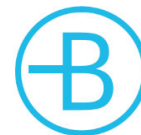


BRAUS BERATUNG+REVISION GmbH  
Wirtschaftsprüfungsgesellschaft

# Report on the Audit of the An- nual Financial Statements

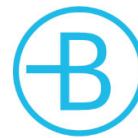
Financial statements as of December 31, 2020

INGO - International NGO - Accountability Charter  
gUG (Accountable Now), Berlin



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## To the INGO - International NGO - Accountability Charter gUG, Berlin

### 1. Audit mandate

At the shareholders' meeting on February 26, 2021 of the Finance and Risk Committee of INGO - International NGO - Accountability Charter gUG, Berlin -- hereinafter also referred to as "Accountable Now" or "Company" or "gUG" - we, the BRAUS BERATUNG+REVISION GmbH, Schmittchen (hereinafter also referred to as „we “ or „BBR WPG“) were elected as auditors for the financial year 2020. Accordingly, on March 30, 2021, the Management Board engaged us to audit the financial statements for the year ended December 31, 2020, including the accounting records. In the following we report on the audit we have performed.

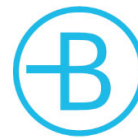
The Company is a micro-corporation within the meaning of sec. 267a German Commercial Code and is therefore not subject to a mandatory audit according to sec. 316 et seq. German Commercial Code. Therefore, this is a voluntary audit, which we conducted in accordance with our engagement letter dated March 12/30, 2021, according to sec. 317 German Commercial Code and in compliance with the generally accepted standards for the audit of financial statements promulgated by the Institut der Wirtschaftsprüfer e.V. (Institute of Public Auditors in Germany).

In the engagement letter dated March 12/30, 2021, the Company was informed of the scope of the audit of the annual financial statements and responsible auditor. Furthermore, we informed that this reporting is carried out in accordance with IDW PS 450 (revised).

In accordance with sec. 321 (4a) German Commercial Code, we confirm that we have complied with the applicable regulations on independence in our audit of the annual financial statements.

The engagement is based on the General Engagement Terms for Auditors and Auditing Firms in the version dated January 1, 2017, attached as Annex 4. The maximum amount of liability shall be determined in accordance with No. 9 of the General Conditions of Engagement and supplementary written agreements. In relation to third parties, No. 1 (2) and No. 9 of the General Conditions of Engagement shall apply.

All clarifications and information requested by us have been willingly provided. The management confirmed the completeness of the accounting records and the annual financial statements to us in writing dated June 4, 2021 before issuing the audit opinion.



## **2. Fundamental Observation**

### **2.1. Situation of the Company and Management Report**

As a micro-corporation within the meaning of Section 267a of the German Commercial Code, in permissible application of sec. 264 (1) Sentence 4 1st Half Sentence German Commercial Code the Company has not prepared a management report in accordance with Section 321 (1) Sentence 2 of the German Commercial Code; accordingly, a statement on the assessment of the situation by the legal representatives is not required.

In the course of our voluntary audit of the annual financial statements, we did not become aware of any facts that might impair the development of the company or jeopardize its existence.

### **2.2. Accounting Irregularities**

Legal requirements within the meaning of Sec. 321 (1) sentence 3 HGB are the compliance with generally accepted accounting principles. In the course of our audit, we identified reportable mis-statements and violations of financial reporting requirements that are significant for the monitoring of the Company.

#### **Weaknesses in the internal control system and significance for the monitoring of the Board of Trustees**

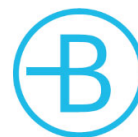
Our audit, which was conducted in accordance with our professional duties, was aimed at assessing the suitability of the internal control system to the extent that it serves to comply with the legal requirements for financial reporting. Our audit was not designed to provide an overall assessment of the internal control system.

With the regard of the preparing the annual financial statements and the financial accounting, we identified weaknesses in the internal control system of the outsourced activities. The outsourced or of the outsourcing company did not carry out sufficient quality assurance measures for financial accounting procedures. We refer to chapter 3.1.1.1. for more details.

#### **Violation of recognition and measurement requirements**

In the course of the takeover of the business activities of the predecessor company, intangible assets consisting of the Global Standard website with a residual carrying amount of EUR 0 as of December 31, 2019 and property, plant and equipment consisting of the IT equipment with a residual carrying amount of EUR 867 were taken over by gUG as a donation in kind.

The property, plant and equipment were not recognized at the partial value or amortized carrying amount. There was also no immediate depreciation up to a value of EUR 800 or depreciation as an asset of low value (GWG), so-called collective depreciation up to an acquisition value of EUR 1,000. If straight-line depreciation were continued over five years, the residual book value as of December 31, 2020 would be EUR 462. The error is below the materiality level defined for the annual financial statements audit and, after depreciation, below the non-impact threshold of the audit.



## **2.3. Other irregularities**

The detection of violations of other laws is not the subject of the audit. If these are identified in our audit of the financial statements carried out in accordance with our professional duties, we are nevertheless required by law and professional standards to report on such facts.

### **Violations of the preparation, disclosure and publicity obligations**

#### **a) Preparation and adoption of the annual financial statements**

The annual financial statements of gUG has to be submitted to the shareholders by the management for approval according to sec. 42a GmbHG, in connection with sec. 242 and sec. 264 German Commercial Code. In accordance with sec. 264 (1) sentence 4 HGB, the annual financial statements have to be prepared within the first six months of the fiscal year, i.e. the financial statements as of December 31, 2019 had to be prepared by June 30, 2020 at latest. The managing directors must submit the annual financial statements to the shareholders (Board of Trustees) immediately after their preparation for the purpose of adopting the annual financial statements. The shareholders shall resolve on the adoption of the annual financial statements and on the appropriation of profit no later than the end of the first eleven months of the financial year. The annual financial statements for the short fiscal year ending December 31, 2019 have not yet been submitted to the shareholders for approval.

#### **b) Publication of the annual financial statements**

In the annual financial statements for the short financial year ended December 31, 2019, we have identified non-compliance with the disclosure requirements pursuant to Section 325 et seq. HGB.

In accordance to sec. 326 (2) HGB in conjunction with sec. 326 (1) German Commercial Code, micro-corporations are only required to submit the balance sheet in electronic form for permanent filing with the operator of the Federal Gazette. In addition to the balance sheet, micro-corporations must notify the Federal Gazette that they do not exceed 2 of the 3 size criteria specified in sect. 267a (1) German Commercial Code for the relevant reporting dates. The provision of the disclosure to the Bundesanzeiger is a contractual component of the outsourcing agreement for financial accounting.

The failure to file the balance sheet with Bundesanzeiger and the notification of the size criteria has not yet been made good during the period of our audit.

We have drawn the attention of the gUG's Management to the possible consequences of breaching disclosure obligations.



### **c) Actuality of the list of shareholders**

The list of shareholders according to sec. 40 German Limited Liability Companies Act is kept as an annex to the Commercial Register and provides information on the shareholders and their shares.

According to the articles of association dated September 5, 2019, the share capital is held by the unincorporated association, Accountable Now Verein, with its registered office in Berlin.

The change in the members of the Board of Trustees was duly notified to the Commercial Register by updating the list of shareholders.

We noted that there had been no notarized amendment to the Articles of Association concerning the change of shareholders to date.

. In the Articles of Association only two natural persons were named as members of the association. According to the documents submitted to us, the Board of Trustees consisted of nine permanent members at the time Accountable Now was founded.

In the financial year under review, the composition of the Board of Trustees's members (as members of the Association) changed. The chair of the Board of Trustees changed by resolutions on November 28, 2019 and by March 5, 2020. In addition, some members left the Board of Trustees during the reporting year and new members were appointed. The change of the Board of Trustees was notified properly as an update of the shareholders list in the Commercial Register.

We noted that there was no notarized amendment to the gUG's Articles of Association so far. Only the shareholders can amend the articles of association of the gUG in accordance with Section 53 (1) Limited Liability Companies Act. According to Sec. 53 (2) Limited Liability Companies Act, this requires a majority of 75 % of the cast votes in the resolution of the shareholders' meeting.

We recommend that the required amendment to gUG's Articles of Association regarding shareholder changes of the Board of Trustees as members of the Accountable Now Association should be orderly made.

### **d) Granting of powers of representation**

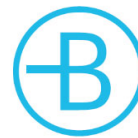
In the Commercial Register B (HRB), register number 212396 at the Berlin-Charlottenburg Local Court, Ms. Moreno Lopez, Rocio (Executive Director) has been appointed as Managing Director with sole power of representation.

Ms. Ilina Nesik was appointed as Interim Executive Director to replace her during her maternity leave.

However, no formal grant of procuration was made. Procuration or power of attorney within the meaning of sec. 48 to 53 German Commercial Code was not notified to the Commercial Register.

This means that Ms. Nesik is not able to represent the Company in a legally binding manner with public trustworthiness. The Company's ability to act by law is thus significantly impaired.

We recommend that procuration be formally granted to Ms. Nesik which has to be entered in the Commercial Register.



#### **e) Statement of VAT on invoices and content of invoices**

The participation fee collected by the German VAT Act for organized workshops is according to sec. 4 No. 22 German VAT Act indisputably VAT-exempt. Accordingly, courses, seminars and training events held by non-profit organizations and professional associations are exempt from VAT as long as the income predominantly serves to cover expenses. The same applies to other ancillary services if these are indispensable for the implementation of the event.

However, a tax exemption according to sec. 19 German VAT Act would also be given anyway.

In connection with the recognizing income from workshop fees, in consultation with the responsible tax advisor according to information given, only in one case VAT was invoiced in the amount of EUR 16. Any incorrectly reported VAT must nevertheless be paid in accordance with sec. 14c German VAT Act.

Consequently, the gUG is obliged to submit a monthly advance VAT return to the tax office.

The reasons for doing so are not clear to us. why an invoice showing VAT was issued in this case.

Furthermore, we would like to point out that the invoices generally do not meet the requirements of sec 14 of the German VAT Act, as they do not contain all of the required information.

We recommend that in the future invoices should be issued with of all required information in accordance with sec. 14 German VAT Act and that VAT should not be shown for tax-exempt services.

