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INDEPENDENT AUDITOR'S REPORT

<i>Auditee:</i>	<i>Public Association Centrul pentru Drepturile Persoanelor cu Dizabilități</i>
<i>Country:</i>	<i>Republic of Moldova</i>
<i>Audit contract:</i>	<i>AG 139/2022 dated 29.12.2022</i>
<i>Period subject to audit:</i>	<i>01.01.2023 – 31.12.2023</i>

CHISINAU, 2024



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Abbreviations and acronyms

CDPD – Public Association Centrul pentru Drepturile Persoanelor cu Dizabilități;

ISA – International Standards on Auditing issued by IFAC (International Federation of Accountants);

LLC – Limited Liability Company

Methodical Indications – Methodical indications regarding the particularities of the accounting in the non-commercial organization, approved by the Order of the Minister of Finance no. 119 of 06.08.2013;

NBM – National Bank of the Republic of Moldova;

PA – Public Association



1. INDEPENDENT AUDITOR’S REPORT

To the Management of P.A. Centrul pentru Drepturile Persoanelor cu Dizabilități

Unqualified opinion

We have audited the financial statement of the Public Association Centrul pentru Drepturile Persoanelor cu Dizabilități (hereinafter „Entity”) which comprise the balance sheet as at December 31, 2022, the income and expenditure statement, statement of changes in sources of funding for the year then ended, and notes to the financial statements, including the approved accounting policies.

In our opinion, the attached financial statements faithfully present, under all significant aspects, the Entity's balance sheet as of December 31, 2023, the statement of income and expenses and the statement of changes in sources of financing related to the year ended on that date, in accordance with the Methodical indications regarding the particularities of the accounting in the non-commercial organizations and the additions to the General chart of accounts, approved by the Order of the Minister of Finance no. 119 of 06.08.2013 and the National Accounting Standards of the Republic of Moldova with application from 01 January 2014.

Basis for unqualified 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 Statement* section of our report. We are independent of the Public Association Centrul pentru Drepturile Persoanelor cu Dizabilități, in accordance with the *Code of Ethics for Professional Accountants (IESBA Code)* issued by the International Ethics Standards Board for Accountants and the ethical requirements that are relevant to our audit of the financial statement in Republic of Moldova, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. 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

The financial statements are prepared to assist the Entity in complying with the reporting provisions of the Methodical Indications and NAS. As a result, the financial statements may not be suitable for another purpose.

Our report is intended solely for the Public Association Centrul pentru Drepturile Persoanelor cu Dizabilități and should not be distributed to or used by other parties than the Public Association Centrul pentru Drepturile Persoanelor cu Dizabilități. Our opinion is not modified in respect of this matter.



Responsibilities of Management and Those Charged with Governance for the Financial Statement

Management is responsible for the preparation of the financial statements in accordance with Methodical indications regarding the particularities of the accounting in the non-commercial organization, approved by the Order of the Minister of Finance no. 119 of 06.08.2013 and National Accounting Standards of the Republic of Moldova applicable from 01.01.2014, 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.

In preparing the financial statement, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

Auditor's Responsibilities for the Audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statement as a whole 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 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 risks 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 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 Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates, if any, and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to



continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statement, including the disclosures, and whether the financial statement represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged 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.

In the name of

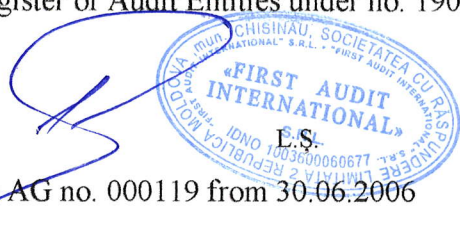
„First Audit International” LLC,

Audit entity registered in the Public Register of Audit Entities under no. 1902011

Certified auditor

ŞOIMU Sergiu

Auditor's qualification certificate series AG no. 000119 from 30.06.2006



Chişinău, 61-7 M. Kogălniceanu str.,

29.03.2024

P.A. CENTRUL PENTRU DREPTURILE PERSOANELOR CU DIZABILITĂȚI

FINANCIAL STATEMENTS (for the year ending 31.12.2023)

