



**Public Association "Caroma Nord"**

***"Fondul pentru Tineri – Balți și Sângerei"***

***Grant No. 612***

**FINANCIAL STATEMENTS OF THE GRANT**

**FOR THE PERIOD APRIL 02, 2018 – NOVEMBER 30, 2020**

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## INDEPENDENT AUDITOR'S REPORT

**To the management of Public Association "Caroma Nord", Pirlita village  
Falesti region, Republic of Moldova**

### **Opinion**

We have audited the accompanying financial statements of the "Fondul pentru Tineri – Balţi și Sângerei" Grant No. 612, financed according to the Grant Contract signed 02.01.2018 by East Europe Foundation, which comprise the financial reports for the period of 2018 – 2020 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 aspects, the expenses of USD 66,699 incurred by the project "Fondul pentru Tineri – Balţi și Sângerei" for the period April 02, 2018 – November 30, 2020, are

- in accordance with the financial provisions as of the Grant Contract No. 612 dated 02.01.2018, additional agreement as of 20.11.2018, 02.01.2019, 05.12.2019, 02.01.2020, 24.09.2020 and 30.10.2020;
- in accordance with the grant budget;
- for the approved purposes of the grant;
- in compliance with relevant Public Association "Caroma Nord" (further Caroma Nord) regulations and rules, policies and procedures.

The project implementatin is in conformity with the project objectives and adheres to the contract conditions. The project is economically conducted and the financial resources are used at destination.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (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 the Caroma Nord and donor organization East Europe Foundation

(further EEF) 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 have 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 grant no.612, Public Association "Caroma Nord" and East Europe Foundation should not be distributed to or used by parties other than those stipulated in the project, Caroma Nord and EEF. Our opinion is not modified in respect of this matter.

**Other aspects**

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

**Management's responsibility and financial reporting governance team**

The Project Management of Caroma Nord is responsible for the preparation and fair presentation of the financial report of the project in accordance with requirements of the donor for the "Fondul pentru Tineri – Balți și Sângerei" project implementation. Management is responsible for the internal control to ensure that financial report is free from material misstatement, whether due to fraud or error.

Project governance team is responsible for overseeing the financial reporting process of Caroma Nord.

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

Our objectives are to obtain reasonable assurance about whether the financial statement 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 this 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 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 understating of internal control relevant to the audit in order to design audit procedures that are appropriate in circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Caroma Nord's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

We communicate to the management team 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, among other matters.

I believe that the audit evidence obtained comprises sufficient and appropriate supporting documentation for my opinion.

Chisinau, Republic of Moldova

January 25, 2021

Audit firm "ALKONT"  
Certified Auditor



A handwritten signature in blue ink, appearing to read 'Alla Kulikovskaia'.

Alla Kulikovskaia

**Public Association "Caroma Nord"**  
**"Fondul pentru Tineri – Balți și Sângerei" Grant No. 612**  
 For the period from April 2, 2018 up to and including November 30, 2020

### I. Financial Report

Grant number: **No. 612** for the reporting period April 02, 2018 – November 30, 2020  
 Name of Applicant: **Public Association "Caroma Nord"**  
 Grant name: **"Fondul pentru Tineri – Balți și Sângerei"** (Fund for Balti and Sangerei Youth - FY)  
 Currency – **USD**

Budget lines	For the Period April 02,2018 – November 30, 2020		
	Expenditures	Budget	Budget exec. %%
Salary for Grant staff	25 824,12	25 824	100%
Honoraria	1 840,36	1 840	100%
Equipment	3 160,72	3 161	100%
YF members meetings	1 245,83	1 273	98%
Training workshops for FY members	3 651,08	3 666	100%
Exchange of experience	731,38	740	99%
Fundraising and PGM monitoring	-	-	
Best Practices Gala	5 098,51	5 104	100%
Promotional materials	2 322,57	2 318	100%
Transportation costs	9 183,32	9 222	100%
Subgrants	5 393,46	5 432	99%
Administrative costs	7 826,22	7 810	100%
Bank fees	421,48	409	103%
Audit	-	2 000	0%
<b>Total</b>	<b>66 699,05</b>	<b>68 799</b>	<b>97%</b>

Executive Director.....  Date *25. 01. 2021*

Accountant.....  Date *25. 01. 2021*

Auditor..... 