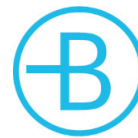
#### **f) Statement of the use of funds**

According to sec. 55 (1) No. 5 German Fiscal Code, the corporation must generally use its funds subject to sec. 62 German Fiscal Code promptly for its tax-privileged statutory purposes.

As a permissible exception to the requirement of timely use of funds, a tax-privileged corporation may allocate its funds in whole or in part to reserves according to sec. 62 German Fiscal Code and thus form assets temporarily or permanently.

As evidence that the requirement of promptly use of funds is met, the tax-privileged cooperation is obligated to prepare a statement of the use of funds.

A statement of the use of funds in accordance with the German Fiscal Code was not prepared. We recommend that such an appropriation account be introduced in a timely manner.



**g) Threat of missing the deadline given by the tax office**

With a notice dated on March 3, 2020 the Berlin Tax Office for Corporations (Finanzamt für Körperschaften Berlin) determined that the statutory requirements pursuant to sec. 51, 59, 60, and 61 German Fiscal Code had been met. The notice has been issued in accordance with sec. 60 (1) German Fiscal Code with subject to review of the actual requirements for the tax concession by July 31, 2021, or until the responsible tax advisor submits the tax return for 2019 by the responsible tax advisor.

By the end of our audit, the tax advisor recruited by gUG had not complied with this request by the tax office.

We recommend the Company to submit the tax return for 2019 to the Tax Office for Corporations immediately after correcting the accounting for the year 2019.

**3. Subject, Type and Scope of the Audit**

We have audited the annual financial statements, together with the financial accounting, of INGO - International NGO - Accountability Charter gUG, Berlin for the fiscal year ended December 31, 2020.

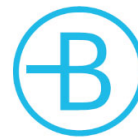
The accounting records as well as the preparation of the annual financial statements are the responsibility of the Company's management. Our responsibility based on our audit procedures is to express an opinion on these financial statements including the accounting records and the information provided.

An audit of the compliance with other legal requirements is included in the scope of the audit of financial statements only to the extent that such requirements usually have an impact on the financial statements.

We conducted our audit of the annual financial statements in accordance with sec. 316 et seq. German Commercial Code and with the German generally accepted standards for the audit of financial statements promulgated by the Institute of Public Auditors in Germany (Institut der Wirtschaftsprüfer, IDW). In applying these IDW Auditing Standards, we observed the principles of proportionality in the conduct of the audit within the meaning of sec. 24b (1) Articles of Association of the German Institute of Auditors. Those standards require that we plan and perform the audit in a way to give, in compliance with generally accepted accounting principles, a true and fair view of the net assets, financial position and results of operations of the Company and that misstatements materially affecting those presentation in the annual financial statements are detected with reasonable assurance.

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the accounting records and the financial statements. The audit includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the annual financial statements. We believe that our audit provides a reasonable basis for our opinion.





Based on the risk- and system-oriented audit approach described in IDW Audit Standard No. 261, we first developed an audit strategy. This is based on an assessment of the business environment, information provided by management on the key objectives, strategies and business risks, analytical procedures to assess audit risks and to make a preliminary assessment of the Company's position, and a fundamental assessment of the Company's internal control system. We have developed an audit program that defines the key audit areas. This audit program defines the critical audit objectives, the approach and focus of the audit, and the nature and extent of audit procedures and evidence.

The critical audit objectives identified in our audit strategy led to the following key audit areas:

- due to the initial audit engagement, we performed substantive audit procedures. In the following areas we performed substantive audit procedures to a greater extent:
  - Revenues from grants and membership fees and their recognition in line with the accrual principles.
  - Trade receivables from and payables to the International Civil Society Centre gGmbH, Berlin, and its compliance with the accrual principles.
- Recognition of the transfer of assets of the predecessor company to the gUG after the foundation and its treatment under tax and commercial law, including the formation of reserves.
- Completeness and valuation of accruals and deferred incomes/expenses.
- Internal controls contained in the financial accounting system with their accounting-related organizational change.

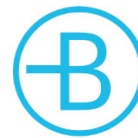
We were able to convince ourselves that the assets, liabilities and deferrals and accruals in the balance sheet of the annual financial statements which has been audited for the first time have been recorded in such a way that the annual financial statements of the gUG give a true and fair view of the net assets, financial position and results of operations in accordance with generally accepted accounting principles.

In our audit of the accounting-related internal control system, we proceeded as follows:

Based on the external factors, the corporate objectives and the business strategy, we considered our knowledge of the internal control system and its characteristics on an audit field-specific basis.

In our audit of the accounting-related internal control system, we examined the structure and process organization in the areas of financial accounting. We conducted our audit by means of interviews, review of documents and work results.

The gUG is qualified as a micro-corporation within the meaning of sec. 267a German Commercial Code. The gUG meets the definition of a small and medium-sized enterprise (SME) within the meaning of International Accounting Standards (ISA "Considerations Specific to Smaller Entities e.g., ISA No. 315). Accordingly, the requirements for a scaled audit were applied. Due to the small number of accounting-related control activities to be identified, further testing of the functionality of the controls by means of system and functional tests was not performed.



The findings of the audit of the accounting-related internal control system were taken into account in the selection of detailed individual case reviews. The audit procedures to obtain audit evidence were mainly performed on a statement-related basis.

Balance confirmations were obtained for bank balances. Since, according to information provided, no legal disputes are pending, there was no need to obtain confirmation letters from lawyers. In view of the status of the Company's tax assessment, we did not obtain a confirmation from the tax advisor.

In our audit of the accounting-related internal control system we identified weaknesses which resulted in an extension of our audit procedures. We were only able to obtain a sufficiently reliable audit opinion through increased evidence-based audit procedures.

Use has been made of size-dependent simplifications for micro-corporations with regard to the notes to the financial statements according to sec. 264 (1) Sentence 5 German Commercial Code.

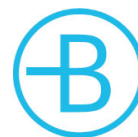
We have observed IDW Auditing Standard 450 (revised version) in our audit report.

We confirm in accordance with Sec. 321 (4a) German Commercial Code that we have complied with the applicable regulations and statutory and professional provisions on independence in our audit of the financial statements.

In accordance with sec. 317a German Commercial Code, our audit did not cover whether the continued existence of the audited entity or the effectiveness and efficiency of its management can be assured. Therefore, we do not express an opinion on these matters.

We conducted the audit in the months April and May 2021 until June 4, 2021.

We have obtained all the information and evidence requested by us. The management has confirmed to us in writing with date from June 4, 2021 the completeness of the accounting records, the annual financial statements and the information provided to us.



### **3.1 Findings of the Audit and Explanation on the financial accounting**

#### **3.1.1. Adequacy, accuracy and compliance of the accounting procedures**

The gUG's books are properly kept. The documentary function has been fulfilled. In our opinion, the accounting records and the other audited documents comply with the legal requirements.

##### **3.1.1.1. Financial Accounting and other audited documents**

Since December 4, 2019, the payroll and financial accounting are outsourced to SCHLARMANN von GEYSO Rechtsanwälte Steuerberater Wirtschaftsprüfer Partnerschaft mbB, Hamburg, (hereafter referred as „SvG“). SvG keeps the books by using the bookkeeping software DATEV eG, Nürnberg.

Invoicing, payment processing via the bank account, the release and approval process of procurements and higher expenses as well as the budget forecast are the responsibility of the gUG and is regulated in the "Financial Management Framework and Policies."

All reconciled bank statements with the corresponding invoices and receipts of each month are provided in scanned electronic form to the outsourcing company for accounting purposes. We were also provided these bank statements and supporting documentation electronically.

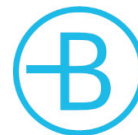
Our audit led to the identification of significant corrective actions. During our audit, identified accounting errors were eliminated. Following weaknesses within the Internal Control System with regard to the outsourced financial accounting we have noted:

The outsourced or outsourcing company did not carry out sufficient quality assurance measures in financial accounting to avoid the following accounting-related deficiencies that were subsequently corrected at our instigation:

- no proper subdivision of the income statement for non-profit corporations broken down into charitable and other dedicated activity within the meaning of the requirements of the German Fiscal Code,
- no sufficient deferred income and accrued expenses and adequate formation of accruals/provisions,
- no formation of a statutory reserve according to sec. 5a (3) German Limited Liability Companies Act,
- no completeness of the accounting entries, inter alia in particular with regard to the credit card statements.

In addition to the beforementioned, the gUG management was not able to provide us with the annual budget planning as of December 31, 2019.

We would point out that our audit is not designed to evaluate the adequacy of internal control more extensively than is required for the assessment of financial statements.



### 3.1.1.2. Annual Financial Statement

Recognition and valuation and classification:

**General information**

The annual financial statements of Accountable Now gUG, with its registered office in Berlin and registered with the Berlin-Charlottenburg Local Court under HRB registration number 212396, have been prepared for the financial year 2020 in accordance with the provisions of commercial law for small corporations and the relevant provisions of the German Limited Liability Companies Act.

The balance sheet and income statement items have been recognized in accordance with the accounting and valuation principles applicable to small corporations and, optionally, micro-corporations.

The balance sheet has been prepared in accordance with the classification requirements of sect. 266 German Commercial Code. No use has been made of the simplification for micro-corporations in accordance with sec. 266 (1) s. 4 German Commercial Code. The classification requirements for non-profit and charitable corporations have been considered for the preparation of the balance sheet and the income statement.

The income statement is broken down into charitable activities and other dedicated activity. The charitable activities sphere is the sphere in which the realization of the statutory purposes is recorded. A dedicated activity is a commercially oriented sub-area of a corporation that otherwise operates on a non-profit or public-law basis. A dedicated activity of a non-profit organization is an economic business operation as an independent, sustainable activity through which income or other economic benefits are generated.

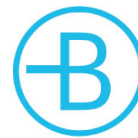
Voluntary preparation of the notes to the financial statements was dispensed with in the financial year. Sec. 264 (1) sentence 5 German Commercial Code (HGB) stipulates that the notes to the financial statements may be dispensed with for micro-corporations, provided that information on contingent liabilities and on advances/loans to members of the administrative, management or supervisory bodies is disclosed below the balance sheet.

There were no contingent liabilities or advances/loans to members of governing bodies.