(all amounts are shown in MDL unless otherwise stated)

2. Financial statements (for the year ended 31.12.2022)

2.1. Balance sheet

ASSETS	Row code	Balance at	
		Start of management period	End of management period
1	2	3	4
Long-term assets			
Intangible assets	010	26 567	41 265
Tangible assets in progress	020		
Lands	030		
Fixed assets	040	251 759	335 039
Long term financial investments	050	100	100
Other long-term assets	060		
Total long-term assets (010+020+030+040+050+060)	070	278 426	376 404
Current assets			
Materials	080	615	594
Small value and short duration objects	090	6 987	44 264
Production in progress and products	100		
Accounts receivable and advances	110	16 606	102 460
Budget receivables	120	2 858	2132
Staff receivables	130	21 048	7806
Other current receivables, of which	140	1 369 024	536 068
Receivables on funds with special purpose	141	1 369 024	534 083
Cash	150	175 591	1 870 789
Current financial investments	160		
Other current assets	170	62	62
Total current assets (080 + 090 + 100 + 110 + 120 + 130 + 140 + 150 + 160 + 170)	180	1 592 791	2 564 175
Total assets (070 + 180)	190	1 871 217	2 940 579

P.A. CENTRUL PENTRU DREPTURILE PERSOANELOR CU DIZABILITĂȚI

FINANCIAL STATEMENTS (for the year ending 31.12.2023)

(all amounts are shown in MDL unless otherwise stated)

(continuing)

LIABILITIES AND EQUITY	Row code	Balance at	
		Start of management period	End of management period
1	2	3	4
Equity			
Corrections to previous year's results	200	X	
Net surplus (net deficit) of the period	210		135 955
Initial contributions of the founders	220	100	100
Fixed assets fund	230		376 304
Self-financing fund	240	418 345	
Other funds	250		
Total equity (200+210+220+230+240+250)	260	418 445	652 378
Long term liabilities			
Long-term financing and receipts with special purpose	270		
Long term financial liabilities	280		
Other long-term liabilities	290		
Total long-term liabilities (270 + 280 + 290)	300	0	
Short term liabilities			
Short-term financing and receipts with special purpose	310	1 021 257	1 976 729
Short-term financial liabilities	320	60 000	
Bills payable and advances received	330	12 037	18 081
Staff liabilities	340	278 333	7 207
Social security and insurance payable	350	62 713	15 402
Taxes payable	360	6 558	17 402
Short-term deferred income	370	11 874	253 373
Other short-term liabilities	380		7
Total short-term liabilities (310 + 320 + 330 + 340 + 350 + 360 + 370 + 380)	390	1 452 772	2 288 201
Total liabilities and equity (260 + 300 + 390)	400	1 871 217	2 940 579

These Financial Statements, the accounting policies used and the accompanying notes, which form an integral part of these Financial Statements, have been authorized by the management of the Entity as of March 28, 2024 and signed on behalf of the Entity by:

Executive Director
Vitalie Meșter



Chief accountant
Eugenia Clapaniuc

Handwritten signature of Eugenia Clapaniuc.

P.A. CENTRUL PENTRU DREPTURILE PERSOANELOR CU DIZABILITĂȚI

FINANCIAL STATEMENTS (for the year ending 31.12.2023)

(all amounts are shown in MDL unless otherwise stated)

2.2. Statement of income and expenditure

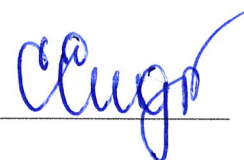
Indicators	Row code	Management period	
		previous	current
1	2	3	4
Income related to special purpose funds	010	5 078 098	10 084 501
Expenditures related to special purpose funds	020	5 078 098	10 084 501
Surplus (deficit) related to special purpose funds (010 – 020)	030	0	0
Other income (except income from economic activity)	040	15 469	35 007
Other expenses (except expenses from economic activity)	050	15 469	
Surplus (deficit) related to other activities (040 - 050)	060	0	35 007
Income from economic activity	070	181 842	100 948
Expenditures from economic activity	080		
Result: profit (loss) from the economic activity (070 - 080)	090	181 842	100 948
Income tax expenditures	100		
Net surplus (net deficit) of the period (030 + 060 + 090–100)	110	181 842	135 955

