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Transparency Azerbaijan

**Special Consolidated Financial Statements Package
for the period from January 1, 2012 to December 31, 2012**

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Independent Auditors' Report on Transparency International Special Purpose Reporting Package

Addressed to: Management of Transparency International

We have audited the consolidated accompanying Transparency International Special Purpose Financial Reporting Package (the "financial statements"), initialed for purposes of identification, of the Transparency Azerbaijan (the "Foundation"), as at December 31, 2012 and for the period then ended comprised of the Consolidated Statements of Assets, Liabilities and Fund Balance at December 31, 2012, Consolidated Statement of Revenue, Expenses and Change in Fund Balance, and Consolidated Statement of Cash Flows for the period then ended, and summary of significant accounting policies and other explanatory information set out on pages from 5 to 14. The Consolidated Financial Statements have been prepared in the basis set out in Note 2.

Management's Responsibility for the Financial Statement

Management of the Foundation is responsible for the preparation and fair presentation of these financial statements on the basis described in Note 2. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that is free from material misstatements, whether due to fraud or error; selecting and applying appropriate accounting policies in accordance with Foundation Accounting Policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audits in accordance with International Standards on Auditing (ISA). ISA require that we comply with ethical requirements, and plan and perform the audits to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessment, 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements have been prepared, in all material respects, in accordance with the basis set out in Note 2.

Emphasis of Matter – Basis of Preparation

Without qualifying our opinion, we emphasize that the accounting policies used and disclosures made are not intended to, and do not, comply with all the requirements of International Public Sector Accounting Standards (IPSAS).

Restriction of use

This report is intended solely for the information and use of the Management of Foundation and Management of Transparency International Georgia and should not be used for any other purpose.

HLB Azerbaijan LLC

Baku, Republic of Azerbaijan
June 24, 2013

Global in Reach, Local in Touch

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Transparency Azerbaijan
Consolidated Statement of Assets, Liability and Fund Balance
As at December 31, 2012

| | <i>Notes</i> | December 31, 2012, EUR |
|---|--------------|-----------------------------------|
| ASSETS | | |
| Short-term assets | | |
| Cash | 3 | 31,116 |
| <i>Total-short term assets</i> | | <i>31,116</i> |
| Total assets | | 31,116 |
| FUND BALANCE | | |
| OSCE office in Baku Grant | 6 | 143,668 |
| USAID Grant | 5 | 158,702 |
| TI Sekretariat Grant | 7 | 17,362 |
| Statoil Grant | | 6,474 |
| University of Konstanz Grant | | 4,548 |
| Accumulated grant expenses | 4 | (299,438) |
| Total liability and fund balance | | 31,316 |

Executive director

Financial manager

See accompanying notes to the financial statements on pages 5 to 13.

Transparency Azerbaijan
Statement of Revenue, Expenses and Change in Fund Balance
For the period January 1, 2012 – December 31, 2012

| | Note | 2012, Budget, EUR | 2012, Actual cost, EUR |
|---------------------------------------|------|-------------------------|------------------------------|
| Contribution income | | | |
| • OSCE Baku office contribution | 6 | | 141,032 |
| • USAID contribution | 5 | | 158,702 |
| • University of Konstanz Contribution | 7 | | 3,459 |
| • TI Contribution | 7 | | 15,153 |
| • PTF Contribution | 7 | | 1,560 |
| Total contribution | | | 319,906 |
| • Personell expenses | 4.1 | (308,891) | (180,768) |
| • Travel & Conference Expenses | 4.2 | (18,246) | (12,083) |
| • Stationary & Adminstation Expenses | 4.3 | (56,455) | (14,364) |
| • Other project Expenses | 4.4 | (150,377) | (92,223) |
| Total expenses | | (533,969) | (299,438) |
| Net funding | | | 20,468 |
| Opening fund balance | | | 10,848 |
| Closing fund balance | | | 31,316 |

See accompanying notes to the financial statements on pages 5 to 13.