**Accounting policies and valuation principles**

Low-value assets within the meaning of sec. 6 (2) German Income Tax Act are fully depreciated in the year of acquisition.

Property, plant and equipment and intangible assets that have already been fully amortized were acquired as part of a donation in kind; these have not been recognized in the balance sheet.



Receivables are stated at their nominal amount. All receivables are due in the short term. Unpaid receivables from workshop fees or membership fees are impaired on an individual basis.

Other accruals take into account those risks and uncertain obligations that arose up to the balance sheet date and were identifiable up to the date of preparation of the balance sheet. They are stated at the settlement amount required according to prudent business judgment.

### **3.1.2. Evaluating the overall Financial Statement Presentation**

#### **3.1.2.1. Statement and Findings to the overall Financial Statement Presentation**

In our opinion, the annual financial statements give – after the corrections of identified misstatements - a true and fair view of the net assets, financial position and results of operations of the Company in accordance with German principles of proper accounting.

#### **3.1.2.2 Valuation basis**

We have explained the general valuation principles in section 3.1.1.2.

The use of recognition and valuation options and their accounting estimates and judgements are generally provided for in the case of depreciation of low-value assets (GWG) and the recognition of provisions and accruals.

There are recognition and valuation options for low-value assets within the meaning of sec. 6 (2) German Income Tax Act. These low-value assets up to a value of EUR 800 can be written-off immediately in full in the year of acquisition or, alternatively, for acquisitions between EUR 250 and EUR 1,000 depreciated on a straight-line basis over five years by means of so-called collective depreciation. In the reporting year no use of this option was made. In accordance with the meaning and purpose of this requirement, the largely written-off property, plant and equipment of the predecessor company was not capitalized.

The recognition of provisions and accruals in accordance with sec. 253 (1) Sentence 2 German Commercial Code is subject to accounting estimates and judgements. They must be recognized at the anticipated settlement amount deemed necessary to that which the company might be expected to use according to a reasonable commercial judgment, whereby future cost and price increases also must be considered in this measurement of provisions and accruals. In the reporting year, provisions for the preparation of the financial statements, the audit of the annual financial statements and for vacation days carried forward were recognized at the amount deemed necessary by prudent commercial judgment.



### **3.1.2.3 Audit of opening balance in the context of initial audits and takeover of business activities and assets of the predecessor company**

We were able to convince ourselves that the assets, liabilities and deferred income in the balance sheet of the annual financial statements audited for the first time have been adopted in such a way that the annual financial statements of the Company give a true and fair view of the net assets, financial position and results of operations in compliance with generally accepted accounting principles.

The annual financial statements as of December 31, 2019 have not yet been audited. In order to obtain sufficient and appropriate audit evidence, we have performed audit procedures on the unaudited prior year financial statements in accordance with IDW PS 205 and ISA 510 (Audit of opening balance sheets in the course of initial audits).

We have familiarized ourselves with the gUG, its business activities and organization as well as the structure of the accounting system, also with regard to the previous year 2019. We have audited the opening balance sheet values of the trade accounts payable to International Civil Society Centre gGmbH, Berlin and reviewed the underlying service and cooperation agreement.

In this context, we have determined that there was no contractual basis for the assumption of costs under the service and cooperation agreement between gUG and the International Civil Society Centre gGmbH, Berlin, and the predecessor company International NGO Charter of Accountability Ltd for the period from October to December 2019, nor did gUG enter into this service and cooperation agreement.

We were able to reconcile the opening balance sheet value of liabilities to banks by using the bank statement.

We have reconciled the opening balance sheet values of the share capital by the articles of association/statutes and by extracts from the commercial register.

As part of the transfer of the business activities of the British predecessor company "International NGO Charter of Accountability Ltd." to Accountable Now gUG, the assets were transferred by transferring the bank balances in the amount of EUR 300,000 as of January 7, 2020 and in the amount of EUR 11,455.05 as of July 2, 2020 by the account-keeping entity, International Civil Society Centre gGmbH, Berlin. For the takeover of the business activities, a receivable from International Civil Society Centre gGmbH, Berlin was recognized as of December 31, 2019, as this was the bank account-holding entity of the predecessor company. The receivable was settled upon receipt of payment dated January 7, 2020.

Due to the bear of costs for the last quarter of 2019 from the service and cooperation agreement with the International Civil Society Centre gGmbH, Berlin, the income from the non-material area for the three-month period was also reported in the previous year in order to make a statement about the profitability of the short fiscal year. We have received and reviewed the contracts for the allocations of funds from the projects, membership fees, participation fees of the annual workshop and their incoming payments.



In connection with the project "Global Standard for CSO Accountability" from the sponsor, Swedish International Development Cooperation Agency Stockholm, deferred income was recognized for the grant. The grant was paid to gUG in the amount of EUR 150,160 for the period from July 1, 2019 to September 30, 2020. We were provided with the grant agreement and the payment evidence. In our understanding, this partial amount was included in the EUR 300,000 (payment of January 7, 2020).

As part of the takeover of the business activities of the predecessor company in the UK through the transfer of assets and bank balances, reserves for other funds not to be used in a timely manner were formed in accordance with sec. 62 (3) No. 2 German Tax Code.

Provisions/Accruals have been made for the costs of preparing the financial statements and for audit costs. We were able to convince ourselves of accurate adoption of the opening balance sheet values in accounting.

In connection with the dissolution of the predecessor company and the formation process of the gUG, we have satisfied ourselves of the necessary registrar court entries of the gUG and the liquidation and dissolution deed of the predecessor company in the UK.

### 3.1.2.4 Breakdowns and Explanations - Balance Sheet

In the following, we explain the individual items of the balance sheet and provide further explanations on the evidence, valuation and scope of our work.

#### A. Fixed Assets

In the course of the takeover of the business activities of the predecessor company in UK, intangible assets consisting of the Global Standard website with a residual carrying amount of EUR 0 as of December 31, 2019 and property, plant and equipment consisting of the IT equipment with a residual carrying amount of EUR 867 were taken over by gUG as a donation in kind.

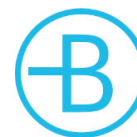
The property, plant and equipment were not recognized at the partial value or amortized carrying amount. There was also no immediate depreciation up to a value of EUR 800 or depreciation as a low-value asset, so-called collective depreciation up to an acquisition value of EUR 1,000.

#### B. Current Assets

##### Receivables and other Assets

<b>Trade receivables/Debtors</b>	<b>EUR</b>	<b>1,896.00</b>
	PY EUR	300,000.00

The receivables of EUR 300,000 in the prior year resulted from the transfer of the assets and bank balances of the British predecessor company International NGO Charter of Accountability Ltd. to start the business activities of gUG in Germany. The receivable was settled by transfer of EUR 300,000 by the International Civil Society Centre gGmbH, Berlin as of January 7, 2020.



The other trade receivables in the financial year resulted from unpaid fees for the implementation of the annual workshop in November 2020 and were due from four member organizations. All outstanding receivables as of December 31, 2020 were settled in January and March 2021 respectively.

Trade accounts receivable in the amount of EUR 930 were impaired in the financial year, reason for was that registered workshop participants did not attend the annual workshop or the reduced cancellation fee for non-member organizations was not paid and its receipt is no longer expected.

<b>Cash at bank and in hand</b>	<b>EUR</b>	<u>159,163.22</u>
	PY EUR	0,00

The cash balance at banks is evidenced by bank statement from the institution as of the reporting date. In addition, we have received bank confirmation from the bank holding the account.

#### A. Equity and Funds

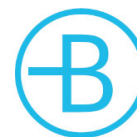
<b>I. Subscribed capital</b>	<b>EUR</b>	<u>1.00</u>
	PY EUR	1.00
<b>II. Statutory reserve</b>	<b>EUR</b>	<u>7,711.50</u>
	PY EUR	3,186.56
<b>III. Other funds not to be used in a timely manner</b>	<b>EUR</b>	<u>111,146.03</u>
	PY EUR	99,690.98
<b>IV. Profit carrying forward</b>	<b>EUR</b>	<u>9,559.67</u>
	PY EUR	0,00
<b>I. Net income</b>	<b>EUR</b>	<u>13.574,83</u>
	PY EUR	9.559,67

The gUG is obliged to allocate 25% of the annual net profit to a statutory reserve each year. This statutory formation of reserves also applies if this is sufficient to be able to form a share capital amounting to the minimum capital of a GmbH (limited liability company) of EUR 25,000,00. A statutory formation of reserves is obligatory until the subscribed capital of the gUG is increased by shareholders' resolution to EUR 25,000.

The reserve for other funds not to be used in a timely manner pursuant to sec. 62 (3) No. 2 German Tax Code was formed as part of the takeover of the business activities of the predecessor company in the United Kingdom by transferring the assets and bank balances in the PY.

These were increased by EUR 11,455.05 in the financial year following the closure of the bank account of the predecessor company and transfer of bank balances by the account-holding entity, International Civil Society Centre gGmbH, Berlin. The payment was received on July 2, 2020.





## B. Accruals

Other provisions developed in the reporting year 2020 as follows:

	<u>1.1.2020</u>	<u>Utilization</u>	<u>Reversal</u>	<u>Transfer</u>	<u>Allocation</u>	<u>31.12.2020</u>
	EUR	EUR	EUR	EUR	EUR	EUR
Holidays accruals	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>3,141.19</u>	<u>3,141.19</u>
Audit costs gUG	<u>3,000.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>6,000.00</u>	<u>9,000.00</u>
Audit expenses Ltd. (UK)	<u>10,368.24</u>	<u>10,368.24</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Preparation/publication of financial statements	<u>2,000.00</u>		<u>0.00</u>	<u>0.00</u>	<u>1,250.00</u>	<u>3,250.00</u>
	<u>15,368.24</u>	<u>10,368.24</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>15,391.19</u>

According to the information given to us, other accruals have been calculated in the amount required to cover all risks according to prudent business judgment. In the course of our audit, we did not become aware of any further risks for which provisions should have been recognized.

