

Georgi Georgiev  
Registered auditor No. 0063  
Sofia 1680  
"Beli brezi" res.area, block 20, floor 1, app. 2  
Phone: 985 18 70, e-mail: [odit\\_vezni@abv.bg](mailto:odit_vezni@abv.bg)

TO TRANSPARENCY INTERNATIONAL BULGARIA  
SOFIA

### INDEPENDENT AUDITOR'S REPORT

We audited the enclosed financial statements of Transparency International Bulgaria, Sofia, comprising of the balance sheet at 31 December 2012, the income and expenditure statement, the equity statement, the cash flow statement for the year ending on that date and the summary disclosure of the important accounting policies and the other explanatory notes.

#### *Responsibility of the Management for the Financial Statement*

The responsibility for the preparation and reliable presentation of the financial statement, in accordance with the Accountancy Act and the National Financial Reporting Standards for Small and Medium-sized Enterprises, lies with the management. This responsibility includes: setting up, introducing and maintaining an internal control system related to the preparation and reliable presentation of financial statements which are free from material inaccuracies, deviations and inconsistencies, regardless of whether they are due to fraud or error.

#### *Responsibility of the Auditor*

Our responsibility is to express an audit opinion on these financial statements, based on the audit conducted by us. Our audit was conducted in compliance with the professional requirements of the International Auditing Standards. These standards require compliance with the ethical requirements and stipulate that the audit shall be planned and performed in such a way that we can obtain reasonable assurance that the financial statement does not contain material inaccuracies, deviations and inconsistencies.

The audit includes implementation of procedures aiming to obtain evidence of the amounts and disclosures presented in the financial statement. The selected procedures depend on the auditor's judgment, including the risks assessment of material inaccuracies, deviations and inconsistencies in the financial statement, regardless of whether they are due to fraud or error. In the course of carrying out these risk assessments the auditor takes into account the internal control system related to the preparation and reliable presentation of the financial statement by the organization with the purpose to elaborate appropriate audit procedures without expressing an opinion on the efficiency of the internal control system of the organization. The audit also covers an assessment of the relevance of the accounting policies applied and the rationality of the accounting estimates made by the management, as well as the overall presentation of the financial statement.

We believe that the audit conducted by us gives sufficient and reasonable grounds for the audit opinion expressed by us.

*Audit Opinion*

In our opinion, the financial statement gives a true and fair view, in all material aspects, of the financial situation of the organization at 31 December 2012, as well as of the financial results from its operations and its cash flows for the year then ended, in compliance with the National Financial Reporting Standards for Small and Medium-sized Enterprises.

REGISTERED AUDITOR: (signature)  
/GEORGI GEORGIEV/

27 may 2013  
Sofia

## BALANCE SHEET

of Transparency International Bulgaria, UIC 121752288, Sofia, 3 "Bistritza" street, as at 31.12.2012

## ASSETS

## LIABILITIES

Sections  Groups  Items	Amount (BGN '000)		Sections  Groups  Items	Amount (BGN '000)	
	Current year	Previous year		Current year	Previous year
<b>A. REGISTERED, BUT NOT PAID IN CAPITAL</b>			<b>A. OWN CAPITAL</b>		
<b>B. NON-CURRENT (LONG-TERM) ASSETS</b>			<b>I. Registered capital</b>		
<b>I. Intangible assets</b>			<b>II. Premiums on issues</b>		
1. Research and development products			<b>III. Revaluation reserve</b>		
2. Concessions, patents, licenses and similar rights and assets			<b>IV. Reserves</b>		
3. Trade reputation			1. Statutory reserves		
4. Advances and intangible assets under construction			2. Reserve relating to Redeemed own shares		
<b>Group I total:</b>			3. Reserve under statutes		
<b>II. Long-term tangible assets</b>			4. Other reserves	72	71
1. Land and buildings, including:			<b>Group IV total:</b>	<b>72</b>	<b>71</b>
- land			<b>V. Accumulated profit (loss) form prior years, including</b>		
- buildings			- retained earnings		
2. Machines, production equipment and apparatuses	3	5	- uncovered loss		
3. Equipment and other tangible fixed assets			<b>Group V total:</b>		
4. Advance payments and fixed assets under construction			<b>VI. Current profit (loss)</b>	(3)	1
<b>Group II total:</b>	<b>3</b>	<b>5</b>	<b>SECTION A TOTAL:</b>	<b>69</b>	<b>72</b>
<b>III. Long-term financial assets</b>			<b>B. PROVISIONS AND SIMILAR LIABILITIES</b>		
1. Shares and stocks in group companies			1. Provisions for pensions and similar obligations		
2. Loans to companies in group			2. Provisions for taxation, including:		
3. Stocks and shares in associates and joint ventures			- deferred tax		
4. Loans related to associates and joint ventures			3. Other provisions and similar obligations		
5. Long-term investments					
6. Other loans			<b>SECTION B TOTAL:</b>	<b>0</b>	<b>0</b>
7. Redeemed own shares: par value (BGN'000)			<b>C. BORROWINGS</b>		
<b>Group III total:</b>			1. Bonds with separate indication of the convertible, including:		
<b>IV. Deferred tax</b>			up to 1 year		
<b>SECTION B TOTAL:</b>	<b>3</b>	<b>5</b>	over 1 year		
<b>C. CURRENT (SHORT-TERM) ASSETS</b>			2. Liabilities to financial companies		
<b>I. Materials and supplies</b>			up to 1 year		
1. Raw Ingredients and Materials			over 1 year		
2. Unfinished projects	43	301			

