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Societate de Consultanţă şi Audit „AUDITEX” SRL.
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East-Europe Foundation

Address:31 August 1989 str., 98

Chisinau, MD-2001, Republic of Moldova

IDNO:13538010,

Number of registration in the Ministry of Justice of RM: 0481

CC: «Alliance of Community Centers for Access to Information and Training from Moldova (INFONET)

Juridical Address: 61, str. Păcii,

Rezina, MD-5401, Republic of Moldova

IDNO: 1016620004444

INDEPENDENT AUDITOR'S REPORT

Introduction

We have audited financial statements relating to the use of the grant funds for the Grant Agreement No. 520 from 03.10.2016, in the amount of USD 18,144.00, signed by the East Europe Foundation and NGO „Alliance of Community Centers for Access to Information and Training from Moldova (INFONET) for the implementation of the project «Social policies for achieving electoral rights for the people with disabilities», within the grant period: 03/10/2016 – 31/12/2016. Financial Report (Annex 1) is prepared by the Management of the Grant Beneficiary.

The Grant Beneficiary Management's Responsibility

The Grant Beneficiary Management of the «Alliance of Community Centers for Access to Information and Training from Moldova (INFONET) is responsible for the preparation and fair presentation of this financial report in compliance with the requirements of the Grant Agreement No. 520, as well as in accordance with the donor's requirements (East Europe Foundation) and the legislation of the Republic of Moldova (National Accounting Standards - NAS) so that it is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing 805 applicable conducting for the audit engagements with special consideration. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance

about whether the schedule is free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the schedule. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements submitted to the Regulator (the East Europe Foundation), whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial statements 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 the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements towards the **East Europe Foundation**.

We have been appointed to audit the financial statements prepared by the management of the Grant Beneficiary and submitted to the Regulator – the East Europe Foundation. The Grant Beneficiary provided the Auditor with financial statements and supporting documents for the incurred expenses reflected in those statements. Concurrently, the Auditor was provided with some excerpts from the accounting system, including the flows of grant means on bank accounts, analysis of assets accounts, settlements with suppliers, advance payments made, salaries paid, income tax withheld and contributions made, and anticipated expenses. The performed audit procedures and evidence enable us to report exclusively on the expenses reflected in the financial statements, namely that they are realistic (there are supporting documents available that confirm their incurrence and payment), accurate (the data reflected in the financial statements matches information stated in the supporting documents of acquisition and payment), and eligible (have been spent in compliance with the terms and requirements outlined by the Grant Agreement).

Opinion

In our opinion, the financial report (*Annex I*) prepared by the Grant Beneficiary—**«Alliance of Community Centers for Access to Information and Training from Moldova (INFONET)**, presents real, fairly in all material aspects the expenses on the project. The expenses incurred in connection with implementation of the project **«Social policies for achieving electoral rights for the people with disabilities»** of the **«Alliance of Community Centers for Access to Information and Training from Moldova (INFONET)** are in accordance with the donors' requirements – the East Europe Foundation and are in accordance with Moldova's legal framework for the preparation of financial statements.

Date: 16.01.2017

Prisacar Tatiana

Director of



Consulting and Auditing Company «AUDITEX» Ltd.

Certificate of auditor AG nr.000062 din 08.02.2008

Grant Funds received, used and unused balance at the end of the reporting period
Grant No: 520-NGO«Alliance of Community Centers for Access to Information and Training from Moldova (INFONET)

Budget Line	Approved Budget	Received Funds MDL	Received Funds USD	Spent Funds MDL			Spent Funds USD			Deviations between data of organization and data of Audit	Deviations from Budget USD	
				Reported By organization	According to Audit		Reported By organization	According to Audit			Reported By organization	According to Audit
A	1	2	3	4	5		6	7		8	9	10
L. Received funds		346836,66	17414,00									
Salaries of project staff	3 251,00			64667,41	64667,41		3251,25	3251,25		0	-0,25	-0,25
Honoraria	6 706,00			134449,68	132561,1		6721,85	6626,22		95,62*	-15,85	79,78
Round table Evaluation	1 175,00			23534,87	23534,87		1175,69	1175,69		0	0,69	0,69
Transportation cost	1 254,00			25301,01	25188,9		1278,20	1272,53		5,68*	-24,20	-18,53
Promotional materials / visibility	4 398,00			83384,00	83384		4205,44	4205,44		0	192,56	192,56
Administrative costs	600,00			13424,00	13424		678,78	678,28		0	-78,28	-78,28
Bank charges	30,00			824,95	824,95		41,61	41,61		0	-11,61	-11,61
Audit	700,00						0,00	0			700,00	700,00
Total	18 114,00			345585,92	343 585,23		17352,32	17 251,02		0	761,68	862,98
Closing balance of unspent funds	x	x	x	1 250,74	3 251,43		61,68	162,98		x	x	x

Note: Funds for the audit services were not transferred by the East Europe Foundation, respectively those expenses were not reported by the NGO «Alliance of Community Centers for Access to Information and Training from Moldova (INFONET)

The total balance of unspent funds is 61,68 USD= 1250,74 MDL, the closing balance remained in possession of NGO«Alliance of Community Centers for Access to Information and Training from Moldova (INFONET) confirmed by bank statement, and exception of *\$95,62*= 1888,58 MDL transferred at 07.11.2017 to Varian by error.

**\$5,68 = 112,11 MDL represents unacceptable amount for the budget line "Transportation cost" for the social taxi expenditures for the period 28.10.2016-30.10.2016 that doesn't have legal justification.

Date: 16.01.2017
Prisacar Tatiana
Director of Consulting and Auditing Company «AUDITEX» Ltd.
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