These Financial Statements, the accounting policies used and the accompanying notes, which form an integral part of these Financial Statements, have been authorized by the management of the Entity as of March 28, 2024 and signed on behalf of the Entity by:

Executive Director
Vitalie Meșter



Chief accountant
Eugenia Clapaniuc



P.A. CENTRUL PENTRU DREPTURILE PERSOANELOR CU DIZABILITĂȚI

FINANCIAL STATEMENTS (for the year ending 31.12.2023)

(all amounts are shown in MDL unless otherwise stated)

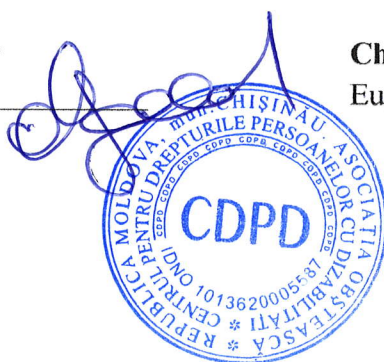
2.3. Statement of changes in sources of funding

Nr. d/o	Indicators	Row code	Initial balance	Increases	Decrease	Final balance
1	2	3	4	5	6	7
	Special purpose financing					
	Special purpose financing from the national budget	010				
	Special purpose financing from the local budget	020				
1	Grants	030				
	Financial and technical assistance	040				
	Other special purpose financing and receipts	050	1 021 257	11 578 842	10 623 370	1 976 729
	Total special purpose financing (010 + 020 + 030 + 040 + 050)	060	1 021 257	11 578 842	10 623 370	1 976 729
	Means without special destination					
	Donations	070				
	Financial aid	080				
2	Other means without special destination	090				
	Total means without special destination (070 + 080 + 090)	100				
3	Contributions of the founders and members					
	Membership fees and membership fees	110				
	Other contributions	120				
	Total contributions of the founders and members (110 + 120)	130				
	Funds					
	Initial contributions of the founders	140	100			100
4	Fixed assets fund	150		376 304		376 304
	Self-financing fund	160	418 345		142 371	275 974
	Other funds	170				
	Total funds (140 + 150 + 160 + 170)	180	418 445	376 304	142 371	652 378
5	Other sources of funding	190				
	Total sources of funding (060+100+130+180+190)	200	1 439 702	11 955 146	10 765 741	2 629 107

These Financial Statements, the accounting policies used and the accompanying notes, which form an integral part of these Financial Statements, have been authorized by the management of the Entity as of March 28, 2024 and signed on behalf of the Entity by:

Executive Director
Vitalie Meșter

Chief accountant
Eugenia Clapaniuc



GENERAL INFORMATION

(all amounts are shown in MDL unless otherwise stated)

3. General information on the audited subject

The audited entity is the Public Association Centrul pentru Drepturile Persoanelor cu Dizabilități, which was registered in the State Register of Legal Entities under the state identification number: 1013620005587, on 14 July 2006, the last updated extract dated 09 August 2022. The Entity's headquarters is located at the following address: Str. Ashabad, nr. 134, Chisinau, Republic of Moldova.

The function of the Entity's Executive director for the audited period was fulfilled by Mr. Vitalie Meșter. The internal control of the Entity is ensured by the censor of the Association.

According to the entity's Accounting Policy, the entity applies a double entry accounting system, according to Law on accounting and financial reporting no. 287 of 15.12.2017, article 5 (5). The accounting is kept on the accrual basis using computer techniques and 1C software version 8. The entity has been using the chart of accounts duly approved by the Order No. 119 of 06.08.2013 of the Ministry of Finance of the Republic of Moldova.

According to the Statute, the objectives of the Association consist of contributing to:

- a) Promoting and protecting the rights of people with disabilities, promoting social inclusion and their spiritual fulfillment through monitoring actions, advocacy, and programs to develop their potential;
- b) Development of the activism of people with disabilities and Associations in the field;
- c) Promoting the positive image of people with disabilities in society;
- d) Promoting the right to an accessible environment for people with disabilities in all areas of life;
- e) Preventing and combating discrimination, as well as ensuring the equality of all persons with disabilities on the territory of the Republic of Moldova in all areas of their lives;
- f) Environmental protection, including environmental education, promotion of ecologically sustainable and sustainable living;
- g) Contributing to increasing the ecological and social awareness of communities, promoting the concept of sustainable development in this field.

