



PUBLIC ASSOCIATION

**“TRANSPARENCY INTERNATIONAL
MOLDOVA” (TI-M)**

FINANCIAL STATEMENTS

FOR THE PERIOD 1 JANUARY TO 31 DECEMBER 2018

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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

EaP CSF Secretariat – Secretariat of the Steering Committee of the Eastern Partnership Civil Society Forum

Independent Auditor's Report

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

Opinion

We have audited the accompanying financial statements of the projects financed according to the agreements between donating agencies Transparency International e.V. (Secretariat), National Endowment for Democracy, Minister of Foreign Affairs of Kingdom of the Netherlands, Policy Association for an Open Society and Transparency International - Moldova (TI-M) which comprise the financial reports for the period 01.01.2018-31.12.2018 and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements presents fairly, in all material respects, the expenses of EUR 109 365 incurred by the projects for the period 01.01.2018 - 31.12.2018, in accordance with the approved project budgets and for approved purposes of the projects; in compliance with relevant Transparency International - Moldova (TI-M) regulations and rules, policies and procedures. The projects execution is in conformity with the project objectives and adheres to the contract conditions. The projects is economically conducted and the financial resources are used at destination.

Basis for opinion

We have conducted our audit in compliance with the International Auditing Standards applicable to special-purpose audit engagements. 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 the Transparency International - Moldova (TI-M) and donator organisations in accordance with the ethical requirements that are relevant to our audit of the financial statements in Republic of Moldova, and we have fulfilled our ethical responsibilities in accordance with these requirements. We believe that the audit evidence we obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter – Basis of accounting and restriction on distribution and use

Our report is intended solely for the management of the projects, Transparency International - Moldova (TI-M) and financing organisations and should not be distributed to or used by parties other than the projects, TI-M and donators. Our opinion is not modified in respect of this matter.

Other aspects

According to the audit contract and terms of reference we have also issued a Management Letter.

Responsibilities of Management and those charged with governance for the financial statements.

Management of TI-M is responsible for the preparation and fair presentation of the financial statement of the projects in accordance with the requirements of the donators for the project implementation, and for such internal control as management determines is necessary to enable the preparation of a financial statement that is free from material misstatement, whether due to fraud or error.

Those charges with governance are responsible for overseeing the financial reporting process of TI-M.

Auditor's Responsibilities for the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements is 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 the financial statement.

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

- Identify and assess the risk of material misstatement of the financial statement, whether due to fraud or error, design and perform audit procedures responsive to those risk, 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 the organisation's internal control.
- Evaluate the appropriateness of accounting policies used and reasonableness of accounting estimates and related disclosures made by management.

We communicate with those charges with governance regarding, among other matters, 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.

Director of Audit Firm, Auditor
June 28, 2019



Alla Kulikovskaia

TRANSPARENCY INTERNATIONAL MOLDOVA
I. Balance Sheets as of December 31, 2018

Assertions	Notes	December 31, 2018	
		MDL	EUR
CURRENT ASSETS:	4		
Cash	4.1	234 605	12 018
Inventory	4.2	5 924	303
Debtors and Prepayments	4.3	28 705	1 470
TOTAL CURRENT ASSETS		269 234	13 792
FIXED ASSETS:	5		
Tangible Fixed Assets	5.1	27 398	1 404
TOTAL FIXED ASSETS		27 398	1 404
Total Assets		296 632	15 195
LIABILITIES and NET ASSETS			
Targeted Financing	6	234 605	12 018
Liabilities	7	795	41
Net Assets	8	61 232	3 136
Total Net Assets and Liabilities		296 632	15 195

Executive Director

Chief Accountant



TRANSPARENCY INTERNATIONAL MOLDOVA
II. FINAL PROGRESS REPORT
For 12 months period ended on December 31, 2018