## C. Liabilities

### Liabilities to Banks

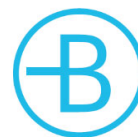
EUR	<u>0.00</u>
PY EUR	17.13

### Trade Accounts Payable

EUR	<u>0.00</u>
PY EUR	82,080.43

Until December 31, 2019, the International Civil Society Centre GmbH, Berlin was responsible for the operational administration including the management of bank accounts and for the financial accounting within the framework of a service agreement.

In the prior year EUR 81,052.33 result from liabilities to the International Civil Society Centre gGmbH, Berlin from costs incurred for the 4th quarter under the service and cooperation agreement. The gUG has agreed to bear the costs for the last quarter of 2019 from the transferring company (Accountable Now Ltd.).



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<b>3. Other Liabilities</b>	<b>31.12.2020</b>	<b>PY</b>
	EUR	EUR
<b>Liabilities from taxes</b>		
Liabilities from wage and church taxes	2,187.93	0.00
Accounts payable relating to social security	871.88	0.00
<b>Other liabilities</b>	615.20	0.00
	<u>3,675.01</u>	<u>0.00</u>

The increase in tax liabilities and social security liabilities is directly related to the increase in employees. All employees have been employed by gUG since January 1, 2020 and were employed by the International Civil Society Centre, Berlin until December 31, 2019.

<b>4. Deferred income</b>	<b>EUR</b>	<b>0.00</b>
	PY EUR	90,096.00

In the previous year, deferred income for the grant in connection with the project "Global Standard for CSO Accountability" from the sponsor, Swedish International Development Cooperation Agency Stockholm was recognized. The grant in the total of EUR 150,160.00 was received by gUG for the period from July 1, 2019 to September 30, 2020.



### 3.1.2.5 Breakdowns and Explanations - Profit and loss statement

The items of the income statement are broken down below and compared with the prior-year figures, explanations to the individual items of the income statement are given:

	2020	PY
	EUR	EUR
<b>CHARITABLE ACTIVITIES</b>		
<b>Non-taxable income</b>		
Membership fees	242,750.00	60,738.75
Project „Global Standard for CSO Accountability“	90,096.00	30,032.00
Project Restless Development „Civil Society Unleashed: A Model for Youth & Community Driven Change“	22,654.36	9,943.52
Project Resilient Roots CIVICUS	0.00	2,678.75
	<u>355,500.36</u>	<u>103,393.02</u>

Non-taxable income of the gUG serves exclusively to fulfil the public-benefit purpose in accordance with sec. 52 German Fiscal Code.

In our judgment, it justifies the privileged tax treatment based on the non-profit status.

Attention is drawn to the outstanding submission of the tax notice for the short fiscal year to confirm the tax-privileged status.

Due to the cost transfer for the last quarter of 2019 arising from the service and cooperation agreement with the International Civil Society Centre gGmbH, Berlin, the income for the three-month period was reported in the PY in order to make a statement about the profitability of the short fiscal year.

	2020	PY
	EUR	EUR
<b>Other non-taxable income/</b>		
Other income charitable activities	8,952.53	1.41
Other non-taxable grants and subsidies	<u>5,791.61</u>	<u>0.00</u>
	<u>14,744.14</u>	<u>1.41</u>

Other non-taxable income in the amount of EUR 8,952.53 relates to reimbursement under the German Expenses Compensation Act for a maternity leave. EUR 5,791.61 relates to an income from the settlement of credit card bills by the previous account-holding entity, International Civil Society Centre gGmbH, in the period from January to July 2020 for travel expenses and other costs incurred by gUG. The previous credit card and business account was closed in July 2020.



	2020	Vorjahr
<b>Personnel costs</b>	EUR	EUR
Wages and salaries	205,056.29	0.00
Social security contribution	40,574.47	0.00
Other expenses, e.g. for non-cash benefits	65.00	0.00
	<u>245,686.76</u>	<u>0.00</u>

All employees were previously employed in their position at the International Civil Society Centre gGmbH, Berlin, and have been employed by gUG since January 1, 2020.

In addition to expenses for wages and salaries in the amount of EUR 201,915.10, vacation provisions in the amount of EUR 3,141.19 were recognized in the reporting year due to remaining vacation days of the employees.

	2020	PY
	EUR	EUR
<b>Other expenditures</b>		
Legal and consulting fees	59,735.40	1,028.10
Rent	12,233.83	0.00
Audit costs	8,910.37	13,368.24
Cost of purchased services	7,755.00	76,522.33
Accounting and payroll costs	5,721.60	2,000.00
Employee travel expenses	5,467.85	0.00
Office supplies	2,335.47	0.00
Incidental costs of monetary transactions	532.45	19.54
Postage, telephone	146.48	0.00
Other costs	<u>4,142.13</u>	<u>0.00</u>
	<u>106,980.58</u>	<u>92,938.21</u>

Legal and consulting costs include costs for a freelance employee in the amount of EUR 44,400, consulting costs (Added-Value Analysis) in the amount of EUR 6,960.00 as well as costs for notary, tax registration and changes in the commercial register in the total amount of EUR 4,895.55.

The rent in favour of the International Civil Society Centre gGmbH, Berlin amounts to EUR 1,000 per month. In addition, rent for additional conference rooms was reported. In the reporting year



as well as in the PY, the cost of purchased services results from the service and cooperation agreement with the International Civil Society Centre gGmbH, Berlin. This sublease agreement and the associated service agreement were terminated on December 31, 2020.

The audit costs include with EUR 2,910.37 cost for the audit of the International NGO Charter of Accountability Ltd. on the use of grant funds for the Global Standard for CSO Accountability - Extension Phase 19/20 of the sponsor Swedish International Development Cooperation Agency as of the audit date November 30, 2020. In addition, the PY includes extraordinary costs for the annual audit of the Inter-national NGO Charter of Accountability Ltd. in Great Britain in the amount of EUR 10,368.24.

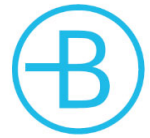
Travel expenses of employees in the amount of EUR 5,562.70 were paid via the credit card of the predecessor company with the account-keeping entity, International Civil Society Centre gGmbH, Berlin in the period from January to July 2020 and recognized as other non-taxable grants in the reporting year.

	2020	PY
	EUR	EUR
<b>OTHER DEDICATED ACTIVITY</b>		
Revenue (income from workshop fees)	4,156.00	6,820.00
Costs for services purchased for workshops	<u>3,633.39</u>	<u>4,530.00</u>
<b><u>Net Income for Other Dedicated Activity</u></b>	<b><u>522.61</u></b>	<b><u>2,290.00</u></b>

The annual Accountable Now workshop was held virtually in the financial year and as as a face-to-face event in the prior year.

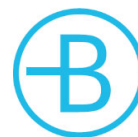
Courses, seminars and training events held by non-profit organizations are exempt from VAT as long as the income is predominantly used to cover expenses.

The income from other dedicated activities is not subject to corporation tax and also not to trade tax (sec. 64, Subsection 1 German Fiscal Code), insofar as basically taxable economic business operations are qualified as tax-privileged dedicated activity in the meaning of sec. 65 German Fiscal Code. This is the case if the economic business operation in its overall direction serves to realize the tax-privileged statutory purposes (for the gUG: Public-benefit purposes in accordance with sec. 52 AO), the purposes can only be achieved through such a business operation and the economic business operation does not compete with non-privileged operations of the same or similar kind to a greater extent than is unavoidable in the fulfilment of the tax-privileged purposes.



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<b>Net income for the year before appropriation of profit</b>	<b><u>18,099.77</u></b>	<b><u>12,746.22</u></b>
Profit carried forward from PY	9,559.67	0.00
Allocation to statutory reserve	4,524.94	3,186.56
Profit carried forward (total)	<u>23,134.49</u>	<u>9,559.67</u>
<b>Net income after appropriation of profit</b>	<b><u>0.00</u></b>	<b><u>0.00</u></b>



### **3.2. Reproduction of the auditor's report pursuant to Annex 5**

We have issued the unqualified audit opinion in accordance with Annex 5 as follows:

#### ***Independent Auditor's Report and Unqualified Audit Certificate***

To the INGO - International NGO - Accountability Charter gUG (Accountable Now), Berlin:

#### **Audit opinion**

We have audited the accompanying annual financial statements of INGO - International NGO - Accountability Charter gUG (Accountable Now), Berlin, comprising the balance sheet as of December 31, 2020 and the income statement for the fiscal year from January 1, 2020 to December 31, 2020, including summary of significant accounting policies and other explanatory information.

In our opinion, based on the findings of our audit, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2020, and of its financial performance for the fiscal year from January 1, 2020 to December 31, 2020 in accordance with German principles of proper accounting.

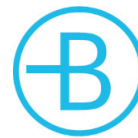
In accordance with Section 322 (3) Sentence 1 of the German Commercial Code, we declare that our audit has not led to any reservations concerning the propriety of the annual financial statements.

#### **Basis for our Audit opinion**

We conducted our audit of the annual financial statements in accordance with sec. 317 German Commercial Code and German generally accepted standards for the audit of financial statements promulgated by the Institut der Wirtschaftsprüfer (IDW). Our responsibility under those provisions and standards is further described in the "Auditor's Responsibility for the Audit of the Annual Financial Statements" section of our auditor's report. We are independent of the Company in accordance with German commercial law and professional standards and have fulfilled our other German 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 audit opinion on the financial statements.

#### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with German principles of proper accounting 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. Furthermore, management is responsible 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 statements, management is responsible for assessing the Company's ability to continue as a going concern. Furthermore, they are responsible for disclosing, as applicable, matters related to the Company's ability to continue as a going concern. Furthermore, they are responsible for preparing the financial statements on the basis of the going concern principle, unless factual or legal circumstances prevent this.

### **Auditor's Responsibility for the Audit of the Financial Statements**

Our objective is to obtain reasonable assurance about whether the annual financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion on the annual financial statements.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with § 317 HGB and German generally accepted standards for the audit of financial statements promulgated by the Institut der Wirtschaftsprüfer (Institute of Public Auditors in Germany) (IDW) will always detect a material misstatement. 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 these financial statements.