3. Goods and production			3. Advances received		
- production			up to 1 year		
- goods			over 1 year		
4. Advances granted			4. Payables to suppliers, including:	6	1
			up to 1 year	6	1
<b>Group I total:</b>	<b>43</b>	<b>301</b>	over 1 year		
<b>II. Receivables</b>					
1. Receivables from customers and suppliers, including over 1 year			5. Bill of exchange payable		
2. Receivables from group companies, including over 1 year			up to 1 year		
3. Receivables related to associates and joint ventures, including over 1 year			over 1 year		
4. Other receivables, including over 1 year	334	711	6. Liabilities to group enterprises		
<b>Group II total:</b>	<b>334</b>	<b>711</b>	up to 1 year		
<b>III. Investments</b>			over 1 year		
1. Shares and stocks of group enterprises			7. Obligations relating to associates and joint ventures	72	
2. Redeemed own shares: par value (BGN'000)			up to 1 year	72	
3. Other investment			over 1 year		
<b>Group III total:</b>			8. Other liabilities, including	9	12
<b>IV. Cash</b>			- other liabilities		
1. In hand	3	18	up to 1 year		
2. in accounts (deposits) without a fixed term	118	64	over 1 year		
<b>Group IV total:</b>	<b>121</b>	<b>82</b>	- payables to staff, including:	4	9
<b>SECTION C TOTAL:</b>	<b>498</b>	<b>1094</b>	up to 1 year	4	9
<b>D. DEFERRED EXPENSES</b>			over 1 year		
			- payables for social security	1	3
<b>TOTAL ASSETS (A+B+C+D)</b>	<b>501</b>	<b>1099</b>	up to 1 year	1	3
			over 1 year		
			- tax liabilities	4	
			up to 1 year	4	
			over 1 year		
			<b>SECTION C TOTAL, INCLUDING:</b>	<b>87</b>	<b>13</b>
			up to 1 year	87	13
			over 1 year		
			<b>D. FINANCING AND DEFERRED INCOMES, INCLUDING</b>	<b>345</b>	<b>1014</b>
			up to 1 year	345	1014
			over 1 year		
			<b>TOTAL LIABILITIES (A+B+C+D)</b>	<b>501</b>	<b>1099</b>

Date: 23.03.2013

Prepared by:  
SKK TAIS LTD, Givka Popova (stam and signature)

Chairman:  
Ognian Minchev (stam and signature)

certified by audit report, dated 27.05.2012 (stam and signature)

**STATEMENT**  
of income and expenditure (non-profit activities) of Transparency International Bulgaria, UIC 121752288  
Sofia, 3 "Bistrizta" str., reporting period 01.01.2012 - 31.12.2012

Expenditures	Amount (BGN '000)		Incomes	Amount (BGN '000)	
	current year	previous year		current year	previous year
a	1	2	a	1	2
<b>I. OPERATING EXPENDITURES</b>			<b>I. OPERATING INCOME</b>		
<b>A. Expenditure on regulated activities</b>			<b>A. Income from regulated activities</b>		
1. Donations			1. Income from conditional donations	625	401
2. Other expenditures	3		2. Income from unconditional donations	32	
<b>Total A:</b>	<b>3</b>		3. Membership fees		
<b>B. Administrative costs</b>	<b>688</b>	<b>401</b>	4. Other incomes	3	
<b>Total I:</b>	<b>691</b>	<b>401</b>	<b>Total I:</b>	<b>660</b>	<b>401</b>
<b>II. FINANCIAL EXPENDITURES</b>			<b>II. FINANCIAL INCOME</b>		
3. Interest expenditure	2		5. Interest income		
4. Negative differences on transactions involving financial assets and instruments			6. Income from participations		
5. Negative differences from exchange rate fluctuations	2		7. Positive differences from transactions involving financial assets and instruments		10
6. Other costs on financial transactions	1		8. Positive differences from exchange rate fluctuations	1	
<b>Total II:</b>	<b>5</b>		9. Other incomes from financial transactions		
<b>III. EXTRAORDINARY EXPENDITURES</b>			<b>Total II:</b>	<b>1</b>	<b>10</b>
<b>IV. LOSS FROM BUSINESS OPERATIONS</b>			<b>III. EXTRAORDINARY INCOMES</b>		
<b>V. TOTAL EXPENDITURES</b>	<b>696</b>	<b>410</b>	<b>IV. PROFIT FROM BUSINESS OPERATIONS</b>	<b>32</b>	
<b>VI. RESULT</b>		<b>1</b>	<b>V. TOTAL INCOMES</b>	<b>693</b>	<b>411</b>
<b>total (V+VI)</b>	<b>696</b>	<b>411</b>	<b>VI. RESULT</b>	<b>(3)</b>	
			<b>total (V+VI)</b>	<b>696</b>	<b>411</b>

Date: 23.03.2013

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