ACCOUNTING POLICIES

(all amounts are shown in MDL unless otherwise stated)

4. Accounting policies

General provisions:

The annexed financial statements are prepared in accordance with the Methodical indications regarding the particularities of the accounting in the non-commercial organizations and additions to the general chart of accounts, approved by the Order of the Minister of Finance no. 119 of 06.08.2013 and National Accounting Standards of the Republic of Moldova applicable from 01.01.2014.

The Accounting Policy of the Entity for the year 2022 is elaborated in the base of:

- *Law on accounting and financial reporting No. 287 of 15.12.2017;*
- *Methodical indications regarding the particularities of the accounting in the non-commercial organization, approved by the Order of the Minister of Finance no. 119 of 06.08.2013 (hereinafter "Methodical indications");*
- *National Accounting Standards of the Republic of Moldova applicable from 01.01.2014;*
- *General Chart of Accounts approved by the Order of the Ministry of Finance no.119 of 06.08.2013, applicable from January 1, 2014;*
- *Other normative acts.*

The financial statements values are reflected in Moldovan lei ("MDL").

Accounting is kept by the Chief Accountant, who reports directly to the entity's Executive Director.

The bookkeeping is based on the double entry accounting system with the presentation of the financial statements according to the Methodical Indications

Tangible and intangible assets

Tangible and intangible fixed assets are initially recognized on separate records, the nomenclature established by the Association's Executive Director. Intangible assets are reflected in the financial accounting at the cost of input, which is determined according to the source of input.

Tangible assets include assets transmitted into operation, the unit value of which exceeds the value threshold provided by the tax legislation of over 12 000 MDL.

The duration of use of tangible and intangible assets is established according to the model of their use and is presented in the minutes of receipt delivery.

Subsequent evaluation of tangible and intangible assets is carried out at book value.

The residual value of fixed assets is insignificant and is considered null.

Depreciation of tangible and intangible assets is calculated using the linear method.

Inventory

The accounting of inventories is kept in quantitative and value expression.

Office supplies, cartridges and other similar goods are reimbursed directly to current costs and / or expenses at the time of purchase.

P.A. CENTRUL PENTRU DREPTURILE PERSOANELOR CU DIZABILITĂȚI

ACCOUNTING POLICIES

(all amounts are shown in MDL unless otherwise stated)

Objects of low value and short duration, the unit value of which exceeds 1/6 of the ceiling established by the legislation, are settled to current costs / expenses, fixed assets, etc., by calculating depreciation in the amount of 100% upon transmission into operation.

Anticipated expenses and income

Anticipated expenses and income are reimbursed annually to current expenses, and current income by the linear method during the management periods to which they are allocated.

Means with special purpose

Special purpose assets are recognized on the basis of accrual accounting.

Special purpose funds used to cover expenses are settled against current income to the extent that expenses are incurred.

Special purpose funds used for the procurement of stocks are settled to anticipated income, and are settled to current income as they are used

Favorable and unfavorable exchange rate differences related to special purpose means in foreign currency are recorded as an increase or decrease of the special purpose financing and receipts.

Unused special means are redirected to co-finance other programs / projects and are recorded as internal correspondence in the sub-accounts of the summary accounts of evidence of funding and receipts of special destination means or to the synthetic account of the Self-Financing Fund.

The means related to the percentage designation are accounted for as special purpose assets and are initially recorded as long-term anticipated income with subsequent settlement (as used) to income for the special purpose assets.

Non-predestined means

The non-destined assets, received in the form of fixed assets, are settled upon their transfer to the fund of fixed assets.

The non-destined means received in the form of circulating assets are settled as they are used for their income.

Non-destined means not used up to the reporting date are settled to the self-financing fund.

The contributions of the founders and members of the Association destined to accomplish special missions are settled in the same way as the means with special destination.