Transparency Azerbaijan
Consolidated Statement of Cash Flows
For the period beginning January 1, 2012 and ending December 31, 2012

| | 2012, EUR |
|--|------------------|
| Operating activities | |
| Net expenses | (299,438) |
| <i>Cash flows used in the operating activities</i> | <i>(299,438)</i> |
| Investing activities | |
| Purchase of equipment and inventory | 0 |
| <i>Cash flow used in the investing activities</i> | <i>0</i> |
| Financing activities | |
| OSCE Baku office Grant | 141,032 |
| USAID Grant | 158,702 |
| University of Konstanz Grant | 3,459 |
| TI Grant | 15,153 |
| PTF Grant | 1,560 |
| <i>Cash flows from financing activities</i> | <i>319,906</i> |
| Net increase in cash | 20,468 |
| Cash at beginning of period | 10,848 |
| Cash at end of period | 31,316 |

See accompanying notes to the financial statements on pages 5 to 13

1. ORGANISATION BACKGROUND

Transparency International (TI) is the leading global non-governmental organisation devoted to combating corruption. Its mission is to create change towards a world free of corruption. TI has national chapters in over 90 countries. The chapters are independent local NGOs free to choose their own policies and raise funds for their activities.

In Azerbaijan an Initiative Group began preparatory work to establish Transparency Azerbaijan (TA) in June of 2000. Consultations were held with the Eastern and Central Europe Department of TI-S and OSI-AF Azerbaijan. In a meeting in October 2000, the Initiative Group adopted a resolution to set up TA, elected a Board of Directors, appointed a Chairman of the Board and Executive Director, approved the TA Chapter and resolved to prepare and submit documentation to Ministry of Justice for registration. However, in its letter dated December 8, 2000 Ministry of Justice refused registration. Subsequent numerous unofficial discussions yielded no result, until the Anti-corruption Law entered into force as of January 1, 2005. Therefore, since its inspection, TA has been formally functioning as Transparency Azerbaijan project under Entrepreneurship Development Foundation, led by S.Bagirov, TA chairman of board.

The main impact of TA on the Azerbaijan society is quite tangible. Public awareness of phenomenon of corruption and its destructive impact on the social development is quite acute now. 5 years ago few people dared to publicly pronounce the very word "corruption". Even a year ago high rank public officials denied existence of corruption in the country and did not take TI Corruption Perception Index seriously. The situation has considerably changed now and authorities not only recognise corruption, but also seek for cooperation with TA (for example, Anticorruption Commission, Presidential Office, Ministry of Education). Alongside with the Azerbaijan Government, international organisations, such as OSCE, Council of Europe and others, some of the merit for this substantial societal change should go to TI and TA in particular.

The final goals of the ALAC projects are: "To provide citizens with the means to become actively involved in the fight against corruption in their societies".

NOTES TO CONSOLIDATION FINANCIAL STATEMENT

2. Key accounting policies

a) Statement of compliance

These financial statements have been prepared in accordance with Transparency Azerbaijan's Accounting Policies. Transparency Azerbaijan's Accounting Policies are designed to follow the fundamental recognition principles laid down in International Public Sector Accounting Standards (IPSAS) for Assets, Liabilities, Revenue and Expenses: however, they are not meant to comply with the disclosure requirements of IPSAS.

b) Basis of measurement

These financial statements are prepared on the historical cost basis.

The purpose of these financial statements is to reflect the financial position and activities of the Project in relation to the Grant. Funding and expenditures from sources other than the Grant are not included in these accounts.

c) Basis of accounting

The Foundation prepares its financial statements using the cash basis of accounting.

d) Auditing

Transparency Azerbaijan delivers an audit report drawn up by an internationally recognized chartered auditing institution at the end of each year of the project. In this audit report, the Council of State Support to Non-Governmental Organizations under the President of the Republic of Azerbaijan contribution to the project must be clearly identified.

e) Recognition of contribution revenue

In the year - from August 1, 2011 to February 1, 2012 the Council of State Support to Non-Governmental Organizations under the President of the Republic of Azerbaijan core budget has been provided as a conditional support the condition is that the Foundation is required to incur expenditures or legally binding commitments chargeable under the 2011 and 2012 core budgets, respectively. The same funding and income recognition policy applies for the budgets allocated by The Council of State Support to Non-Governmental Organizations under the President of the Republic of Azerbaijan grant agreement to the Foundation during 2011 and 2012 years.