Assertions	12 months period ended December 31, 2018	
	MDL	EUR
Balance at the Beginning of the Reporting Period		
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	37 391	1 832
Total as of January 01, 2018	1 351 999	66 242
Incomes		
NED funding Project No. 2018-0143	446 774	22 635
NED funding Project No. 2018-0858	585 043	30 405
SEC004/2018WG1/02-02	25 723	1 330
TIM member fee and Other	8 425	408
Total Incomes per Projects	1 065 965	54 778
Exchange rate difference	973	363
Expenditure		
MFA Netherlands funded Project 28994-AF-03	998 135	50 543
NED funding Project No. 2018-0143	359 933	18 138
NED funding Project No. 2018-0858	521 416	25 692
SEC004/2018WG1/02-02	25 620	1 311
PASOS funding Grant 354-731	279 228	13 681
TIM member fee and Other	0	0
Total Expenditure	2 184 332	109 365
Balance at the End of the Reporting Period		
MFA Netherlands funded Project 28994-AF-03	6 489	332
NED funding Project No. 2018-0143	89 929	4 607
NED funding Project No. 2018-0858	91 992	4 712
SEC004/2018WG1/02-02	378	19
PASOS funding Grant 354-731	0	0
TIM member fee and Other	45 817	2 348
Total as of December 31, 2018	234 605	12 018

Executive Director _____

Chief Accountant _____



TRANSPARENCY INTERNATIONAL MOLDOVA NGO
III. CASH FLOW STATEMENT
For 12 months period ended on December 31, 2018

Assertions	Amount in MDL	Amount in EUR	Amount in USD
Opening Balance as of January, 01 2018	100 646	61 311	0
Cash Earnings		1 330	62 275
Donations		1 330	62 275
Total Cash Available for Activities	100 646	62 641	62 275
Cash expenditure	5 632	63 004	54 189
Exchange rate difference	974	363	
Closing Balance as of December 31, 2018	95 987	0	8 086
Balance in EUR		12 018	

* 01.01.2018: 1 EUR = 20,4099, 1 USD =17,1002

** 31.12.2018: 1 EUR = 19,5212, 1 USD =17,1427

/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, 2018

1. PROGRAMME ACTIVITIES

During the 12 month period ended on December 31, 2018 the Association Transparency International – Moldova has implemented 6 projects:

1. "Civil society for combating corruption and promoting open governance in the EaP countries" Project No.SEC004/2018/WG1/02-02 funded by Secretariat of the Steering Committee of the Eastern Partnership Civil Society Forum for the period of June 2018 – January 2019;
2. "Promoting Good Governance and Accountability" Project No 2018-0858 funded by National Endowment for Democracy (NED) for the period of July 2018 – October 2018 and extension for December 04, 2018;
3. "Reducing the Risks of Corruption in Draft Legislation" Protect Grant No. 2018-0143 funded by National Endowment for Democracy (NED) for the period of December 2018 – February 2019
4. "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.
5. "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 for the period 15.01.2015 till 15.01.2018 and extension till 30.11.2018.

2. 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						
	28.03.2018		10 775,00	177 701,30	20,4626	8 684,20
	03.08.2018		22 750,00	375 898,25	19,2023	19 575,69
	08.08.2018		8 000,00	132 061,60	19,1440	6 898,33
	01.11.2018		8 000,00	137 011,20	19,4274	7 052,47
	16.11.2018		12 250,00	209 144,25	19,3137	10 828,80
	subtotal		61 775,00	1 031 816,60		53 039,49
EaP CSF Secretariat						
	02.08.2018	1 330,00		25 722,73	19,3404	1 330,00
	subtotal	1 330,00		25 722,73		1 330,00
Other						
	24.01.2018		500,00	8 425,60	20,6275	408,46
	subtotal		500,00	8 425,60		408,46
TOTAL INCOMES		1 330,00	62 275,00	1 065 964,93		54 777,95

3. PROJECTS

3.1 "Building a State of Law and Democracy in Moldova: The Contribution of Civil Society" Grant No. 28994-AF-03 For the period of 2018