The contributions of the members of the Association whose use is not conditional on the accomplishment of special missions are settled in the same way as the non-predestined means.

Foundation funds

The association's funds include: the fixed assets fund, the self-financing fund, and other funds.

Liabilities

Debts in foreign currency are recalculated in national currency at the reporting date.

P.A. CENTRUL PENTRU DREPTURILE PERSOANELOR CU DIZABILITĂȚI

ACCOUNTING POLICIES

(all amounts are shown in MDL unless otherwise stated)

The payment of debts related to operations with residents in foreign currency or conventional units is accounted for in national currency by applying the exchange rate on the date of payment of the debts.

The calculation and payment of debts to staff regarding remuneration and other operations is carried out in accordance with the provisions of the legislation in force, taking into account the Donor's requirements for preparing the necessary documents for calculation by the project coordinator (contracts, minutes of services performed, execution of works, calculation pay slips, timesheets, etc.), at the decision of the Executive Director of the association according to the budget.

Revenues

Revenues related to special purpose means include the amounts of special purpose means used, except for the means used to purchase / create fixed assets, as well as the means of percentage designation. These revenues are recognized as use of special purpose funds and are measured in the amount of the current expenses actually incurred on account of these means, the cost of stocks consumed, the amounts of advances settled and other costs covered by the special purpose means

Expenses

Expenditures related to special purpose means include the expenditures incurred from the special purpose means, as follows: the accounting value of stocks purchased / produced and consumed (used, transmitted free of charge), current expenditures (program / project, administrative), including staff expenditure, execution of some contractual obligations, as well as the expenses incurred from the percentage designation means.

Foreign exchange transactions and exchange rate differences

Favorable and unfavorable exchange rate differences related to special purpose foreign currency means are recorded as an increase or decrease in special purpose financing and receipts.

Receivables, cash, and liabilities in foreign currency are recalculated in national currency at the reporting date.

P.A. CENTRUL PENTRU DREPTURILE PERSOANELOR CU DIZABILITĂȚI

NOTES TO FINANCIAL STATEMENTS

(all amounts are shown in MDL unless otherwise stated)

5. Notes to financial statements

A) Intangible assets

In the Financial Statements intangible assets are reflected at book value (initial value minus accumulated depreciation). The value of the intangible fixed assets existing at the Entity at the end of the audited period is 41 264 lei.

(MDL)

Indicators	Balance at 01.01.2023	Balance at 31.12.2023
1. Intangible assets in progress		
2. Software	33 340	33 340
3. Other intangible assets	4 540	38 786
Amortisation of intangible assets	- 11 313	- 30 862
Total intangible assets	26 567	41 264

Information on the existence and movement of intangible assets is detailed in the following table:

(MDL)

Indicators	Balance at the beginning of the period (at entry cost)	Accumulated depreciation at the beginning of the period	Input during the period (at cost of entry)	Outflow during the period (at cost of entry)	Existence at the end of the period (at entry cost)	Accumulated amortisation at the end of the period
A	1	2	3	4	5	6
1. Intangible assets in progress						
2. Software	33 340	10 023	10 950	10 950	33 340	11 036
3. Other intangible assets	4 540	1 289	68 608	34 362	38 786	19 824
Total intangible assets	37 880	11 313	79 558	45 312	72 126	30 862

B) Tangible fixed assets

The balance sheet value of tangible fixed assets as of 31.12.2023 is 335 039 lei, determined as the difference between the entry value of fixed assets in the amount of 562 046 lei and accumulated depreciation in the amount of 227 007 lei.

(MDL)

Indicators	Balance at 31.12.2022	Balance at 31.12.2023
Machines, equipment, and installations	338 963	517 742
Means of transport		
Tools and inventory		
Other fixed assets	33 954	44 304
Depreciation of fixed assets	-121 158	-227 007
Total fixed assets	251 759	335 039

P.A. CENTRUL PENTRU DREPTURILE PERSOANELOR CU DIZABILITĂȚI

NOTES TO FINANCIAL STATEMENTS

(all amounts are shown in MDL unless otherwise stated)

C) Current assets

The value of current assets at the end of the financial year was MDL 2 564 175 and a detailed analysis is provided in the table below:

(MDL)

Items	2022	2023	Deviation (+;-)	Share %, (2022)	Share %, (2023)
Materials	615	594	-21	0,04%	0,02%
Objects of small value and short duration	6 987	44 264	37 277	0,44%	1,73%
Production in progress and products	0	0	0	0,00%	0,00%
Trade receivables and advances granted	16 606	102 460	85 854	1,04%	4,00%
Budget receivables	2 858	2 132	-726	0,18%	0,08%
Staff receivables	21 048	7 806	-13 242	1,32%	0,30%
Other current receivables, of which	1 369 024	536 068	-832 956	85,95%	20,91%
Special purpose means receivables	1 369 024	534 083	-834 941	85,95%	20,83%
Cash	175 591	1 870 789	1 695 198	11,02%	72,96%
Current financial investments	0	0	0	0,00%	0,00%
Other current assets	62	62	0	0,00%	0,00%
Total current assets	1 592 791	2 564 175	971 384	100,00%	100,00%

The total value of current assets increased during the reporting period by MDL 971 384, mainly due to the increase in cash by MDL 1 695 198 and in trade receivables and advances by MDL 85 854. At the same time, other current receivables decreased by MDL 832 941. Other current receivables account for the largest share of total current assets, accounting for 85.95% at the end of the audited period.

D) Equity

The value of the Entity's equity is 652,378 MDL at the end of 2023, registering an increase of 51,989 MDL compared to the previous reporting period due to the increase in the fixed assets fund. The table below shows the equity balances at the beginning and end of the year.

(MDL)

Indicators	2022	2023	Deviation (+;-)
Corrections to previous years' results	X		
Net surplus (deficit) of the reporting period	X	135 955	
Founders' initial contributions	100	100	0
Fixed assets fund		376 304	376 304
Self-financing fund	418 345	140 019	-278 3269
Other funds			
Total equity	418 445	652 378	233 933

P.A. CENTRUL PENTRU DREPTURILE PERSOANELOR CU DIZABILITĂȚI

NOTES TO FINANCIAL STATEMENTS

(all amounts are shown in MDL unless otherwise stated)

E) Liabilities

The Entity's debts at the beginning of the reporting period amounted to 2,288,201 MDL and increased during the reporting period by 835,429 MDL. The situation of the debt balances at the beginning and end of the year is shown in the table below.

(MDL)

Indicators	Balance at 31.12.2022	Balance at 31.12.2023
Long-term special purpose financing and receipts		
Total long term liabilities	0	0
Current special purpose financing and receipts	1 021 257	1 976 729
Current financial debts	60 000	
Trade payables and advances received	12 037	18 081
Personnel debts	278 333	7 207
Social and medical insurance debts	62 713	15 402
Debts to the budget	6 558	17 402
Current anticipated income	11 874	253 373
Other current debts	0	7
Total current liabilities	1 452 772	2 288 201
Total liabilities	1 452 772	2 288 201

F) Earmarked funding and receipts

During the reporting period, the entity obtained earmarked funding from various Donors for the implementation of projects. The unspent balance of earmarked funding and receipts is recorded in the accounting records under the account 537 "Current special-purpose financing and receipts". Details of the balances of earmarked funding and receipts are shown in the table below.

G) Economic activity

In 2023, the economic activity of the Association consisted in providing services such as consultancy, disability related expertise and human rights training. The Association prepared its deliverables and issued invoices in the total amount of 100 947 MDL, representing income from economic activity permissible under the Statute.

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(all amounts are shown in MDL unless otherwise stated)