## 2. Cash Flow Statement

Grant number: **No. 612** for the reporting period April 02, 2018 – November 30, 2020

Name of Applicant: **Public Association "Caroma Nord"**

Grant Name: **"Fondul pentru Tineri – Balți și Sângerei"** (Fund for Balti and Sangerei Youth - FY)

Currency – MDL, USD

Items	MDL	Equivalent in USD*
<b>Initial Balance</b>	<b>0</b>	<b>0</b>
<b>Incomes from EEF</b>		
Donations EEF for Grant Nr.612	1 146 168,62	66 799,00
<b>Total Incomes</b>	<b>1 146 168,62</b>	<b>66 799,00</b>
<b>Cash Outflows</b>		
Grant Expenditures	1 144 468,93	66 699,05
<b>Total Cash Outflows</b>	<b>1 144 468,93</b>	<b>66 699,05</b>
<b>Sold Final</b>	<b>1 699,69</b>	<b>99,95</b>

\* 30.11.2020: 1 USD=MDL 17,01

Executive Director.....  Date... *25.11.2021*

Accountant.....  Date... *25.11.2021*

Auditor..... 



## **II. Explanatory Notes to the Financial Statement**

### **1. General information**

The Grant Contract no. 612 was concluded between the East Europe Foundation (EEF) and Public Organisation "Caroma Nord" on April 02, 2018 within the Grant "Fondul pentru Tineri – Bălți și Sângerei" (Fund for Balti and Sîngerei Youth).

The total costs of the Grant was budgeted at USD 68,799 for the period 02.04.2018 – 30.11.2020. The amount of reported expenses for the period 02.04.2018 – 30.11.2020 is USD 66,699 (or MDL 1,144,469).

The initial agreed budget was modified according to additional agreement as of 20.11.2018, 02.01.2019, 05.12.2019, 02.01.2020, 24.09.2020 and 30.10.2020.

**The aim of the grant** is to encourage the participation of young people from Bălți municipality and neighboring districts in decision-making and mobilization of community resources by developing the Bălți Youth Fund (BYF) and the Sîngerei Youth Fund (SYF).

#### **Grant objectives:**

- O1. Organizing and conducting competitions for the selection of members of the Balti Youth Fund (BYF) and the Sîngerei Youth Fund (SYF)
- O2. Development of capacities and competencies of the members of the Balti Youth Fund (BYF) the Sîngerei Youth Fund (SYF)
- O3. Organizing and conducting the competition for the best youth initiatives in Balti municipality and Sîngerei district

### **2. Accounting Policies**

#### **Basis of accounting**

The special-purpose grant financial statements have been prepared in accordance to the donors requirements.

Accrual method of accounting was used to prepare these financial statements of special purpose project. Under accrual method, revenues and expenses are recognized at the time the financial transaction occurs.

#### **Eligible expenditures**

Eligible expenditure means expenditure made for the Project implementation as specified in the Grant Contract with donor and the approved budget.



### Procurements

Procurement under Project was made in accordance with the procurement principles on non-discrimination, equal treatment, transparency (openness and predictability), proportionality and mutual recognition.

Procurement of goods and services under the Project was made in accordance with the provision of the Grant Agreement no. 612 (p.7-8 of the Grant Contract)

### Currency transactions

The "Caroma Nord" Association received funds from the EEF in MDL. For reporting purposes, the amounts received in MDL were reflected in USD at the rate proposed by the donor on the day of the transaction. Project expenses were reported in MDL and USD.

### The bank Accounts

Revenues and expenses are made via the existing Caroma Nord's bank account No. MD48EN000000222492523402 In Moldovan lei (MDL) for the purpose of the grant activities.

### Taxes

The management calculates social and medical contributions owed by employer related to the salaries. Also, the management withhold social, medical and income taxes owed by the employees. Those contributions and taxes are calculated and paid in accordance with the local legislation in force.

## 3. Financing

<b>Total financing approved by EEF for the Grant Budget no.612</b>		<b>USD 68 799</b>	
<b>Disbursement by EEF in 2018 - 2020 for the period April 2, 2018 - November 30, 2020:</b>			
<b>2018</b>		<b>MDL</b>	<b>USD</b>
	10.04.2018	135 424,69	8 293
	07.08.2018	49 276,42	3 001
	14.11.2018	40 950,12	2 406
	22.11.2018	42 825,00	2 500
<b>Subtotal 2018</b>		<b>268 476,23</b>	<b>16 200</b>
<b>2019</b>			

	22.02.2019	142 154,62	8 318
	12.06.2019	90 380,40	5 010
	23.08.2019	67 080,30	3 758
	28.11.2019	89 277,50	5 125
	16.12.2019	34 340,00	2 000
<b>Subtotal 2019</b>		<b>423 232,82</b>	<b>24 211</b>
<b>2020</b>			
	20.02.2020	147 041,00	8 284
	28.04.2020	65 628,60	3 687
	10.08.2020	69 419,00	4 220
	05.10.2020	66 960,00	4 000
	02.11.2020	105 410,97	6 197
<b>Subtotal 2020</b>		<b>454 459,57</b>	<b>26 388</b>
<b>Total Disbursements per Project no.612</b>		<b>1 146 168,62</b>	<b>66 799</b>
<b>Balance as of November 30, 2020*</b>			<b>\$ 2 000</b>

\* Mention: the final balance represents the difference in the amount planned for in the project budget and the funds that were directly paid by EEF.