During the audit, we exercise professional judgment and maintain a critical perspective. Furthermore, we

- Identify and assess the risks of material misstatement of the financial statements, 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 is higher in the case of noncompliance than in the case of inaccuracy, as noncompliance may involve fraud, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- 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 and related disclosures made by management.
- Conclude on the appropriateness of the going concern basis of accounting used by management and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company'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. We draw our conclusions based on the audit evidence obtained up to the date of our audit opinion. However, future events or conditions may cause the Company not to be able to continue as a going concern.
- We assess the overall presentation, structure and content of the annual financial statements, including the disclosures, and whether the annual financial statements represent the underlying transactions and events in such a way that the annual financial statements





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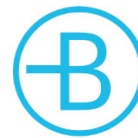
give a true and fair view of the net assets, financial position and results of operations of the Company in accordance with German principles of proper accounting.

We discuss with those charged with governance, among other matters, the planned scope and timing of the audit and significant audit findings, including any deficiencies in internal control that we identify during our audit.

Schmitten, June 4, 2021

BRAUS BERATUNG+REVISION GmbH  
Wirtschaftsprüfungsgesellschaft

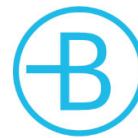
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### **3.3. Appendices to the Audit Report**

#### **Appendix Overview**

Balance Sheet as of December 31, 2020	<b>1</b>
Income Statement for the period from January 1 to December 31, 2020	<b>2</b>
Corporate law and economic fundamentals (and fiscal aspects)	<b>3</b>
General Terms of Engagement for German Public Auditors and Public Audit Firms	<b>4</b>
Audit opinion (Report of Independent Auditors)	<b>5</b>



#### **4. Signature and Presentation of the Audit Report**

We have issued the above audit report in accordance with the legal requirements and generally accepted standards for the audit of financial statements promulgated by the Institute of Public Auditors in Germany (IDW) in accordance with IDW Auditing Standard 450 (revised version).

The use of the auditor's report reproduced above outside this audit report requires our prior consent. Publication or dissemination of the annual financial statements and/or the management report in a form differing from the audited version (including translations into another language) requires our prior approval, provided that our audit opinion is quoted or reference is made to our audit; we refer in particular to sec. 328 German Commercial Code.

Schmittgen, June 4, 2021

BRAUS BERATUNG+REVISION GmbH  
Wirtschaftsprüfungsgesellschaft

Braus  
Wirtschaftsprüfer

# BALANCE SHEET as at 31 December 2020

INGO - International NGO - Accountability Charter  
gUG  
Berlin

## ASSETS

	Business year EUR	Previous year EUR
<b>A. Current assets</b>		
I. Receivables and other Assets		
1. trade receivables and services	1.896,00	300.000,00
II. Cash in hand, Bundesbank balances, balances with Credit institutions and cheques	159.163,22	0,00
	<hr/>	<hr/>
	161.059,22	300.000,00
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# BALANCE SHEET as at 31 December 2020

**INGO - International NGO - Accountability Charter**  
**gUG**  
**Berlin**

## PASSIVA

	EUR	Business year EUR	Previous year EUR
<b>A. Equity</b>			
I. Subscribed capital		1,00	1,00
II. capital reserve		111.146,03	99.690,98
III. revenue reserves			
1. Legal reserve		7.711,50	3.186,56
IV. Profit/loss carried forward			
1. Profit/loss carried forward			
General		9.559,66	0,00
V. Balance sheet profit		13.574,83	9.559,66
<b>B. Provisions</b>			
1. Other provisions		15.391,19	15.368,24
<b>C. Liabilities</b>			
1. Liabilities towards			
Credit institutions	0,00		17,13
2. Liabilities from			
Deliveries and services	0,00		82.080,43
3. Other liabilities	<u>3.675,01</u>	3.675,01	0,00
<b>D. Prepaid expenses</b>		0,00	90.096,00
		<hr/>	<hr/>
		161.059,22	300.000,00
		<hr/>	<hr/>

# INCOME STATEMENT from 01.01.2020 to 31.12.2020

**INGO - International NGO - Accountability Charter**  
**gUG**  
**Berlin**

	EUR	Business year EUR	Previous year EUR
<b>A. Ideal area</b>			
I. Non-taxable income			
1. Membership fees	355.500,36		103.393,02
2. Grants	5.791,61		0,00
3. Other non-taxable Revenue	<u>8.952,53</u>	370.244,50	1,41
II. Expenses not to be recognised			
1. Personnel costs	245.686,76		0,00
2. Travel expenses	5.467,85		0,00
3. Room costs	12.233,83		0,00
4. Other expenditure	<u>89.278,90</u>	352.667,34	92.938,21
<b>Profit/Loss idealistic sphere</b>		<u>17.577,16</u>	<u>10.456,22</u>
<b>B. Special purpose entities</b>			
1. Revenues		4.156,00	6.820,00
2. Cost of materials Cost of purchased services Services		<u>3.633,39</u>	<u>4.530,00</u>
<b>Profit/Loss Other special purpose entities</b>		<u>522,61</u>	<u>2.290,00</u>
<b>C. Net profit for the year</b>		<u>18.099,77</u>	<u>12.746,22</u>
1. settings in Retained earnings a) to the legal reserve		<u>4.524,94</u>	<u>3.186,56</u>
<b>D. Balance sheet profit</b>		<u>13.574,83</u>	<u>9.559,66</u>



## Corporate law and economic fundamentals

### Foundation

Established on September 5, 2019 (date of the articles of association),

In addition to the establishment of an entrepreneurial limited liability company as a non-profit, public-benefit purposes corporate entity (gUG), an unincorporated association "Accountable Now Association" was established. The purpose of the association is to exercise the rights of participation of INGO - International NGO - Accountability Charter gUG.

The takeover of the business activity of the predecessor company "International NGO Charter of Accountability Ltd." took place on the date of September 21, 2019 and the start of its own business activity, independent of the International Civil Society Centre gGmbH, on the date of January 1, 2020.

### Company name

INGO - International NGO - Accountability Charter gUG (Accountable Now)

### Company location

c/o Machwerk in der Alten Münze, Am Krögel 2, 10179 Berlin

### Articles of association

The Articles of Association / Memorandum to the Articles of Association in its currently valid version are dated September 5, 2019

### Commercial register

Commercial register B (HRB), register number 212396, responsible local court Berlin-Charlottenburg



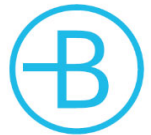
**Subject of the company**

The purpose of Accountable Now is the advancement of science and research (according to sec. 52 para. 2 no. 1 German Fiscal Code), the advancement of upbringing, adult education and vocational training including assistance for students (according to sec. 52 para. 2 no. 7 German Fiscal Code), as well as the procurement and forwarding of funds for the promotion of domestic and foreign corporations that pursue one or more of the aforementioned purposes and use the funds exclusively and promptly for these purposes (sponsoring body pursuant to sec. 58 No. 1 German Fiscal Code). The purposes are realized in detail by: The promotion of science and research (sec. 52 para. 2 no. 1 German Fiscal Code) through the development and promotion of the introduction of accountability and transparency standards for charities, non-governmental organizations, and other organizations in the field of international development aid, humanitarian aid, environmental protection, anti-corruption and related areas (the "Accountability Commitments"). The development and enhancement of systems for monitoring compliance with the "Accountability Commitments" and for dealing with non-compliance with the same; the development and further development of systems for measuring, monitoring and accountability concerning the quality and effect ("impact") of the activities of the participating organizations. In doing so, the results obtained are promptly communicated to the public.

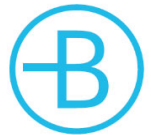
The advancement of upbringing, adult education and vocational training (according to sec. 52 para. 2 no. 7 German Fiscal Code) will be served by educating the public in the areas of accountability, transparency and impact ("impact") of the above-mentioned organizations. Furthermore, through education and training of the executives and staff of these organizations, in particular by conducting workshops, trainings, seminars and conferences as well as by organizing and accompanying events and discussions for the elaboration of relevant topics, for international exchange and for the promotion of mutual learning for staff and executives of the above-mentioned organizations as well as relevant partner organizations.

The indirect promotion of these public-benefit purposes (as aforementioned according to sec. 52 (2) Nos. 1 and 7 in conjunction with sec. 58 No. 1 German Fiscal Code) by raising funds for other non-profit corporations or corporations under public law. For this purpose, the Company cooperates with other private and governmental organizations and institutions.





<b>Financial year</b>	January 1, 2020 to December 31, 2020 (calendar year)
<b>Minimum capital</b>	EUR 1,00
<b>Capital structure</b>	<p>The share in the Accountable Now's share capital amounting to EUR 1.00 is held by the shareholder Accountable Now Association, Berlin (Board of Trustees).</p> <p>In addition to the minimum capital of a gUG in the amount of EUR 1.00, allocations to statutory reserves in the amount of EUR 4,524.94 were made in the fiscal year from the provisional net profit for the year. A reserve for other funds which has not to be used in a timely manner in accordance with sec. 62 (3) German Fiscal Code was made from the remaining transfer of bank balances in the amount of EUR 11,455.05.</p> <p>From the previous year, the founding year 2019 (as short fiscal year), a net profit of EUR 12,746.22 for a three-month period was realized, of which EUR 3,186.56 was transferred to the statutory reserve and EUR 9,559.67 was carried forward. From the transfer of the assets and activities of the predecessor company in the UK EUR 99,690.98 was transferred to the reserve for other funds which has not to be used in a timely manner according to sec. 62 (3) German Fiscal Code.</p>
<b>Size of the company</b>	The Company is a micro-corporation within the meaning of sec. 267a German Commercial Code.
<b>Predecessor company in UK</b>	Predecessor company in the UK was incorporated as "International NGO Charter of Accountability Ltd." in 2007 and de-registered from the UK Companies Register (Company Number UK: 06527022; Charity Number 1173827) according to Sec. 1003 Companies Act (2006) on March 12, 2021.
<b>Managing Director</b>	Ms. Moreno Lopez, Rocio, born October 9, 1977, Berlin (Executive Director) was appointed as Managing Director with sole power of representation.



**Shareholders/Board of Trustees**

The shareholder is the Accountable Now Association, Berlin.