Table no. 1 Breakdown of earmarked financing and receipts balances

	Donator	Project name	Implementation period	Approved budget	Opening balance MDL	Income: MDL	Spent until 31.12.2023 for the activities performed:	Current account balance
1	AO Reprezentanta IM Swedish Development Partner (IM SDP)	Support for CDPD Strategic Plan	01.01.23-31.12.23	820000 SEK	15724.08	1449122,86	1464846,94	0
2	European Disability Forum (EDF)	Disability solidarity	01.01.23-28.02.23	8684 EUR	0	178194,81	178194,81	0
3	European Disability Forum (EDF)	Ukraine war: OPD led disability inclusive response and recovery (Phase 2)	01.07.23-31.12.124	50000 EUR	0	961250	923106,48	38143,52
4	Equal Rights in Action Fund (ERANID)	To support local human rights NGOs in their efforts to achieve safe and secure environments, political participation, and empowered and inclusive movements and organizations"	01.01.23-31.12.23	60000 USD	0	1036316,05	1090897,09	-54581,04
5	Expert Grup Central de Analiză Independentă AO	" Resilient CSOs + Responsible budgeting = Accelerated implementation of the Association Agreement"	01.06.23-31.12.24	10000 EUR	0	194250	158360,63	35889,37
6	Fundatia Est Europeana (FEE)	Together we develop inclusive employment services for people with disabilities in mun. Chisinau and Cruleni	18.02.23-31.03.24	28648.94 EUR	143235,62	413310,66	531896,67	24649,61
7	International Organization for Migration (OIM)	"Needs-based support for refugees with disabilities from Ukraine in Moldova"	01.02.23-30.03.24	1447318 MDL	0	1302586	1168980,44	133605,56
8	Norwegian Refugee Council (NRC)1	Improving the protective environment for Ukrainian refugees with disabilities in the Republic of Moldova	01.10.22-31.01.23	75,045.20 EUR	0	851422,08	851422,08	0

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9	Norwegian Refugee Council (NRC) ²	Strengthening access to legal assistance and information for Ukrainian refugees with disabilities and other vulnerable groups	01.02.23-14.11.23	2141410 MDL	0	1927269	2141410	-214141
10	United Nation Development Programme (UNDP) 1	Paradigm Shift to Disability Inclusive Services, Accountability and Governance in Moldova	30.03.23-30.09.24	55792 USD	0	486376,24	323417,36	162958,88
11	United Nations Children Fund (UNICEF)	Capacity building of the NCDDWA on the human-rights based approach to disability determination, in alignment with the International Classification of Functioning (ICF), including for children and youth	05.06.23-30.09.24	905171.85 MDL	0	537465	251476,61	285988,39
12	United Nations Development Programme (UNDP) 2	Building sustainable and inclusive peace, strengthening trust and social cohesion in Moldova	30.11.23-30.07.24	1415377 MDL	0	1241870	44447,75	1197422,25
13	Fundația SOROS Moldova	Strengthening the Platform "Accessible Chisinau for all" - stage 5	01.01.2023 - 29.12.2023	60000 USD	0	1112569	1112569	0
14	Dexis Interactive Incorporated Washington Sucursala Chisinau	Access to Justice	01.01.23-31.12.23			480658,25	480658,25	0
15	World HEALTH ORGANIZATION- (WHO)	Access to healthcare for refugees	01.01.23-31.12.23			179556,52	0	179556,52

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NOTES TO FINANCIAL STATEMENTS

(all amounts are shown in MDL unless otherwise stated)

H) Income and expenditure

Revenue and expenditure related to earmarked funds

The Entity's income and expenditure records are kept in accordance with the Methodological Guidelines. Expenditure and income relating to earmarked funds shall be recognised and recorded simultaneously in the same period and in the same amount.

Expenditures related to special purpose funding	2022 MDL	2023 MDL	Deviation (+,-)	Share (%), 2022	Share (%), 2023
Inventories expenditures	189 024	861 566	672 543	3,72%	8,54%
fuel	82 583	85 581	2 998	1,63%	0,85%
Other consumption and material expenditures	106 441	775 986	669 545	2,10%	7,69%
Expenditures related to services provided by third parties	635 088	1 773 839	1 138 751	12,51%	17,59%
Rental services	129 637	166 754	37 117	2,55%	1,65%
Transport	61 330	21 008	-40 322	1,21%	0,21%
Auto services	40 743	192 572	151 830	0,80%	1,91%
Audit and consultancy	91 866	174 160	82 294	1,81%	1,73%
Communications	39 908	73 460	33 551	0,79%	0,73%
Bank fees	19 837	19 837	0	0,39%	0,20%
other services	251 767	1 126 049	874 282	4,96%	11,17%
Expenditures regarding salaries	3 336 387	5 998 345	2 661 959	65,70%	59,48%
Mandatory social and medical state contributions	800 733	1 439 603	638 870	15,77%	14,28%
Other expenses	116 867	11 147	-105 720	2,30%	0,11%
Total	5 078 098	10 084 501	5 006 402	100,00%	100,00%

During the reporting period, the Entity records income and expenses related to special-purpose funds in the amount of 10 084 501 MDL, representing an increase of 5 006 402 MDL compared to the previous reporting period.

