020 that ended on that date. In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Public Organization as at December 31, 2020, its financial results for the year then ended in accordance with the Law of Ukraine 'On Accounting and Financial Reporting in Ukraine' No 996-XIV dated 16 July 1999, the National Accounting Standards, other legislative and regulatory acts that regulate the accounting and financial reporting in Ukraine.

#### **Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (hereinafter – ISAs). Our responsibilities under those standards are further described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of our report. We are independent of Civic organization "Transparency International Ukraine" in accordance with International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (hereinafter – IESBA Code) together with ethical requirements that are relevant to our audit in Ukraine, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## **Other matters**

The Audit of financial statement of Civic organization "Transparency International Ukraine" for the year ended December 31, 2019 was conducted by LLC 'AF'MK AUDIT', who expressed an unmodified opinion as at May 25, 2020 on this financial statement.

## **Responsibilities of Management for the Financial Statements**

Management of Civic organization "Transparency International Ukraine" is responsible for the preparation and fair presentation of the financial statements in accordance with National Accounting Standards 25, which applies to small entities, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, management is responsible for assessing the Civic organization "Transparency International Ukraine" ability to continue as a going concern, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Public Organization or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Public Organization's financial reporting process.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control;
- obtain an understanding of internal control relevant to the audit 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 Public Organization's internal control;

- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Public Organization's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Public Organization's to cease to continue as a going concern.

We communicate with those charged with governance regarding, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

The audit was performed by a certified auditor of Audit Firm "MK Audit" Bondar A.B.

Certified auditor Bondar AB

Registration number in the Register of Auditors and Audit Entities № 100111

For and on behalf of Audit firm "MK Audit"

Director, key audit partner Makarets V.O.

Registration number in the Register of Auditors and Audit Entities № 100109

Kyiv, 25.06.2021

Limited Liability Company "Audit Firm" MK AUDIT ", identification code according to USREOU 39419346.

Registration number in the register of auditors and auditing entities № 4624.

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MK Audit LLC is included in the Register of auditors and auditing entities of the Audit Chamber of Ukraine.  
Register link <https://www.apu.com.ua/2018/10/01/реєстр-аудиторів-та-субєктів-аудитор/>



# FINANCIAL STATEMENT of small entity

Enterprise	<b>Transparency International Ukraine</b>	Date (year, months, date)	EDRPOU
Territory	<b>Kyiv</b>		KOATUU
Organizational and legal form of management	<b>Civic organization</b>		KOPFG
Type of economic activity	<b>Civic organization</b>		KVED
The average number of employees	<b>12</b>		
Unit of measurement UAH, thousand			
Address	<b>Sichovyykh Striltsiv St. 37-41, 5th floor, Kyiv, 04053, Ukraine</b>		
	<b>+38 (044) 360 52 42</b>		

Codes		
2021	06	25
23906275		
8039100000		
815		
94.99		

## 1. Balance Sheet as at 31 December 2020

Form № 1-m

Code

1801006

Asset	Code of line	At the beginning of the reporting year	At the end of the reporting period
1	2	3	4
<b>I. Non-current Assets</b>			
Intangible assets	1000	4 807.7	5 752
initial cost	1001	6 714	8 732
accumulation of amortization	1002	( 1 906.3 )	( 2 980 )
Capital investments in progress	1005	10.4	15.8
Property, plant and equipment:	1010	861.9	545.5
initial cost	1011	1 786.7	1 752.3
depreciation	1012	( 924.8 )	(1 209.8)
Long-term biological assets	1020	-	-
Long-term financial investments	1030	-	-
Other non-current assets	1090	-	-
<b>Total Non-current Assets</b>	<b>1095</b>	<b>5 680</b>	<b>6 310.3</b>
<b>II. Current Assets</b>			
Inventories	1100	52,8	46.7
including finished goods	1103	-	-
Current biological assets	1110	-	-
Receivables for goods, work, services	1125	-	-
Receivables on settlements with the Budget	1135	-	-
including tax income	1136	-	-
Other current receivables	1155	1 769.5	477.3
Current financial investments	1160	-	-
Cash and its equivalents	1165	15 837.3	14 169.1
Prepaid expenses	1170	126,7	162.8
Other current assets	1190	-	-
<b>Total Current Assets</b>	<b>1195</b>	<b>17 784.9</b>	<b>14 855.9</b>
<b>III. Non-current assets held for sale disposal group</b>	<b>1200</b>	<b>-</b>	<b>-</b>
<b>Balance</b>	<b>1300</b>	<b>23 464.9</b>	<b>21 166.2</b>

Equity and liabilities	Code of line	At the beginning of the reporting year	At the end of the reporting period
1	2	3	4
<b>I. Equity</b>			
Registered (share) equity	1400	-	-
Additional capital	1410	-	-
Reserve capital	1415	-	-
Retained earnings (accumulated deficit)	1420	-	-
Unpaid capital	<b>1425</b>	( - )	( - )
<b>Total Equity</b>	1495	-	-
<b>II. Long-term Liabilities, target financing and provisions</b>	<b>1595</b>	<b>17 086.5</b>	<b>14 669.9</b>
<b>III. Current Liabilities</b>		-	-
Short-term loans and bank borrowings	1600	-	-
Current payables: for long-term liabilities	1610	-	-
for goods, work, services	1615	454,2	201,9
for settlements with the Budget	1620	1,4	-
including income tax	1621	-	-
for settlements with insurance	1625	46,9	-
for settlements with labour	1630	206,3	-
Prepaid income	1665	5 669.6	6 294.4
Other current liabilities	1690	-	-
<b>Total Current Liabilities</b>	<b>1695</b>	<b>6 378.4</b>	<b>9 496.3</b>
<b>IV. Liabilities related to non-current assets held for sale and disposal groups</b>	<b>1700</b>	-	-
<b>Balance</b>	<b>1900</b>	<b>23 464.9</b>	<b>21 166.2</b>

**2. Income Statement  
for the year 2019**

Form № 2-m

Code

1801007

	Code of line	for the reporting period	For the same period of the preceeding year
1	2	3	4
Net income from sales of products (goods, work, services)	2000	-	-
Other operating income	2120	45 552.4	67 148.1
Other income	2240	-	-
<b>Total Net Income (2000+2120+2240)</b>	<b>2280</b>	<b>45 552.4</b>	<b>67 148.1</b>
Cost of sales (goods, work, services)	2050	( - )	( - )
Other operating expenses	2180	( 45 552.4 )	( 67 148.1 )
Other expenses	2270	( - )	( - )
<b>Total Expenses (2050+2180+2270)</b>	<b>2285</b>	<b>( 45 552.4 )</b>	<b>( 67 148.1 )</b>
Financial result before tax	2290	-	-
Income tax	2300	( - )	( - )
<b>Net income (loss) (2290-2300)</b>	<b>2350</b>	<b>-</b>	<b>-</b>

Director

Chief Accountant



(signature)

(signature)

Andrii Borovyk  
(initials, last name)

(initials, last name)