Transparency Azerbaijan income is restricted and should be spend on the purposes underlining the calculation of such income.

f) Recognition of expenses

Expenses are recorded on a cash basis, when goods are received or when services are performed and paid. Expenses related to grants provided by the Foundation are recognised when the grant agreement is signed by the Foundation and counter signed by the grant recipient and paid.

g) Equipment and supplies

The necessary stationary and internet security software will be purchased. This funds planned towards meeting the needs of the admin on-the-ground transportation cost. All equipment and furniture charged to grant expenses.

h) Cash

Cash includes cash at banks and cash in hand.

i) Taxation issues

According to the Tax Code of the Republic of Azerbaijan the Foundation, as a non-profit organization, is exempt from VAT, property tax and profit tax.

j) Foreign currencies

The Azerbaijani Manat (AZN) is the national currency of the Republic of Azerbaijan. The financial statements have been measured and presented in manats (AZN) as all funding is in AZN. Monetary assets and liabilities translated at the exchange rate prevailing at the fixed on received the fund for the Grant Project from the Council of State Support to Non-Governmental Organizations under the President of the Republic of Azerbaijan. All funding and expenses in AZN.

k) Extent of Financing

The budget authorized by The Council of State Support to Non-Governmental Organizations under the President of the Republic of Azerbaijan in accordance with grant agreement amounts to maximum AZN 5000.00 .

l) Planning, Monitoring, Evaluation and Realisation

Planning, monitoring and evaluation form an integral part of the execution of the Project and must appear specifically in the description of the Project.

m) Visibility

The Council of State Support to Non-Governmental Organizations under the President of the Republic of Azerbaijan detailed as key donor to Transparency Azerbaijan in all project activities, publications and reports.

3. Cash

| | December 31, 2012 | December 31, 2011 |
|-----------------------|----------------------|----------------------|
| Petty cash | - | - |
| Cash in bank accounts | 31,316 | 10,848 |
| Total | 31,316 | 10,848 |

4. Project expenses

The actual amounts of application of funds during reporting period was EUR 299,438 instead of budget EUR 533,969 including,

| Heading | Total expenses | Budget |
|---|-------------------|----------------|
| 1. Grant project "Anti-Corruption Advocacy and Legal Advice Centres - Baku-Guba-Ganja" - financing by USAID | 93,115 | 157,866 |
| 2. Grant project "Azerbaijan Partnership for Transparency project Baku-Guba-Ganja" - financing by USAID | 52,695 | 211,815 |
| 3. Grant project "Legal Recourse Centre in Ganja" – financing by OSCE office in Baku | 45,999 | 46,478 |
| 4. Grant project "Legal Recourse Centre in Lenkoran" – financing by OSCE office in Baku | 43,223 | 45,785 |
| 5. Grant project "Legal Recourse Centre in Sheki" - financing by OSCE Office in Baku | 43,501 | 45,785 |
| 6. Grant project "University of Konstanz ALAC Project" | 4,841 | 10,176 |
| 7. Grant project "Network Reserve Fund" – financing by Transparency International Secretariat (TI-S) | 4,865 | 4,865 |
| 8. Grant project "Support the Baku ALAC of TI Azerbaijan", financing by Transparency International Secretariat (TI-S) | 6,399 | 6,399 |
| 9. Grant Project "Freedom of information in the South Caucasus CP" – financing by Transparency International Georgia | 4,800 | 4,800 |
| Total grant expenses | 299,438 | 533,969 |

The program expenses consist of:

4.1. Personnel

| Heading | Total expenses | Budget |
|---|----------------|----------------|
| 1. Grant project "Anti-Corruption Advocacy and Legal Advice Centres - Baku-Guba-Ganja" - financing by USAID | 51,150 | 89,097 |
| 2. Grant project "Azerbaijan Partnership for Transparency project Baku-Guba-Ganja" - financing by USAID | 35,222 | 120,761 |
| 3. Grant project "Legal Recourse Centre in Ganja" – financing by OSCE office in Baku | 31,110 | 32,109 |
| 4. Grant project "Legal Recourse Centre in Lenkoran" – financing by OSCE office in Baku | 27,947 | 27,947 |
| 5. Grant project "Legal Recourse Centre in Sheki" - financing by OSCE Office in Baku | 27,947 | 27,947 |
| 6. Grant project "University of Konstanz ALAC Project" | 3,927 | 8,480 |
| 7. Grant project "Network Reserve Fund" – financing by Transparency International Secretariat (TI-S) | - | - |
| 8. Grant project "Support the Baku ALAC of TI Azerbaijan", financing by Transparency International Secretariat (TI-S) | - | - |
| 9. Grant Project "Freedom of information in the South Caucasus CP" – financing by Transparency International Georgia | 2,465 | 2,550 |
| Total personnel expenses | 180,768 | 308,891 |

4.2. Travel and Conference

| Heading | Total expenses | Budget |
|---|----------------|---------------|
| 1. Grant project "Anti-Corruption Advocacy and Legal Advice Centres - Baku-Guba-Ganja" - financing by USAID | 2,505 | 4,184 |
| 2. Grant project "Azerbaijan Partnership for Transparency project Baku-Guba-Ganja" - financing by USAID | 531 | 4,834 |
| 3. Grant project "Legal Recourse Centre in Ganja" – financing by OSCE office in Baku | 565 | 595 |
| 4. Grant project "Legal Recourse Centre in Lenkoran" – financing by OSCE office in Baku | - | - |
| 5. Grant project "Legal Recourse Centre in Sheki" - financing by OSCE Office in Baku | - | - |
| 6. Grant project "University of Konstanz ALAC Project" | - | - |
| 7. Grant project "Network Reserve Fund" – financing by Transparency International Secretariat (TI-S) | 3,654 | 3,892 |
| 8. Grant project "Support the Baku ALAC of TI Azerbaijan", financing by Transparency International Secretariat (TI-S) | 4,441 | 4,441 |
| 9. Grant Project "Freedom of information in the South Caucasus CP" – financing by Transparency International Georgia | 387 | 300 |
| Total travel and conference expenses | 12,083 | 18,246 |

4.3. Stationary and Administration

| Heading | Total expenses | Budget |
|---|----------------|---------------|
| 1. Grant project "Anti-Corruption Advocacy and Legal Advice Centres - Baku-Guba-Ganja" - financing by USAID | 4,932 | 9,449 |
| 2. Grant project "Azerbaijan Partnership for Transparency project Baku-Guba-Ganja" - financing by USAID | 4,311 | 39,817 |
| 3. Grant project "Legal Recourse Centre in Ganja" – financing by OSCE office in Baku | 707 | 693 |
| 4. Grant project "Legal Recourse Centre in Lenkoran" – financing by OSCE office in Baku | 989 | 2,378 |
| 5. Grant project "Legal Recourse Centre in Sheki" - financing by OSCE Office in Baku | 1,701 | 2,378 |
| 6. Grant project "University of Konstanz ALAC Project" | - | - |
| 7. Grant project "Network Reserve Fund" – financing by Transparency International Secretariat (TI-S) | - | - |
| 8. Grant project "Support the Baku ALAC of TI Azerbaijan", financing by Transparency International Secretariat (TI-S) | - | - |
| 9. Grant Project "Freedom of information in the South Caucasus CP" – financing by Transparency International Georgia | 1,724 | 1,740 |
| Total stationary and administration expenses | 14,364 | 56,455 |