With the establishment of the UG with date of September 5, 2019, the following members were appointed as members of the Board of Accountable Now Association, Berlin:

- (1) Pia Christina Stavås Meier, Lidingö, Sweden
- (2) Olivier Michel Guth, Saint Jean du Gard, France

As of January 22, 2021, the following members were appointed as members of the Board of Accountable Now Association, Berlin:

- (1) Colm Tomás Ó Cuanacháin, St. Albans, United Kingdom (Chairman and Member of Amnesty International)
- (2) Amy Mill Taylor, Johannesburg, South Africa (Vice Chair and member of Civicus).
- (3) Olivier Michel Guth, Saint Jean du Gard, France (Treasurer and member of ADRA)
- (4) Jo Thompson, Mittagong, Australia (independent)
- (5) Alex Sardar, Montreal, Canada and Arlington, USA (independent)
- (6) Betty Su-Chiou Ho, Taichung, Taiwan
- (7) Dumiso Gatsha, Gaborone, Botswana (member of Taiwan Fund for Children and Families)
- (8) Oscar Mushivochi, Nairobi, Kenya (Member of CBM)
- (9) Megan Colnar, New York, USA (independent)

**Boards/Committees**

Finance and Risk Committee consisting of three members of the Board of Trustees.

Independent Panel Review Member Working Group as an independent review panel with eight members, chaired by Chilufya Chileshe, Lusaka, Zambia



**Shareholder resolution on the acquisition**

In the shareholders' meeting, regarding the dissolution of International NGO Charter of Accountabiltiy Ltd, as the transferor company and the takeover as of November 21, 2019 by INGO - International NGO - Accountability Charter gUG as the transferee company, the following resolutions were adopted on December 10, 2020:

- (1) Donation of office equipment (6 computers) to the transferee company,
- (2) Enter into the IP assignment agreement: The transferor company acquired the brand name and Global Standard domain (www.csostandard.org) in June 2018 (book value as of June 1, 2018 EUR 13,655.04),
- (3) Novation and enter into the grant agreement with Restless Development dated September 21, 2018 and with Internal Civil Society Centre gGmbH dated April 17, 2015, and
- (4) Transfer of the any assets of the transferor company to the transferee company: by transfer of the bank balances in the amount of EUR 300,000 as of January 7, 2020 and in the amount of EUR 11,455.05 as of July 2, 2020 by the account-holding entity, International Civil Society Centre GmbH.

**Proposal for the appropriation of profit**

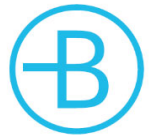
The management will propose to the shareholders' meeting in June 2021, that the preliminary net income for the year reported as of December 31, 2020, amounting to EUR 18,099.77

- (1) to allocate EUR 4,524.94 to the statutory reserve according to sec. 5a GmbHG and
- (2) to carry forward the remaining retained profits in the amount EUR 13,574.83.

**Resolution from the previous year**

In addition, at the shareholders' meeting in June 2021

- (1) the unaudited annual financial statements as of December 31, 2019, prepared by the management, will be presented and adopted; and
- (2) a resolution is proposed to distribute from the retained earnings in the amount of EUR 12,746.22 reported as of December 31, 2019 EUR 3,186.56 to the statutory reserve according to sec. 5a (3) GmbHG, and to carry forward the remaining retained profits in the amount EUR 9.559,67.



**Corporate agreements of particular importance**

Enter into Grant Agreement with **Restless Development** "UK Aid Connect Co-Creation Phase Grant Agreement" dated September 21, 2018, amended July 5, 2019, with an original contract end date of April 30, 2019 for funding for the project "Civil Society Unleashed: A Model for Youth & Community Driven Change" by the funder "UK Department for International Development (DfID)" effective with incorporation as of November 21, 2019, subsequently concluded on December 10, 2020 as novation deed.

- Extension Grant Agreement of the project, dated August 5, 2019, covering the project period from August 1, 2019 to October 31, 2022 (with a funding allocation of GBP 105,501)

Enter into the Grant Agreement with the funder Swedish International Development Cooperation Agency (SIDA), Stockholm, Sweden, dated April 17, 2015, for the funding of the project "**Global Standard for CSO Accountability**", formerly closed with International Civil Society Centre gGmbH, Berlin (Project Phase I until 2019), effective with incorporation as of November 21, 2019, subsequently concluded on December 10, 2020 as novation deed.

- Second extension of the project (Extension Phase 2019/2020), dated August 21, 2019, covering the period from July 1, 2019 to September 30, 2020 (with a funding allocation of EUR 150,160) and (cost-neutral) extension of the duration of the project to ensure activities for two additional months (original end date September 30, 2020, new end date November 30, 2020); and
- Third Extension Phase of the Sida Program Legitimate and Impactful Civil Society dated January 20, 2021, for the period January 1, 2021, to December 31, 2021 (with a funding allocation of EUR 132,015.40).

Agreement on transfer of assets of the transferor company to the transferee company, effective with incorporation as of November 21, 2019, subsequently concluded on December 10, 2020:

- on a cash donation in the amount of the bank balance with the account-keeping entity, International Civil Society Centre gGmbH,
- on the donation of the operating and office equipment (six computers) to the Acquiring Company.



Assignment of intellectual property rights of International NGO Charter of Accountability Ltd. in favor of gUG over the brand name "GLOBAL STANDARD FOR CSO ACCOUNTABILITY" and entry into the IP address assignment agreement, effective with incorporation as of November 21, 2019, subsequently concluded on December 10, 2020 as novation deed.

Service agreement with International Civil Society Centre gGmbH, Berlin dated December 19, 2019 for the period from January 1, 2020 to December 31, 2020, terminated on September 29, 2020; for provision of technical support and services, of printers and catering service; as a follow-up agreement to the Service and Cooperation agreement with International Civil Society Centre gGmbH, Berlin, and the transferor company ("Service and Cooperation Contract dated February 23/27, 2017 for the hosting of the operation of Accountable Now's business with administrative management (including acquiring of new members, development of the Global Standard, preparation of the budget and annual plan, financial accounting, etc.).

Outsourcing, tax advisory and consulting agreement with SCHLARMANN von GEYSO Rechtsanwälte Steuerberater Wirtschaftsprüfer Partnerschaft mbB, Hamburg dated December 4, 2019 regarding:

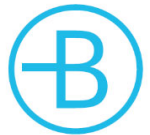
- the provision of tax consulting services in accordance with the StBerG, especially the preparation of tax returns
- the outsourcing of financial accounting and payroll accounting, in particular the preparation of annual financial statements in accordance with the provisions of the German Commercial Code, taking into account the standards of the Institute of Public Auditors in Germany, using the DATEV accounting system.
- the transmission of annual financial statement figures to the Federal Gazette in accordance with sec. 325 German Commercial Code.
- other consulting services (inter alia, in relation to negotiating loan agreements with credit institutions, economic consulting and acting as an expert in the fields of economic management within the meaning of sec. 2 (3) No. 1 and No. 2 German Law Regulating the Profession of Wirtschaftsprüfer).

Sublease agreement with International Civil Society Centre GmbH, Berlin, dated December 19, 2019, for the period from January 1, 2020 to December 31, 2020, terminated on September 29, 2020.



Sublease agreement, commencing January 1, 2021, dated October 5, 2020, for six permanent workstations in the office space ("MACHWERK") Alte Münze Berlin with the landlord GoVolunteer e.V., Berlin; for the provision of tables, chairs, coffee, office supplies and cleaning services, as well as for the shared use of the co-working space and meeting rooms.

Consulting agreement with Nelly Elisa Lopez Alvarado as Accountable Now Program Manager for the coordination of the Global Standard Program of the transition periods of the second to the third project phase Global Standard from July 15 until December 31, 2019 (with close of contract on June 20, 2019), from January 1 until October 15, 2020 (with close of contract on January 1, 2020), extended until December 31, 2020 (amendment effective October 30, 2020).



**Affiliated and associated  
companies**

The sponsor for the Global Standard for CSO Accountability is the Swedish International Development Cooperation Agency (SIDA). For "The Global Standard for CSO Accountability", Accountable Now holds the Global Standard Secretariat, an initiative of nine civil society accountability networks from around the world who promote activities aiming to strengthen the effectiveness of Civil Society Organisations („CSOs“) worldwide by developing a common standard for CSO accountability.

Global Standard Partners are:

- (1) Australian Council for International Development
- (2) Balkan Civil Society Development Network
- (3) Cooperation Committee for Cambodia (CCC)
- (4) Development Network of Indigenous Voluntary Associations (DENIVA)
- (5) InterAction (as largest alliance of international NGOs and partners in the United States)
- (6) International Civil Society Centre gGmbH, Berlin
- (7) Rendir Cuentas (federation of the Colombian Confederation of NGOs (CCONG) and the Network of NGOs for Transparency (ONGxT) in Colombia and the Institute for Communication and Development (ICD) of Uruguay and CIVICUS (World Alliance for Citizen Participation)
- (8) Vani India
- (9) Viwango (certified organization for CSOs in Kenya).

The International Civil Society Centre gGmbH is also a cooperation partner and service provider for Accountable Now.



Member organisation:

- |  |  |
|--|--|
| (1) Accountability Lab   | (2) ActionAid International                            |
| (3) ADRA (Adventist Development and Relief Agency International) | (4) Amnesty International                              |
| (5) Article 19 Mission   | (6) CARE International Secretariat                     |
| (7) ChildFund Alliance Secretariat                               | (8) ChildFund Australia                                |
| (9) ChildFund New Zealand*                                       | (10) ChildFund International*                          |
| (11) CBM International   | (12) CIVICUS   |
| (13)* Educo  | (14) Greenpeace International                          |
| (15) MIO-ECSDE   | (16) Oxfam International                               |
| (17) Plan International  | (18) Restless Development                              |
| (19) Sightsavers International                                   | (20) SOS Children's Villages International Secretariat |
| (21) Taiwan Fund for Children and Families                       | (22) TECHO   |
| (23) Terre des Hommes International Federation                   | (24) Transparency International                        |
| (25) World Vision International                                  | (26) World Young Women's Christian Association         |

Accountable Now members commit to demonstrating their organization's accountability practices through our reporting process. By reporting annually on our 12 accountability commitments, Accountable Now and the independent review panel assess whether members are meeting these commitments and provide insight into an organization's accountability practices.

