



To
The Management of
TRANSPARENCY – ZERO CORRUPTION
SKOPJE

AUDITOR'S REPORT

We have audited the accompanying financial statements of TRANSPARENCY – ZERO CORRUPTION (in the following text “the Organization“), which comprise the Balance Sheet as of 31 December 2010, the Statement of Revenues and Expenses for the year then ended and a summary of significant accounting policies and other explanatory notes.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation 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.



DFK
INTERNATIONAL

DIMITROV REVIZIJA

Audit company

Auditor's opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of TRANSPARENCY – ZERO CORRUPTION as of 31 December 2010, as well as the operating results and the changes in the funds for the year than ended, in accordance with the Accounting Law for Non-profit Organizations and financial reporting under the cash basis of accounting.

Skopje, 25 May 2011

Manager
Zvonko Kocovski, Certified Auditor



	2010	2009	2008	2007
NON-CURRENT ASSETS				
PROPERTY, PLANT AND EQUIPMENT	1,328	28	2,343	46
INTANGIBLE ASSETS				
RIGHT-OF-USE ASSETS				
FINANCIAL ASSETS				
DEFERRED TAX ASSETS				
OTHER NON-CURRENT ASSETS				
TOTAL NON-CURRENT ASSETS	1,328	28	2,343	46
OPERATING FUNDS AND SURPLUS OR DEFICITS OVER EXPENSES				
Operating Fund	98	2	40	2
Reserves	32	1	3	1
Surplus of revenues over expenses reserved for future periods	1,342	29	2,910	43
Total operating fund and surplus over expenses reserved for future periods	1,400	32	2,913	46
TOTAL LIABILITIES AND OPERATING FUND	1,400	32	2,913	46

The accompanying financial statements are part of the financial statements.

The accompanying financial statements were authorized for issue by the management of the Association and were signed on its behalf by:

Miroslav Jankov
General Secretary



TRANSPARENCY ZERO CORRUPTION

NOTE 9. GRANTED DONATIONS

(In thousands)

	MKD	EUR	MKD	EUR
Donor	2010	2010	2010	2010
Royal Norwegian Embassy Skopje			100	2
German Foreign Ministry			2.750	45
European Commission			756	12
Norwegian Ministry of Foreign Affairs			2.741	44
Ministry of Justice of RM			164	3
Total			6.511	106

NOTE 10. FINANCIAL REVENUES

(In thousands)

	MKD	EUR	MKD	EUR
	2010	2010	2009	2009
Interest	10	-	37	1
Total	10	-	37	1

NOTE 11. OTHER REVENUES

(In thousands))

	MKD	EUR	MKD	EUR
	2010	2010	2009	2009
VAT refund	264	5	390	6
Surplus of revenues over expenses from previous year	2.030	33	3.568	59
Total	2.294	38	3.958	71

TRANSPARENCY ZERO CORRUPTION

NOTE 12. EXPENSES

(In thousands)

	MKD	EUR	MKD	EUR
	2010	2010	2009	2009
OPERATING EXPENSES				
Office materials	187	3	275	4
Rents and utilities	756	12	989	16
Maintenance	89	1	80	1
Other (print, web hosting, accounting)	587	10	1.012	16
Transportation, post, telephone	306	5	694	11
Marketing	147	2	249	4
Project related expenses	3.108	51	5.480	89
Bank provision	23	-	22	-
Insurance	8	-	10	-
Per diems and travel costs	535	9	825	13
Taxes and contributions	86	1	76	1
Salaries and remunerations	1.571	26	862	14
Foreign exchange loss	17	-	5	-
Total operating expenses	7.503	123	10.580	173
CAPITAL EXPENSES				
Purchased fixed assets	70	1	373	6
Total capital expenses			373	6
Total	7.573	124	10.953	179