4.4. Other costs/Services

| Heading | Total expenses | Budget |
|---|----------------|----------------|
| 1. Grant project "Anti-Corruption Advocacy and Legal Advice Centres - Baku-Guba-Ganja" - financing by USAID | 34,528 | 55,136 |
| 2. Grant project "Azerbaijan Partnership for Transparency project Baku-Guba-Ganja" - financing by USAID | 12,631 | 46,403 |
| 3. Grant project "Legal Recourse Centre in Ganja" – financing by OSCE office in Baku | 12,617 | 13,081 |
| 4. Grant project "Legal Recourse Centre in Lenkoran" – financing by OSCE office in Baku | 14,287 | 15,460 |
| 5. Grant project "Legal Recourse Centre in Sheki" - financing by OSCE Office in Baku | 13,853 | 15,460 |
| 6. Grant project "University of Konstanz ALAC Project" | 914 | 1,696 |
| 7. Grant project "Network Reserve Fund" – financing by Transparency International Secretariat (TI-S) | 1,211 | 973 |
| 8. Grant project "Support the Baku ALAC of TI Azerbaijan", financing by Transparency International Secretariat (TI-S) | 1,958 | 1,958 |
| 9. Grant Project "Freedom of information in the South Caucasus CP" – financing by Transparency International Georgia | 224 | 210 |
| Total other expenses | 92,223 | 150,377 |

5. USAID grants

5.1. Grant Project “Anti-Corruption Advocacy and Legal Advice Centres in Baku-Guba-Ganja”

The amount stated in the Grant Contract dated September 30, 2010 signed between the USAID Caucasus and Transparency Azerbaijan was USD 199,227. In fact, the total amount of funds released by Transparency Azerbaijan during the reporting period was USD 97,808.26 or EUR 77,411 and made of the transfer to bank account of Transparency Azerbaijan:

- 10.01.2012 – USD 22,377;
- 19.03.2012 – USD 16,965;
- 20.04.2012 – USD 25,085;
- 02.05.2012 – USD 16,965; and
- 08.06.2012 – USD 16,416.26

5.2. Grant Project “Azerbaijan Partnership for Transparency project Baku-Guba-Ganja”

The amount stated in the Grant Contract dated September 20, 2012 signed between the USAID Caucasus and Transparency Azerbaijan was USD 267,310. In fact, the total amount of funds released by Transparency Azerbaijan during the reporting period was USD 102,677.24 or EUR 81,291 and made of the transfer to bank account of Transparency Azerbaijan:

- 30.10.2012 – USD 36,330;
- 08.11.2012 – USD 17,068;
- 03.12.2012 – USD 24,418; and
- 20.12.2012 – USD 24,861.24;

6. OSCE office in Baku grants

6.1. Grant Project “Legal Resource Centre in Ganja”

The amount stated in the Grant Contract dated February 21, 2012 signed between the OSCE office in Baku and Transparency Azerbaijan was EUR 46,900. In fact, the total amount of funds released by Transparency Azerbaijan during the reporting period was AZN 47,697 or EUR 45,863 and made of the transfer to bank account of Transparency Azerbaijan.

The outstanding grant balance as of December 31, 2012 was AZN 4,241 or EUR 4,078.

6.2. Grant Project “Legal Resource Centre in Lenkoran”

The amount stated in the Grant Contracts dated January 6, 2012 signed between the OSCE office in Baku and Transparency Azerbaijan was EUR 46,200. In fact, the total amount of funds released by Transparency Azerbaijan during the reporting period was AZN 51,717 or EUR 49,729 and made of the transfer to bank account of Transparency Azerbaijan.

6.3. Grant Project “Legal Resource Centre in Sheki”

The amount stated in the Grant Contracts dated January 6, 2012 signed between the OSCE office in Baku and Transparency Azerbaijan was EUR 46,200. In fact, the total amount of funds released by Transparency Azerbaijan during the reporting period was AZN 43,860 or EUR 42,173 and made of the transfer to bank account of Transparency Azerbaijan.