No.	Items	Expenditure		Budget	%%
		MDL	EUR	EUR	EUR
	Balance at the beginning:	1 035 380	50 729,31		
	Exchange rate difference	(30 755)	146,46		
Total sources available for 2018					
Expenditure:					
1	Fees	427 827	21 511,80	25 800	83
1.1.	Project manager	198 990	10 005,60	12 000	83
1.2.	Project assistant	159 192	8 004,46	9 600	83
1.3.	Accountant	69 646	3 501,74	4 200	83
2	Copying, printing, publishing			720	0
2.1.	Copying, printing			720	0
3	Communication	13 671	699,71	1 200	58
3.1.	Tel/free Hot-line / Internet	13 671	699,71	1 200	58
4	Supplies	4 019	205,51	360	57
4.1.	Office supplies	4 019	205,51	360	57
5	Activities				
5.3.	Insuring periodical informational bulletins on monitoring the agenda of the Government and the Parliament	61 470	3 000,00	4 500	67
5.4.	Conducting a study of public administration reform and distribution of wealth and resources based on political color	63 601	3 308,75	2 000	165
5.5.	Monitoring the re-setting of the anti-corruption system	10 674	555,67	1 100	51
5.6.	Monitoring public procurement	85 033	4 334,00	5 000	87
5.7.	Conducting periodical surveys and omnibuses to assess the popularity of concrete policy initiatives	152 830	7 750,00	14 500	53
5.8.	Summarizing the results of various investigation on the integrity of various candidates for positions with public dignity	16 336	839,27	770	109
5.9.	Compiling multilateral assesments			1 305	0
5.14.	Providing expertise of emerged concrete legal documents			245	0
5.15.	Providing expert assessments of policy initiatives	14 095	719,89	600	120
5.16.	Round tables	28 205	1 461,81	1 334	109
5.17.	Working out public policy digests for a wide strata of population			500	0
5.18.	Organizing press-conferences	8 760	448,21	717	62

5.19.	Broadcasting TV and radio programs	29 389	1 510,56	1 400	107
5.20.	Other	13 388	682,67	892	76
6	Facility rent	46 024	2 353,07	3 223	73
6.1.	Office rent	46 024	2 353,07	3 223	73
8	Travel expenses	2 470	123,38	240	51
8.1.	Car rent	2 470	123,38	240	51
9	Accommodation and boarding expenses				
10	Other indirect costs				
10.1.	Bank charges	4 647	239,05	579	41
10.2.	Annual audit	15 696	800,00	800	100
	Total Expenditure	998 135	50 543,35	70 464	72
Balance as of December 31, 2018		6 489	332,42		

3.2 "Promoting Accountability and Transparency in State Enterprises"
Project NED No 2018-0143
For the period March- December 2018

Items	Expenditure		Budget	%%	EUR Equivalent
	MDL	USD	USD		
Incomes: National Endowment for Democracy	446 774	26 775,00	0		22 635,00
28.03.2018	177 702	10 775,00			8 684,20
08.08.2018	132 061	8 000,00			6 898,33
01.11.2018	137 011	8 000,00			7 052,47
Expenditure:					
Salaries	288 749	17 288,23	23 595	73	14 550,78
<i>Economic Expert</i>	145 821	8 726,03	10 438	84	7 348,28
<i>Legal expert</i>		-	2 904	0	-
<i>Project manager</i>	95 458	5 718,47	6 848	84	4 810,36
<i>Accountant</i>	47 470	2 843,73	3 405	84	2 392,13
Office Space & Utilities	16 672	996,46	1 200	83	840,14
Supplies & Equipment	10 619	630,33	740	85	535,12
Communications & Postage	5 525	326,57	360	91	278,41
Contractual / Consultant Services	3 553	209,34	300	70	179,02
Other direct costs	34 817	2 060,22	4 580	45	1 754,49
<i>Press conference</i>	2 400	142,04	400	36	120,94
<i>Organizing round table</i>	16 427	974,22	1 600	61	827,82
<i>Policy digest</i>	13 552	798,59	800	100	682,92
<i>TV Radio program</i>			1 600	0	-
<i>Bank fees</i>	2 437	145,37	180	81	122,81
Total Expenditure	359 933	21 511, 15	30 775	70	18 137,96
<i>Exchange rate difference</i>	3 089	(16,92)			109,72
Balance as of December 31, 2018	89 929	5 246,93			4 606,76

