

Makarets Viacheslav Oleksandrovych

Director of Audit Firm «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 28.04.2005 №148

Kyiv, Ukraine

June 22, 2020

## **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, 2019 and its financial results for the year 2019 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, 2019, 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, 2018 was conducted by Audit Firm «Marinchenko and Partners», who expressed an unmodified opinion as at June 21, 2019 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.



Makarets Viacheslav Oleksandrovyich

LLC 'AF'MK AUDIT'

Certified Auditor

Auditor's Certificate: Series A No. 005913

Address; 30, Tarasivska Str. Kyiv, Ukraine

June 22, 2020

**FINANCIAL STATEMENT  
of small entity**

Enterprise Transparency International Ukraine EDRPOU  
Territory Kyiv KOATUU  
Organizational and legal form of management \_\_\_\_\_ KOPFG  
Authority of Public Administration \_\_\_\_\_  
Type of economic activity Civic organization KVED  
The average number of employees 12  
Unit of measurement UAH, thousand  
Address Sichovkyh Striltsiv St. 37-41, 5th floor, Kyiv, 04053, Ukraine  
+38 (044) 360 52 42

Codes		
2020	06	22
23906275		
8039100000		
94.99		

**1. Balance Sheet  
as at 31 December 2019**

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	-	-
initial cost	1001	-	-
accumulation of amortization	1002	( - )	( - )
Capital investments in progress	1005	-	10.4
Property, plant and equipment:	1010	17 764.7	5 669.6
initial cost	1011	20 871.5	8 500.7
Depreciation	1012	(3 106.8)	(2 831.1)
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>17 764.7</b>	<b>5 680</b>
<b>II. Current Assets</b>			
Inventories	1100	375.9	52.8
including finished goods	1103	282.5	-
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	3 893.0	1 769.5
Current financial investments	1160	-	-
Cash and its equivalents	1165	25 965.2	15 835.9
Prepaid expenses	1170	186.7	126.7
Other current assets	1190	-	-
<b>Total Current Assets</b>	<b>1195</b>	<b>30 420.9</b>	<b>17 784.9</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>48 185.6</b>	<b>23 464.9</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	1425	( - )	( - )
<b>Total Equity</b>	1495	-	-
<b>II. Long-term Liabilities, target financing and provisions</b>	1595	28 887.4	17 086.5
<b>III. Current Liabilities</b>		-	-
Short-term loans and bank borrowings	1600	-	-
Current payables: for long-term liabilities	1610	-	-
for goods, work, services	1615	1 533.5	454.2
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	17 764.7	5 669.6
Other current liabilities	1690	-	-
<b>Total Current Liabilities</b>	1695	19 298.2	6 378.4
<b>IV. Liabilities related to non-current assets held for sale and disposal groups</b>	1700	-	-
<b>Balance</b>	1900	48 185.6	23 464.9

Form № 2-m

## 2. Income Statement

Code

1801007

for the year ended 31 December 2019

	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	67 148.1	79 349.4
Other income	2240	-	-
<b>Total Net Income (2000+2120+2240)</b>	2280	67 148.1	79 349.4
Cost of sales (goods, work, services)	2050	( - )	( - )
Other operating expenses	2180	(67 148.1)	(79 349.4)
Other expenses	2270	( - )	( - )
<b>Total Expenses (2050+2180+2270)</b>	2285	(67 148.1)	(79 349.4)
Financial result before tax	2290	-	-
Income tax	2300	-	-
<b>Net income (loss) (2290-2300)</b>	2350	-	-

Director

(signature)

A.P. Borovyk

(initials, last name)

Chief Accountant

(signature)

(initials, last name)

