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# Agreed-upon Procedures Report on factual findings

## To The Board of Trustees of Fundatia Comunitara Tara Fagarasului

### Purpose of this Agreed-Upon Procedures Report and Restriction on Use and Distribution

Our report is solely for the purpose of assisting you in complying with the requirements relating to article V, paragraph d) in the Grant Agreement no 392-2022 concluded by Fundatia Comunitara Tara Fagarasului (“the Foundation”) and Romanian-American Foundation (“RAF” or “the Donor”) and may not be suitable for another purpose. This report is intended solely for the Board of Trustees of the Foundation, and should not be used by, or distributed to, any other parties, except for RAF. We allow the disclosure of this report, only in whole, by the Foundation at its discretion, to RAF, without accepting or assuming any responsibility towards RAF.

### Responsibilities of the Engaging Party

The Management of Fundatia Comunitara Tara Fagarasului has acknowledged that the agreed-upon procedures are appropriate for the purpose of the engagement.

The Management of Fundatia Comunitara Tara Fagarasului is responsible for the subject matter on which the agreed-upon procedures are performed.

### Practitioner's Responsibilities

We have conducted the agreed-upon procedures engagement in accordance with the International Standard on Related Services (ISRS) 4400 (Revised), *Agreed-Upon Procedures Engagements*. An agreed-upon procedures engagement involves our performing the procedures that have been agreed with the management of Fundatia Comunitara Tara Fagarasului, and reporting the findings, which are the factual results of the agreed-upon procedures performed. We make no representation regarding the appropriateness of the agreed-upon procedures.

This agreed-upon procedures engagement is not an assurance engagement. Accordingly, we do not express an opinion or an assurance conclusion.

Had we performed additional procedures, other matters might have come to our attention that would have been reported.



## Professional Ethics and Quality Control

We have complied with the ethical requirements in the International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) and the independence requirements that are relevant to agreed-upon procedure engagements in Romania.

Our firm applies International Standard on Quality Control (ISQC) 1, *Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements*, and accordingly, maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

## Procedures and Findings

We have performed the procedures described below, which were agreed upon with the management of the Foundation in the terms of the engagement dated 7 February 2022.

#	Procedures	Findings
1	<p>Obtain from the Foundation the details of grant income received in the financial year 2020 (1 January 2020 - 31 December 2020) and in the financial year 2021 (1 January 2021 - 31 December 2021), by project category, as well as the financial statements prepared in accordance with the Order of the Minister of Public Finance no. 3103/2017 on the approval of the Accounting Regulations for non-profit legal entities, as at and for the years ended 31 December 2020 and 31 December 2021 ("financial statements").</p> <p>Reconcile the details of the grant income in the financial years 2020 and 2021, respectively, with the financial statements and report differences above RON 100.</p>	<p>We obtained from the Foundation details of the grant income received in the financial year 2020 (1 January 2020 - 31 December 2020) and in the financial year 2021 (1 January 2021 - 31 December 2021), by project category, as well as the financial statements prepared in accordance with the Order of the Minister of Public Finance no. 3103/2017 approving the Accounting Regulations for non-profit legal entities, as at and for the years ended 31 December 2020 and 31 December 2021.</p> <p>We have reconciled the detail of the grant income in the financial years 2020 and 2021 with the financial statements and we have not identified any differences above 100 RON.</p>
2	<p>For a selection represented by grant income transactions with a value greater than RON 500 from the detail obtained in the first procedure, obtain related supporting documents (donation contracts, invoices, bank statements, payment processor statements, receipts).</p> <p>Reconcile the selected income with the supporting documents obtained and report any differences.</p>	<p>For a selection represented by grant income transactions with a value greater than 500 RON from the detail, we obtained related supporting documents (donation contracts, invoices, bank statements, etc.).</p> <p>We reconciled the selected income transactions of 2020 with the following supporting documents obtained: RON 1,283,621 with contracts and bank statements, RON 556,168 solely with bank statements, RON 61,389 solely with contracts, RON 38,703 solely with statements from payment institutions, RON 35,882 solely with receipts, and we have not identified any differences.</p> <p>We reconciled the selected income transactions of 2021 with the following supporting documents obtained: RON 2,497,398 with contracts and bank statements, RON 277,842 solely with bank statements, RON 71,608 solely with receipts, RON 24,500 solely with invoices, RON 22,774 solely with statements from payment institutions, RON 7,859</p>