3.3 “Promoting Good Governance and Accountability”
Project NED No 2018-0858 for the period July- December 2018

Items	Expenditure		Budget	%%	EUR Equivalent
	MDL	USD	USD		
Incomes: National Endowment for Democracy					
03.08.2018	375 898,25	22 750			19 575,69
16.11.2018	209 144,25	12 250			10 828,80
Total Income	585 042,50	35 000			30 404,49
Postage and Communication					
	1 370	80,93	75	108	69,69
<i>Telephone</i>	1 370	80,93	75	108	69,69
Travel and per diem	172 243	10 181,78	20 200	50	8 761,90
<i>IRT</i>	75 522	4 518,61	12 000	38	3 841,75
<i>Taxi transportation for panelists</i>	4 141	242,14	200	121	210,63
<i>Accommodation</i>	45 247	2 652,96	4 400	60	2 301,67
<i>Per diem</i>	47 334	2 768,07	3 600	77	2 407,85
Contractual / Consultant Services	78 742	4 644,98	4 400	106	4 005,55
<i>Project manager</i>	25 455	1501,46	1 500	100	1 294,88
<i>Project assistant</i>	25 455	1501,46	1 500	100	1 294,88
<i>Accountant</i>	10 182	600,58	600	100	517,95
<i>Interpretation equipment</i>	5 400	325,11	150	217	274,69
<i>Interpreters</i>	12 250	716,37	650	110	623,15
Other direct costs	118 323	6 941,68	10 325	67	6 019,02
<i>Conference room rent</i>	5 501	321,71	300	107	279,84
<i>Refreshments</i>	1 593	94,23	400	24	81,01
<i>Catering for conference</i>	53 003	3 106,76	5 600	55	2 696,24
<i>Anti-corruption exhibit</i>	6 480	386,29	375	103	329,63
<i>Conference materials</i>	8 816	516,48	500	103	448,46
<i>Conference banner</i>	1 890	110,53	150	74	96,14
<i>Live broadcasting of the conference</i>	11 662	686,03	1 000	69	593,24
<i>Conference press releases</i>	8 365	489,17	700	70	425,52
<i>TV programs with panelists</i>	17 100	1 000,00	1 000	100	869,87
<i>Bank fees</i>	3 913	230,48	300	77	199,06
Total Expenditure	370 678	21 849,37	35 000	62	18 856,16
Grant No.28994-AF-03	150 738	7 784,39			6 835,92
Exchange rate difference	28 365				
Balance as of December 31, 2018	91 991,91	5 366,24			4 712,41

**3.4 “Civil society for combating corruption and promoting open governance
in the EaP countries” Project No.SEC004/2018/WG1/02-02
for the period of June 2018 – January 2019**

Items	Expenditure 2018		Budget	%%
	MDL	EUR	EUR	EUR
Incomes: Secretariat of the Steering Committee of the Eastern Partnership Civil Society Forum				
02.08.2018	25 722,73	1 330,00		
Expenditure				
1. Human Resources			200	0
2.Travel			500	0
3. Equipment and supplies⁷				
4. Local office				
4.2 Office rent	5 858	300,00*		
Subtotal Local office	5 858	300,00		
5.Publication				
5.1. Preparations of policy papers	19 550	1 000,12	1 000	100
5.3 Peer review an 10assessment report	3 553	181,79	200	91
Subtotal Other costs, services	23 102	1 181,91	1 200	98
6.Cost of events				
7. Other costs				
7.1. Financial services (bank guarantee costs etc.)	381	19,41	50	39
7.2 Visibility actions	2 137	109,34	125	87
Subtotal Other cost	2 518	128,75	175	74
8. Subtotal direct eligible costs of the Action	31 477,96	1 610,66	2 075	78
exchange	276			
Balance as of December 31, 2018	(5 479)	(280,66)		