The outstanding grant balance as of December 31, 2012 was AZN 1,900 or EUR 1,826.

6.4. Grant Project "Assessment of the implementation of e-governance in Azerbaijan"

The outstanding grant balance as of December 31, 2011 stated in the Grant Contracts dated October 11, 2011 signed between the OSCE office in Baku and Transparency Azerbaijan was transferred to bank account of Transparency Azerbaijan in a sum of AZN 3,398 or EUR 3,267.

7. The Transparency International grants

7.1. Grant Project "Media improvement: Struggle Against Corruption"

The outstanding grant balance as of December 31, 2011 stated in the Grant Contracts signed between the Partnership for Transparency Fund and Inter news Azerbaijan Public Association (IAPA) was transferred to bank account of Transparency Azerbaijan in a sum USD 1,969 or EUR 1,560.

7.2. Grant Project "Freedom of Information in the South Caucasus CP"

The amount stated in the Grant Contracts signed between the Transparency International Georgia and Transparency Azerbaijan was EUR 4,800. In fact, the total amount of funds released by Transparency Azerbaijan during the reporting period was EUR 4,800 and made of the transfer to bank account of Transparency Azerbaijan.

8. Taxation

The only applicable tax to the activities financed under grant is personnel income tax and social insurance. The Project has been exempted from other taxes of the Azerbaijani Republic.

The Azerbaijan taxation system is relatively new and characterized by numerous taxes and frequently changes in legislation, which may be applied retroactively. Laws related to these taxes have not been in force for significant periods, in contrast to more developed market economies. Regulations are often unclear, open to wide interpretation, and in some instances are conflicting. Few precedents with regard to issues have been established.

Often, differing opinions regarding legal interpretation exist both among and within government ministries and organizations thus creating uncertainties and areas of conflict.

Taxes, together with other legal compliance areas are subject to review and investigation by a number of authorities, who were enabled by law to impose severe fines, penalties and interest charges.

9. Related party transactions

Transparency Azerbaijan did not carry out any significant transactions with related party.

10. Subsequent events

There have not been any material subsequent events after the reporting period.

National Chapter Financial Overview Questionnaire

Country:

Azerbaijan

1 REPORTING CURRENCY EURO Audited YES

2 Period under review: 01/01/2012-31/12/2012 Accrual accounting YES

3 INCOME

| | | AMOUNT |
|-------|---|---------|
| 3.1 | TI-S (All funds received on projects funded through TIS) | 15 153 |
| 3.2 | Governmental Agencies (Only for funds raised directly by NC) | 299 734 |
| | Local Donors: | |
| | | |
| | International Donors: | |
| | U.S. Agency for International Development (USAID) | 158 702 |
| | European Commission | 141 032 |
| | | |
| 3.3 | Other Development Agencies (Only for funds raised directly by NC) | 0 |
| 3.3.1 | | |
| 3.3.2 | | |
| 3.3.3 | | |
| 3.4 | Foundations (Only for funds raised directly by NC) | 0 |
| 3.4.1 | | |
| 3.4.2 | | |
| 3.4.3 | | |
| 3.4.4 | | |
| 3.5 | Private Sector | |
| 3.6 | Membership fees | |
| 3.7 | Donations | |
| 3.8 | Paid Consultancies, Fees, honoraria, publications | |
| 3.9 | Partnership for Transparency Fund | 1 560 |
| 3.10 | Other (Please attach an explanatory note when >20% of Income) | 3 459 |
| | TOTAL (To agree with Total Income in Audited Accounts) | 319 906 |

| | | |
|-----|---|---------|
| 4 | EXPENSES | |
| 4.1 | Personnel | 180 768 |
| 4.2 | Travel & Conferences | 12 083 |
| 4.3 | Stationery & Administration | 14 364 |
| 4.4 | Other (Please attach an explanatory note when >20% of Expenditures) | 92 223 |
| | TOTAL EXPENSES (To agree with Total Expenses in audited Accounts) | 299 438 |

| | | |
|---|--|--------|
| 5 | Surplus/Deficit for the year | 20 468 |
| 6 | Equity/Reserves at beginning of reporting period | 10 848 |
| 7 | NET RESERVES at year end | 31 316 |

| | | |
|---|---|--------|
| 8 | Cash and cash equivalents (end of the year) | 31 316 |
|---|---|--------|

I certify that we manage our finances according to the values, standards and regulations of the National Chapter Accreditation Policy confirmed in our respective Accreditation Agreement, and the information here is correct and was extracted from the submitted audited financial statements if applicable.