Other project partners

- (1) Social Value International (SVI)
- (2) International Aid Transparency Initiative (IATI)
- (1) (3) Bond as a UK network for organizations working in international development.





## **Fiscal aspects**

The Company exclusively and directly pursues charitable (i.e., public-benefit) purposes within the meaning of the section "Tax-privileged purposes" of the German Fiscal Code.

According to its articles of association dated September 5, 2019, the corporation (UG) serve public-benefit purposes of the advancement of science and research as defined by sec. 52 (2) sentence 1 no. 1 German Fiscal Code as well as the advancement of upbringing, adult education and vocational training as defined by sec. 52 (2) sentence 1 no. 7 German Fiscal Code.

In a notice dated March 3, 2020 issued in accordance with Section 60 (1) German Fiscal Code, the Berlin Tax Office (Finanzamt für Körperschaften Berlin) determined compliance with the requirements of the Articles of Association pursuant to Sec.'s 51, 59, 60 and 61 German Fiscal Code, which is subject to the verification of the actual requirements for tax relief by July 31, 2021 or until the tax return is submitted by the responsible tax advisor.

There was no external tax audit in the financial year. There is no fiscal unity (for sales tax, trade tax and corporate income tax purposes).

## **Status and change in number of employees**

### **Number of employees**

6 employees, of which one employee is on maternity leave since October 2020, additionally, a freelance program manager working from Spain (within her consulting contract with Accountable Now)

All employees were previously employed in their position by the International Civil Society Centre. Since January 1, 2020, employees have been employed directly by Accountable Now gUG.

# Allgemeine Auftragsbedingungen

## für

### Wirtschaftsprüfer und Wirtschaftsprüfungsgesellschaften

vom 1. Januar 2017

#### 1. Geltungsbereich

(1) Die Auftragsbedingungen gelten für Verträge zwischen Wirtschaftsprüfern oder Wirtschaftsprüfungsgesellschaften (im Nachstehenden zusammenfassend „Wirtschaftsprüfer“ genannt) und ihren Auftraggebern über Prüfungen, Steuerberatung, Beratungen in wirtschaftlichen Angelegenheiten und sonstige Aufträge, soweit nicht etwas anderes ausdrücklich schriftlich vereinbart oder gesetzlich zwingend vorgeschrieben ist.

(2) Dritte können nur dann Ansprüche aus dem Vertrag zwischen Wirtschaftsprüfer und Auftraggeber herleiten, wenn dies ausdrücklich vereinbart ist oder sich aus zwingenden gesetzlichen Regelungen ergibt. Im Hinblick auf solche Ansprüche gelten diese Auftragsbedingungen auch diesen Dritten gegenüber.

#### 2. Umfang und Ausführung des Auftrags

(1) Gegenstand des Auftrags ist die vereinbarte Leistung, nicht ein bestimmter wirtschaftlicher Erfolg. Der Auftrag wird nach den Grundsätzen ordnungsmäßiger Berufsausübung ausgeführt. Der Wirtschaftsprüfer übernimmt im Zusammenhang mit seinen Leistungen keine Aufgaben der Geschäftsführung. Der Wirtschaftsprüfer ist für die Nutzung oder Umsetzung der Ergebnisse seiner Leistungen nicht verantwortlich. Der Wirtschaftsprüfer ist berechtigt, sich zur Durchführung des Auftrags sachverständiger Personen zu bedienen.

(2) Die Berücksichtigung ausländischen Rechts bedarf – außer bei betriebswirtschaftlichen Prüfungen – der ausdrücklichen schriftlichen Vereinbarung.

(3) Ändert sich die Sach- oder Rechtslage nach Abgabe der abschließenden beruflichen Äußerung, so ist der Wirtschaftsprüfer nicht verpflichtet, den Auftraggeber auf Änderungen oder sich daraus ergebende Folgerungen hinzuweisen.

#### 3. Mitwirkungspflichten des Auftraggebers

(1) Der Auftraggeber hat dafür zu sorgen, dass dem Wirtschaftsprüfer alle für die Ausführung des Auftrags notwendigen Unterlagen und weiteren Informationen rechtzeitig übermittelt werden und ihm von allen Vorgängen und Umständen Kenntnis gegeben wird, die für die Ausführung des Auftrags von Bedeutung sein können. Dies gilt auch für die Unterlagen und weiteren Informationen, Vorgänge und Umstände, die erst während der Tätigkeit des Wirtschaftsprüfers bekannt werden. Der Auftraggeber wird dem Wirtschaftsprüfer geeignete Auskunftspersonen benennen.

(2) Auf Verlangen des Wirtschaftsprüfers hat der Auftraggeber die Vollständigkeit der vorgelegten Unterlagen und der weiteren Informationen sowie der gegebenen Auskünfte und Erklärungen in einer vom Wirtschaftsprüfer formulierten schriftlichen Erklärung zu bestätigen.

#### 4. Sicherung der Unabhängigkeit

(1) Der Auftraggeber hat alles zu unterlassen, was die Unabhängigkeit der Mitarbeiter des Wirtschaftsprüfers gefährdet. Dies gilt für die Dauer des Auftragsverhältnisses insbesondere für Angebote auf Anstellung oder Übernahme von Organfunktionen und für Angebote, Aufträge auf eigene Rechnung zu übernehmen.

(2) Sollte die Durchführung des Auftrags die Unabhängigkeit des Wirtschaftsprüfers, die der mit ihm verbundenen Unternehmen, seiner Netzwerkunternehmen oder solcher mit ihm assoziierten Unternehmen, auf die die Unabhängigkeitsvorschriften in gleicher Weise Anwendung finden wie auf den Wirtschaftsprüfer, in anderen Auftragsverhältnissen beeinträchtigen, ist der Wirtschaftsprüfer zur außerordentlichen Kündigung des Auftrags berechtigt.

#### 5. Berichterstattung und mündliche Auskünfte

Soweit der Wirtschaftsprüfer Ergebnisse im Rahmen der Bearbeitung des Auftrags schriftlich darzustellen hat, ist alleine diese schriftliche Darstellung maßgebend. Entwürfe schriftlicher Darstellungen sind unverbindlich. Sofern nicht anders vereinbart, sind mündliche Erklärungen und Auskünfte des Wirtschaftsprüfers nur dann verbindlich, wenn sie schriftlich bestätigt werden. Erklärungen und Auskünfte des Wirtschaftsprüfers außerhalb des erteilten Auftrags sind stets unverbindlich.

#### 6. Weitergabe einer beruflichen Äußerung des Wirtschaftsprüfers

(1) Die Weitergabe beruflicher Äußerungen des Wirtschaftsprüfers (Arbeitsergebnisse oder Auszüge von Arbeitsergebnissen – sei es im Entwurf oder in der Endfassung) oder die Information über das Tätigwerden des Wirtschaftsprüfers für den Auftraggeber an einen Dritten bedarf der schriftlichen Zustimmung des Wirtschaftsprüfers, es sei denn, der Auftraggeber ist zur Weitergabe oder Information aufgrund eines Gesetzes oder einer behördlichen Anordnung verpflichtet.

(2) Die Verwendung beruflicher Äußerungen des Wirtschaftsprüfers und die Information über das Tätigwerden des Wirtschaftsprüfers für den Auftraggeber zu Werbezwecken durch den Auftraggeber sind unzulässig.

#### 7. Mängelbeseitigung

(1) Bei etwaigen Mängeln hat der Auftraggeber Anspruch auf Nacherfüllung durch den Wirtschaftsprüfer. Nur bei Fehlschlagen, Unterlassen bzw. unberechtigter Verweigerung, Unzumutbarkeit oder Unmöglichkeit der Nacherfüllung kann er die Vergütung mindern oder vom Vertrag zurücktreten; ist der Auftrag nicht von einem Verbraucher erteilt worden, so kann der Auftraggeber wegen eines Mangels nur dann vom Vertrag zurücktreten, wenn die erbrachte Leistung wegen Fehlschlagens, Unterlassung, Unzumutbarkeit oder Unmöglichkeit der Nacherfüllung für ihn ohne Interesse ist. Soweit darüber hinaus Schadensersatzansprüche bestehen, gilt Nr. 9.

(2) Der Anspruch auf Beseitigung von Mängeln muss vom Auftraggeber unverzüglich in Textform geltend gemacht werden. Ansprüche nach Abs. 1, die nicht auf einer vorsätzlichen Handlung beruhen, verjähren nach Ablauf eines Jahres ab dem gesetzlichen Verjährungsbeginn.

(3) Offenbare Unrichtigkeiten, wie z.B. Schreibfehler, Rechenfehler und formelle Mängel, die in einer beruflichen Äußerung (Bericht, Gutachten und dgl.) des Wirtschaftsprüfers enthalten sind, können jederzeit vom Wirtschaftsprüfer auch Dritten gegenüber berichtigt werden. Unrichtigkeiten, die geeignet sind, in der beruflichen Äußerung des Wirtschaftsprüfers enthaltene Ergebnisse infrage zu stellen, berechtigen diesen, die Äußerung auch Dritten gegenüber zurückzunehmen. In den vorgenannten Fällen ist der Auftraggeber vom Wirtschaftsprüfer tunlichst vorher zu hören.

#### 8. Schweigepflicht gegenüber Dritten, Datenschutz

(1) Der Wirtschaftsprüfer ist nach Maßgabe der Gesetze (§ 323 Abs. 1 HGB, § 43 WPO, § 203 StGB) verpflichtet, über Tatsachen und Umstände, die ihm bei seiner Berufstätigkeit anvertraut oder bekannt werden, Stillschweigen zu bewahren, es sei denn, dass der Auftraggeber ihn von dieser Schweigepflicht entbindet.

(2) Der Wirtschaftsprüfer wird bei der Verarbeitung von personenbezogenen Daten die nationalen und europarechtlichen Regelungen zum Datenschutz beachten.

#### 9. Haftung

(1) Für gesetzlich vorgeschriebene Leistungen des Wirtschaftsprüfers, insbesondere Prüfungen, gelten die jeweils anzuwendenden gesetzlichen Haftungsbeschränkungen, insbesondere die Haftungsbeschränkung des § 323 Abs. 2 HGB.