* For Office rent Expenditure was used accrual method of accounting

**3.5 “Partners in Empowerment” Project awarded to PASOS by European Commission
through grant contract no. 354-731
For the period of 2018**

Items	Expenditure	
	MDL	EUR
Balance at the beginning:	279 228	13 681
Cofunding received	49 040	3 065
Total sources available for 2018	328 268	16 746
Expenditure:		
1.1.2.1. Country Coordonator OSA and Grant call (25% x 36 month)	119 415	6 051

1.1.2.2.	Local budget transparency expert/coordinator	30 569	1 549
1.1.2.4.	Financial manager 1 monts x3 for annual reporting	21 899	1 110
	Per diems for missions/travel		
1.3.1.2.	Regional work shop Ukraine		
1.3.1.3.	Regional workshop Moldova 2 staff*4 days	6 238	320
1.3.3.3.	Regional work shop Ukraine 4 pers		
1.3.3.4.	Regional workshop Moldova 4 people	30 580	1 560
	Subtotal Human Resources	208 701	10 590
	International travel		
2.1.3.	Regional work shop Ukraine 5 pers		
2.1.4.	Regional workshop Moldova	37 067	1 904
	Subtotal International travel	37 067	1 904
	Local Office		
4.3.2.	Office supplies 12 x 50 EUR	6 088	308
4.3.3.	Phone and postage 10x20 EUR	4 762	260
	Subtotal local Office	10 850	568
	Other costs, services		
5.3.2.	Audit	8 744	450
5.5.1.	Translation of handbooks/online guides	3 031	186
5.6.1.	Bank charges	2 563	129
5.7.4.	Expert mentors fees	32 786	1 659
5.7.9.	Webinar/design manual	10 887	560
5.8.1.	Website hosting/updates	13 607	700
	Subtotal Other costs, services	71 618	3 684
	Total direct costs	328 237	16 746
	Exchange rate difference	31	
Balance as of December 31, 2018		0	0

3.6 TIM – EXECUTION FEE and Other

Description	12 months period ended January 31, 2017	
	MDL	EUR
Opening cash balance	37 321,09	1 828.58
Other incomes	8 425,60	408,46
Exchange rate difference		106,56
Total sources available for 2018	45 816.49	2 347,02
Expenses	0	0
Closing Cash Balance	45 816.49	2 347,02

4. Current Assets

The balance value of current assets amounts to MDL 269 234 or 13 792 Euros as of December 31, 2018 and is made up of the following items:

4.1 Cash at the disposal of TI-Moldova on 31.12.2018 in the amount of:

Amounts	Bank Accounts balance	Total in MDL	Total in EUR
Cash in bank accounts in MDL	MDL 91 086,44	MDL 91 086,44	4 666,03
Patty cash	MDL 4 900,74	MDL 4 900,74	251,05
Cash in bank accounts in EUR	€ 0		
Cash in bank accounts in USD	\$8 086,10	MDL138 617,58	7 100,87
Total in EUR		234 604,77	12 017,95

4.2 Inventory is consists of a large sun umbrella for outside public events in the amount of 5924 lei (EUR 303), which are confirmed by stock lists.