The amount of \$ 2 000 provided in the budget for audit services will be paid directly by EEF.

#### 4. Other sources of financing of the Grant no. 612

date	Financing Sources	Amount (MDL)	Expenditures				Total (USD)
			Equipment MDL	Meetings MDL	Subgrants MDL	Total MDL	
2018							
23.08.2018	Incubator de afaceri Singerei	3 150,00	3 150,00			3 150,00	191,84
						-	
<b>2019</b>						-	
12.12.2019	Profitprim SRL	599,00		596,54		596,54	33,42
24.12.2019	Centrul de sanatate Singerei	2 000,00			2 000,00	2 000,00	114,81
31.12.2019	Total Computer SRL	1440,00			1 440,00	1 440,00	82,66
<b>2020</b>						-	
03.01.2020	Torconst SRL	6 000,00			6 000,00	6 000,00	349,45
12.10.2020	Consil raional Singerei	4 000,00			4 000,00	4 000,00	238,95
30.10.2020	Liceul teoretic Olimp	4 150,00			4 138,63	4 138,63	247,23
20.10.2020	Primaria Singerei	20 000,00			20 000,00	20 000,00	1 190,54
	<b>Total</b>	<b>41 339,00</b>	<b>3 150,00</b>	<b>596,54</b>	<b>37 578,63</b>	<b>41 325,17</b>	<b>2 448,90</b>

## ANNEX 1

### Public Association “COROMA NORD” – GRANT no.612 - Consolidated Financial Statement

For the period 04.04.2018 - 30.11.2020

items	Currency	2018	2019	2020	Total	Reports for EEF	Budget	%%
Venturi	USD	16 200,00	24 211,00	26 388,00	66 799,00	66 799,00	68 799,00	97%
	MDL	268 476,23	423 232,82	454 459,57	1 146 168,62			
East-Europe Foundation	USD							
Grant Expenditures	USD	13 990,73	25 066,29	27 642,03	66 699,05	66 699,05	68 799	97%
	MDL	230 682,03	437 779,08	476 007,82	1 144 468,93			
Salary for staff	USD	6 156,71	10 032,76	9 634,65	25 824,12	25 824,12	25 824	100%
	MDL	101 358,75	176 183,58	167 922,84	445 465,17			
Honoraria	USD	760,36		1 080,00	1 840,36	1 840,36	1 840	100%
	MDL	12 665,00		19 179,00	31 844,00			
Equipment	USD	742,86	548,07	1 869,79	3 160,72	3 160,72	3 161	100%
	MDL	12 155,16	9 406,75	32 431,83	53 993,74			
YF Member Meetings	USD	190,00	533,31	522,52	1 245,83	1 245,83	1 273	98%
	MDL	3 150,68	9 324,67	9 175,35	21 650,70			
Training workshops for YF members	USD	1414,53	1 351,72	884,83	3 651,08	3 651,08	3 666	100%
	MDL	23 111,99	23 626,84	15 712,98	62 451,81			
Exchange of experience	USD			731,38	731,38	731,08	740	99%
	MDL			12 774,78	12 774,78			

Best Practices Gala	USD		3 128,76	1 969,75	5 098,51	5 098,51	5 104	100%
	MDL		54 015,13	33 505,44	87 520,57			
Promotional materials	USD		496,02	564,11	1 262,44	2 322,57	2 318	100%
	MDL		8 100,00	9 882,00	21 298,00	39 280,00		
Transportation costs	USD		1 408,00	1 873,98	2 111,48	5 393,46	5 432	99%
	MDL		23 095,55	32 906,60	36 226,20	92 228,35		
Subgrants	USD		750,87	4 176,28	4 256,17	9 183,32	9 222	100%
	MDL		12 862,40	72 126,30	70 806,29	155 794,99		
Administrative costs	USD		1 938,71	2 711,81	3 175,70	7 826,22	7 810	100%
	MDL		31 985,21	47 772,73	54 489,31	134 247,25		
Bank fees	USD		132,67	145,49	143,32	421,48	409	103%
	MDL		2 197,29	2 534,48	2 485,80	7 217,57		
Audit	USD						2 000,00	0%
	MDL							
<b>Balance</b>	USD		<b>2 209,27</b>	<b>1 353,98</b>	<b>99,95</b>	<b>99,95</b>	<b>99,95</b>	
	MDL		<b>37 794,20</b>	<b>23 247,94</b>	<b>1 699,69</b>	<b>1 699,69</b>		

Executive Director, Project Coordinator ..... Date: *25.01.2021*

Accountant ..... Date: *25.01.2021*

Auditor ..... *[Signature]*