		with invoices and bank statements and RON 2,025 with Health Insurance House Statement and we have not identified any differences.
3	<p>Obtain from the Foundation details of expenditure incurred in financial years 2020 and 2021 by category of expenditure.</p> <p>Reconcile the detail of expenses incurred in the financial years 2020 and 2021 with the financial statements and report differences above RON 100.</p>	<p>We obtained from the Foundation details of expenditure incurred in the financial years 2020 and 2021 by category of expenditure.</p> <p>We reconciled the detail of expenditure incurred in the financial years 2020 and 2021 to the financial statements and we have not identified any differences above RON 100.</p>
4	<p>For a selection represented by monetary expenses of a nature other than salary expenses with a value greater than RON 1,000, from the detail obtained in the above procedure, obtain the related supporting documents (donation contracts, invoices, payment orders, etc.).</p> <p>Reconcile the selected expenses with the supporting documents obtained and report any differences.</p>	<p>For a selection represented by monetary expenses of a nature other than salary expenses with a value greater than RON 1,000, we obtained the related supporting documents (donation contracts, invoices, payment orders, etc.).</p> <p>We reconciled the selected expenses transactions incurred in 2020 with the following supporting documents obtained: RON 526,743 with contracts and bank statements, RON 448,650 with invoices and bank statements, RON 175,198 with invoices and receipts, RON 113,514 solely with contracts, RON 23,925 were revaluation accounting entries, RON 2,330 with contracts and receipts, RON 2,200 solely with bank statements, and we have not identified any differences.</p> <p>We reconciled the selected expenses transactions incurred in 2021 with the following supporting documents obtained: RON 629,722 with contracts and bank statements, RON 51,686 with invoices and bank statements, RON 6,532 with invoices and receipts, RON 5,000 solely with bank statement, RON 236 with receipt, RON 195 solely with invoices and we have not identified any differences.</p>
5	<p>For a selection represented by salary expenses with a monetary amount higher than RON 100 from the detail, obtain the related supporting documents (work contracts, payment statements, payment orders, etc.).</p> <p>Reconcile the selected expenses with the supporting documents obtained and report any differences.</p>	<p>For a selection represented by salary expenses with a monetary value higher than RON 100, we obtained the related supporting documents (work contracts, payment statements, payment orders, etc.).</p> <p>We reconciled the selected expenses transactions incurred in 2020 with the following supporting documents obtained: RON 175,049 with Payroll centralizers and bank statements, RON 16,800 with supplier invoices for payroll benefits and bank statements, and we have not identified any differences.</p> <p>We reconciled the selected expenses transactions incurred in 2021 with the following supporting documents obtained: RON 308,248 with Payroll centralizers and bank statements, RON 18,959 with invoices for benefits and bank statements, and we have not identified any differences.</p>
6	<p>Obtain from the Foundation the details of the cash accounts as at 31 December 2020 and 31 December 2021, reconcile them with the financial statements and report differences above RON 100.</p>	<p>We obtained from the Foundation the details of the cash accounts as at 31 December 2020 and 31 December 2021, respectively, we reconciled the details to the financial statements as of the same</p>

		reporting dates and we have not identified any differences above RON 100.
7	Obtain the reconciliations performed by the Foundation of the cash accounts as at 31 December 2020 and 31 December 2021 with the balance confirmations received by the Foundation from the banks with which it collaborates, verify the accuracy of the reconciliation and report any differences.	We obtained the reconciliations made by the Foundation of the cash accounts as at 31 December 2020 and 31 December 2021 with the balance confirmations received by the Foundation from the banks with which it collaborates, we have verified the accuracy of the reconciliations and we have not identified any differences.

For and on behalf of KPMG Audit S.R.L.:

**Irina Rubeli**

**Associate Partner**

registered in the electronic public register of financial auditors and audit firms under no AF 4092

**KPMG Audit SRL**

registered in the electronic public register of financial auditors and audit firms under no FA9

Bucharest, 27 March 2023

**Autoritatea pentru Supravegherea Publică a  
Activității de Audit Statutar (ASPAAS)**  
**Auditor financiar: RUBELI IRINA**  
**Registrul Public Electronic: AF4092**

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Activității de Audit Statutar (ASPAAS)**  
**Firma de audit: KPMG AUDIT S.R.L.**  
**Registrul Public Electronic: FA9**