Opening Balance (MDL)	Procured (MDL)	Used (MDL)	Closing Balance (MDL)	Total in Euros
Inventory – 7 483,40	12 245,00	13 804,00	5 924,40	303,48

4.3 Short-term receivables – 28 705 MDL (EUR 1 470)

Accounts prepayment	Closing Balance (MDL)	Total in Euros
Local organization:		
Moldgell, Moldtelecom, Orange Moldova – telephone/internet	7 631,83	390,95
Writers Union – for rent	12 021,08	615,80
Audit firm	8 743,50	447,89
Taxes	308,18	15,79
Total	28 704,59	1 470,43

5. Long Term Assets

Tangible fixed assets as of December 31, 2018 are represented in accounting by office equipment and furniture:

Tangible Fixed Assets	Opening Balance (MDL)	Procured (MDL)	Depreciation (MDL)	Balance Cost (MDL)	Total in Euros
Computers	15 279	0	5 847	9 432	483
Furniture	180	0	0	180	9
Other Office Equipment	240	19 218	1 692	17 766	910
Total	15 699	19 218	7 423	27 494	1 402

6. Targeted Financing

The financial result per projects obtained as of 31 December 2018 from donations makes up EUR 12 018, and may be presented as follows:

Projects	Opening Balance as of 01.01.2018	Incomes	Expenditure	Exchange rate difference	Financial Result
NED Grant 2018-0143	0	22 635	18 138	110	4 607
NED Grant 20184-0858	0	30 404	25 692		4 712
SEC004/2018WG1/02-02	0	1 330	1 310		20
Gr.28994-AF-03	50 729		50 543	146	332
Pasos ENPI 354-731	13 681		13 681		
TI-M member fees and other	1 832	408		107	2 347
Total Targeted Financing	66 242	54 777	109 364	363	12 018

7. Short-term liabilities

Short-term liabilities – MDL 795 (EUR 41) include the Liabilities for taxes - MDL 9,04 (EUR 0,46) and other - 786 MDL (EUR 40,26).

8. Increase in Net Assets

Increase in net assets in the amount of EUR 3 136 were formed by: long-term assets left at the disposal of TIM, balance of short-term assets, difference on exchange rate:

	Total in EUR
Unrestricted Assets:	
Property fund – investments of targeted financing in long-term assets (p.4)	1 404
– inventory (p.3.2)	303
- Debtors and Prepayments (p. 3.3)	1470
–minus liabilities (p. 6)	41
Total	3 136

9. Significant Accounting Policies

Basis

The financial statements are prepared on the accrual receipts and disbursements basis, which means that revenues are recognized when received and expenses are recognised when incurred and paid.

The main principle used in accounting is the principle of assessment according to the initial value.

The record of assets and economic operations is made in monetary expression through a continuous reflection in accounting books and is correspondingly disclosed in financial statements.

Foreign currency

Economic transactions are reflected in accounting books and, eventually, in financial statements in Euro and Moldovan Lei. Thus, the targeted financing (funds) received in EUR and USD is recorded in Moldovan Lei at the official exchange rate as of the receipt date. Expenses are

recorded in accounting books in Moldovan Lei and in financial statements in EUR at the average exchange rates per period of activity.

Assets and liabilities denominated in foreign currencies and presented in annual financial statements are converted into Moldovan Lei at the official exchange rate set by the National Bank of Moldova as of December 31, 2018 – 19,5212 MDL for 1 Euro and 17,1427 MDL for 1 USD.

Fixed Assets

Received fixed assets are reflected in accounting at the cost value, in compliance with the International Accounting Standard IAS16.

In financial statements, procurement of fixed assets is recorded as expenditure of targeted financing in the overall amount. In financial statements drawn up in compliance with the National Accounting Standards, procured fixed assets are presented as long-term tangible assets financed from the special real estate fund formed of donations.

Depreciation of fixed assets is calculated by the straight-line method on the basis of their operation life and is recorded under application of the special real estate fund.

Inventory

Inventory, as well as low-value and short-term assets (that cost up to 6,000 MDL) are presented in the financial reports for donors as expenditure, while in the financial statements drawn up in compliance with the National Accounting Standards as items with the same name under current assets on the balance sheet.