DATE

30 June 2013

RESPONSIBLE PERSON

S. Safakalicheva



National Chapter Financial Overview Questionnaire
Transparency Azerbaijan

Notes: Country: Azerbaijan
 1 Transparency Azerbaijan
 2 Period under review: 1 January - 31 December 2012
 Currency: EURO
 Audited Yes
 Accrual accounting No

| INCOME | | | | | | | | | | |
|--|----------|---------------|---------|----|---------|-------------|--------|---------|----------|---------|
| | Domestic | International | USA | UK | Hungary | Switzerland | Norway | Germany | Azerbaij | Other |
| 3.1 Government | | | 158 702 | | | | | | 0 | |
| 3.2 Intergovernmental Organizations (OSCE) | | 141 032 | | | | | | | | |
| 3.3 Foundations | | | | | | | | | | |
| 3.3.1 Ford | | | | | | | | | | |
| 3.3.2 Open Society | | | | | | | | | | |
| 3.3.3 AVINA | | | | | | | | | | |
| 3.3.4 ... | | | | | | | | | | |
| 3.3.5 ABA CEELI | | | | | | | | | | |
| 3.4 Private Sector | | | | | | | | | | |
| 3.5 Membership fees/donations | | | | | | | | | | |
| 3.6 Fees/honoraria/publications | | | | | | | | | | |
| 3.7 TIS | | 15 153 | | | | | | | | |
| 3.8 Partnership for Transparency Fund | | 1 560 | | | | | | | | |
| 3.9 Other | | 3 459 | | | | | | | | |
| TOTAL | 0 | 161 204 | 158 702 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sum | | | | | | | | | | 319 906 |

| EXPENSES | | | | | | | | | | |
|--|--|--|--|--|--|--|--|--|--|---------|
| 4.1 Personnel | | | | | | | | | | 180 768 |
| 4.2 Travel & Conferences | | | | | | | | | | 12 083 |
| 4.3 Stationery & Administration | | | | | | | | | | 14 364 |
| 4.4 Other | | | | | | | | | | 92 223 |
| TOTAL EXPENSES | | | | | | | | | | 299 438 |
| 5 Surplus/Deficit for the year | | | | | | | | | | 20 468 |
| 6 Equity/Reserves at beginning of reporting period | | | | | | | | | | 10 848 |
| 7 NET RESERVES at year end | | | | | | | | | | 31 316 |

| Cash and cash equivalents (end of the year) | | | | | | | | | | |
|--|--|--|--|--|--|--|--|--|--|--|
| 8 | | | | | | | | | | |
| 9 Non fiscal contributions | | | | | | | | | | |
| 9.1 Volunteer time (Time volunteered at local rates) | | | | | | | | | | |
| 9.2 Adjustments to market rates | | | | | | | | | | |
| 9.3 Goods & services donated (Market related values) | | | | | | | | | | |
| 9.4 Other (books) | | | | | | | | | | |
| 11 Individual Donors | | | | | | | | | | |
| 11.1 Donors providing support > 5% of total income | | | | | | | | | | |
| 11.2 Donors providing support > 25% of total income | | | | | | | | | | |
| 11.3 Donors providing support > 50% of total income | | | | | | | | | | |

R. Safaraliev, E.D.
24.06.2013

Note: TI Az expenditure in "Other" line make about 30% or more than 20%, as the organization has five centers all over the country, which involves substantial costs of rent, communication, maintenance and travel