6. Taxes, Duties and Contributions

Expenditure related to the employees' remuneration shall be made according to the legislation in force. The entity has calculated and remitted income tax and social security and health insurance contributions to the competent state bodies in accordance with the rates established by:

- Fiscal Code no.1163 of 24.04.1997, with subsequent amendments;
- Regulation on withholding of income tax from wages and other payments made by the employer for the benefit of the employee, as well as payments made for the benefit of individuals who do not engage in entrepreneurial activity for services rendered and/or work performed, Government Decision No 697 of 22.08.2014;
- Law No 357 of 22.12.2022 on the social security tax budget for 2023;
- Law No. 358 of 22.12.2022 on compulsory health insurance funds for 2023.

NOTES TO FINANCIAL STATEMENTS

(all amounts are shown in MDL unless otherwise stated)

7. Conflict of interests

As a result of the procedures performed, no conflicts of interest or similar situations that would have attracted our attention and cause an increased risk of fraud or error were detected.

8. Continuity of activity

The continuity of the activity provides the preparation of the financial statements starting from the hypothesis that the Entity will normally continue its activity for at least a period of 12 months from the reporting date without the intention or need to liquidate or significantly reduce its activity.

9. Previous year audit (2022)

The audit of the previous financial statements for the year ended 31.12.2022 was carried out by our company "First Audit International" LLC. In the independent auditor's report of the previous year a qualified opinion was issued as the financial statements ended 31.12.2021 were not audited and we were not in a position to perform audit procedures on the opening balances as at 1 January 2022. At the same time, with the exception of this matter, the financial statements present fairly, in all material aspects, the Entity's balance sheet as at 31 December 2022, the statement of income and expenditure and the statement of changes in sources of financing for the year ended 31.12.2022, in accordance with the Methodical Indications on the peculiarities of accounting in non-commercial organizations and supplements to the General Chart of Accounts, approved by the Order of the Minister of Finance No. 119 of 06.08.2013 and the National Accounting Standards of the Republic of Moldova effective from 01 January 2014.

However, a management letter has been issued with some recommendations for improvement.

10. Confirmation of Auditors' Independence

Ethics and independence requirements (as established by IFAC as well as applicable national independence regulations).

With reference to Entity, we confirm that, for the period covered by our audit, as well as through the date of this confirmation, we have complied with the relevant ethical requirements, including the independence requirements applicable to the Entity's financial statements audit for the year ended 31.12.2023.

We confirm that we, the audit team, the persons mentioned in the Engagement Letter of 06.03.2023 – Șoimu Sergiu, Șoimu Valentina, Maxim Elena.

- ✓ We were independent within the meaning of the before mentioned independence rules;
- ✓ We do not have information about any circumstances that have threatened, or seem to threaten, our independence;

P.A. CENTRUL PENTRU DREPTURILE PERSOANELOR CU DIZABILITĂȚI

NOTES TO FINANCIAL STATEMENTS

(all amounts are shown in MDL unless otherwise stated)

- ✓ We will continue to take measures and monitor our services to maintain independence compliance at least until the financial statements for the year ended 31.12.2023 are approved by A.O. Centrul pentru Drepturile Persoanelor cu Dizabilități.

There are no other circumstances affecting our ability to confirm the above or we are aware of matters affecting our independence that should be brought to your attention.

11. Signature

In the name of

„First Audit International” LLC,

Audit entity registered in the Public Register of Audit Entities under no. 1902011

Certified auditor

ȘOIMU Sergiu

Auditor's qualification certificate series AG no. 000119 from 30.06.2006



61-7 M. Kogălniceanu str., Chișinău,

29.03.2024