Accounts Receivable and Payable

Short-term receivables and liabilities are presented in the financial statements in compliance with the International Accounting Standard IAS1 at their nominal value that includes taxes and fees stipulated by local legislation.

Net Assets

Net assets represent:

- Permanently restricted assets – balances of targeted financing according to projects; these assets cannot be used for other purposes than those stipulated by project budgets;
- Temporarily restricted assets – short-term investments;
- Unrestricted assets – balances of targeted financing left by the donor to be used to meet the needs of the organization and incomes obtained from gain on exchange rate from conversion of foreign currency;
- Real estate fund created based on investment of targeted financing in long-term assets.

TI-Moldova 2018 CONSOLIDATED CASH FLOW REPORT

2018	NED		NED		Pasos		MFA Netherlands		EaP CSF Secretariat		mem. fees		Total	
	MDL	EUR	MDL	EUR	MDL	EUR	MDL	EUR	MDL	EUR	MDL	EUR	MDL	EUR
Balance opening	0,00	0,00			279 227,84	13 681,00	1 035 380,14	50 729,31	0,00	0,00	37 390,89	1 832,00	1 351 998,87	66 242,31
Grant no. 28994-AF-03							50 729,31						1 035 380,14	50 729,31
Pasos ENPI 354-731					279 227,84	13 681,00							279 227,84	13 681,00
Member fees and other											37 390,89	1 832,00	37 390,89	1 832,00
Incomes 2018	585 042,50	30 404,49	446 774,10	22 635,00	0,00	0,00	0,00	0,00	25 722,73	1 330,00	8 425,60	408,46	1 065 964,93	54 369,49
SEC004/2018/WG1/02-02									25 722,73	1 330,00			25 722,73	1 330,00
NED Grant 2018-0858	585 042,50	30 404,49												
NED Grant 2018-0143			446 774,10	22 635,00									585 042,50	30 404,49
Pasos ENPI 354-731													446 774,10	22 635,00
Member fees and other													0,00	0,00
Available for use in 2018:	585 042,50	30 404,49	446 774,10	22 635,00	279 227,84	13 681,00	1 035 380,14	50 729,31	25 722,73	1 330,00	45 816,49	2 240,46	8 425,60	408,46
Exchange rates difference	28 365,24		3 088,67	109,72			-30 755,45	146,46	275,35				106,56	
Expenditures 2018	521 415,83	25 692,08	359 933,31	18 137,96	279 227,84	13 681,00	998 135,41	50 543,35	25 620,45	1 310,66	0,00	0,00	2 184 332,84	109 365,05
Grant no. 28994-AF-03	150 737,50	6 835,92					949 095,59	47 477,98					1 099 833,09	54 313,90
Pasos ENPI 354-731					279 227,84	13 681,00	49 039,82	3 065,37					328 267,66	16 746,37
SEC004/2018/WG1/02-02									25 620,45	1 310,66			25 620,45	1 310,66
NED Grant 2018-0858	370 678,33	18 856,16										0,00	370 678,33	18 856,16
NED Grant 2018-0143			359 933,31	18 137,96									359 933,31	18 137,96
Member fees and other													0,00	0,00
Balance per 31.12.2018	91 991,91	4 712,41	89 929,46	4 606,76	0,00	0,00	6 489,28	332,42	377,63	19,34	45 816,49	2 347,02	234 604,77	12 017,95
Grant no. 28994-AF-03							6 489,28	332,42					6 489,28	332,42
Pasos ENPI 354-731					0,00	0,00							0,00	0,00
SEC004/2018/WG1/02-02									377,63	19,34			377,63	19,34
NED Grant 2018-0858	91 991,91	4 712,41											91 991,91	4 712,41
NED Grant 2018-0143			89 929,46	4 606,76									89 929,46	4 606,76
Member fees and other											45 816,49	2 347,02	45 816,49	2 347,02