(2) Sofern weder eine gesetzliche Haftungsbeschränkung Anwendung findet noch eine einzelvertragliche Haftungsbeschränkung besteht, ist die Haftung des Wirtschaftsprüfers für Schadensersatzansprüche jeder Art, mit Ausnahme von Schäden aus der Verletzung von Leben, Körper und Gesundheit, sowie von Schäden, die eine Ersatzpflicht des Herstellers nach § 1 ProdHaftG begründen, bei einem fahrlässig verursachten einzelnen Schadensfall gemäß § 54a Abs. 1 Nr. 2 WPO auf 4 Mio. € beschränkt.

(3) Einreden und Einwendungen aus dem Vertragsverhältnis mit dem Auftraggeber stehen dem Wirtschaftsprüfer auch gegenüber Dritten zu.

(4) Leiten mehrere Anspruchsteller aus dem mit dem Wirtschaftsprüfer bestehenden Vertragsverhältnis Ansprüche aus einer fahrlässigen Pflichtverletzung des Wirtschaftsprüfers her, gilt der in Abs. 2 genannte Höchstbetrag für die betreffenden Ansprüche aller Anspruchsteller insgesamt.



(5) Ein einzelner Schadensfall im Sinne von Abs. 2 ist auch bezüglich eines aus mehreren Pflichtverletzungen stammenden einheitlichen Schadens gegeben. Der einzelne Schadensfall umfasst sämtliche Folgen einer Pflichtverletzung ohne Rücksicht darauf, ob Schäden in einem oder in mehreren aufeinanderfolgenden Jahren entstanden sind. Dabei gilt mehrfaches auf gleicher oder gleichartiger Fehlerquelle beruhendes Tun oder Unterlassen als einheitliche Pflichtverletzung, wenn die betreffenden Angelegenheiten miteinander in rechtlichem oder wirtschaftlichem Zusammenhang stehen. In diesem Fall kann der Wirtschaftsprüfer nur bis zur Höhe von 5 Mio. € in Anspruch genommen werden. Die Begrenzung auf das Fünffache der Mindestversicherungssumme gilt nicht bei gesetzlich vorgeschriebenen Pflichtprüfungen.

(6) Ein Schadensersatzanspruch erlischt, wenn nicht innerhalb von sechs Monaten nach der schriftlichen Ablehnung der Ersatzleistung Klage erhoben wird und der Auftraggeber auf diese Folge hingewiesen wurde. Dies gilt nicht für Schadensersatzansprüche, die auf vorsätzliches Verhalten zurückzuführen sind, sowie bei einer schuldhaften Verletzung von Leben, Körper oder Gesundheit sowie bei Schäden, die eine Ersatzpflicht des Herstellers nach § 1 ProdHaftG begründen. Das Recht, die Einrede der Verjährung geltend zu machen, bleibt unberührt.

## 10. Ergänzende Bestimmungen für Prüfungsaufträge

(1) Ändert der Auftraggeber nachträglich den durch den Wirtschaftsprüfer geprüften und mit einem Bestätigungsvermerk versehenen Abschluss oder Lagebericht, darf er diesen Bestätigungsvermerk nicht weiterverwenden.

Hat der Wirtschaftsprüfer einen Bestätigungsvermerk nicht erteilt, so ist ein Hinweis auf die durch den Wirtschaftsprüfer durchgeführte Prüfung im Lagebericht oder an anderer für die Öffentlichkeit bestimmter Stelle nur mit schriftlicher Einwilligung des Wirtschaftsprüfers und mit dem von ihm genehmigten Wortlaut zulässig.

(2) Widerruft der Wirtschaftsprüfer den Bestätigungsvermerk, so darf der Bestätigungsvermerk nicht weiterverwendet werden. Hat der Auftraggeber den Bestätigungsvermerk bereits verwendet, so hat er auf Verlangen des Wirtschaftsprüfers den Widerruf bekanntzugeben.

(3) Der Auftraggeber hat Anspruch auf fünf Berichtsausfertigungen. Weitere Ausfertigungen werden besonders in Rechnung gestellt.

## 11. Ergänzende Bestimmungen für Hilfeleistung in Steuersachen

(1) Der Wirtschaftsprüfer ist berechtigt, sowohl bei der Beratung in steuerlichen Einzelfragen als auch im Falle der Dauerberatung die vom Auftraggeber genannten Tatsachen, insbesondere Zahlenangaben, als richtig und vollständig zugrunde zu legen; dies gilt auch für Buchführungsaufträge. Er hat jedoch den Auftraggeber auf von ihm festgestellte Unrichtigkeiten hinzuweisen.

(2) Der Steuerberatungsauftrag umfasst nicht die zur Wahrung von Fristen erforderlichen Handlungen, es sei denn, dass der Wirtschaftsprüfer hierzu ausdrücklich den Auftrag übernommen hat. In diesem Fall hat der Auftraggeber dem Wirtschaftsprüfer alle für die Wahrung von Fristen wesentlichen Unterlagen, insbesondere Steuerbescheide, so rechtzeitig vorzulegen, dass dem Wirtschaftsprüfer eine angemessene Bearbeitungszeit zur Verfügung steht.

(3) Mangels einer anderweitigen schriftlichen Vereinbarung umfasst die laufende Steuerberatung folgende, in die Vertragsdauer fallenden Tätigkeiten:

- a) Ausarbeitung der Jahressteuererklärungen für die Einkommensteuer, Körperschaftsteuer und Gewerbesteuer sowie der Vermögensteuererklärungen, und zwar auf Grund der vom Auftraggeber vorzulegenden Jahresabschlüsse und sonstiger für die Besteuerung erforderlicher Aufstellungen und Nachweise
- b) Nachprüfung von Steuerbescheiden zu den unter a) genannten Steuern
- c) Verhandlungen mit den Finanzbehörden im Zusammenhang mit den unter a) und b) genannten Erklärungen und Bescheiden
- d) Mitwirkung bei Betriebsprüfungen und Auswertung der Ergebnisse von Betriebsprüfungen hinsichtlich der unter a) genannten Steuern
- e) Mitwirkung in Einspruchs- und Beschwerdeverfahren hinsichtlich der unter a) genannten Steuern.

Der Wirtschaftsprüfer berücksichtigt bei den vorgenannten Aufgaben die wesentliche veröffentlichte Rechtsprechung und Verwaltungsauffassung.

(4) Erhält der Wirtschaftsprüfer für die laufende Steuerberatung ein Pauschalhonorar, so sind mangels anderweitiger schriftlicher Vereinbarungen die unter Abs. 3 Buchst. d) und e) genannten Tätigkeiten gesondert zu honorieren.

(5) Sofern der Wirtschaftsprüfer auch Steuerberater ist und die Steuerberatervergütungsverordnung für die Bemessung der Vergütung anzuwenden ist, kann eine höhere oder niedrigere als die gesetzliche Vergütung in Textform vereinbart werden.

(6) Die Bearbeitung besonderer Einzelfragen der Einkommensteuer, Körperschaftsteuer, Gewerbesteuer, Einheitsbewertung und Vermögensteuer sowie aller Fragen der Umsatzsteuer, Lohnsteuer, sonstigen Steuern und Abgaben erfolgt auf Grund eines besonderen Auftrags. Dies gilt auch für

- a) die Bearbeitung einmalig anfallender Steuerangelegenheiten, z.B. auf dem Gebiet der Erbschaftsteuer, Kapitalverkehrsteuer, Grunderwerbsteuer,
- b) die Mitwirkung und Vertretung in Verfahren vor den Gerichten der Finanz- und der Verwaltungsgerichtsbarkeit sowie in Steuerstrafsachen,
- c) die beratende und gutachtliche Tätigkeit im Zusammenhang mit Umwandlungen, Kapitalerhöhung und -herabsetzung, Sanierung, Eintritt und Ausscheiden eines Gesellschafters, Betriebsveräußerung, Liquidation und dergleichen und
- d) die Unterstützung bei der Erfüllung von Anzeige- und Dokumentationspflichten.

(7) Soweit auch die Ausarbeitung der Umsatzsteuerjahreserklärung als zusätzliche Tätigkeit übernommen wird, gehört dazu nicht die Überprüfung etwaiger besonderer buchmäßiger Voraussetzungen sowie die Frage, ob alle in Betracht kommenden umsatzsteuerrechtlichen Vergünstigungen wahrgenommen worden sind. Eine Gewähr für die vollständige Erfassung der Unterlagen zur Geltendmachung des Vorsteuerabzugs wird nicht übernommen.

## 12. Elektronische Kommunikation

Die Kommunikation zwischen dem Wirtschaftsprüfer und dem Auftraggeber kann auch per E-Mail erfolgen. Soweit der Auftraggeber eine Kommunikation per E-Mail nicht wünscht oder besondere Sicherheitsanforderungen stellt, wie etwa die Verschlüsselung von E-Mails, wird der Auftraggeber den Wirtschaftsprüfer entsprechend in Textform informieren.

## 13. Vergütung

(1) Der Wirtschaftsprüfer hat neben seiner Gebühren- oder Honorarforderung Anspruch auf Erstattung seiner Auslagen; die Umsatzsteuer wird zusätzlich berechnet. Er kann angemessene Vorschüsse auf Vergütung und Auslagenersatz verlangen und die Auslieferung seiner Leistung von der vollen Befriedigung seiner Ansprüche abhängig machen. Mehrere Auftraggeber haften als Gesamtschuldner.

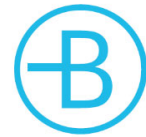
(2) Ist der Auftraggeber kein Verbraucher, so ist eine Aufrechnung gegen Forderungen des Wirtschaftsprüfers auf Vergütung und Auslagenersatz nur mit unbestrittenen oder rechtskräftig festgestellten Forderungen zulässig.

## 14. Streitschlichtungen

Der Wirtschaftsprüfer ist nicht bereit, an Streitbeilegungsverfahren vor einer Verbraucherschlichtungsstelle im Sinne des § 2 des Verbraucherstreitbeilegungsgesetzes teilzunehmen.

## 15. Anzuwendendes Recht

Für den Auftrag, seine Durchführung und die sich hieraus ergebenden Ansprüche gilt nur deutsches Recht.



### ***Independent Auditor's Report and Unqualified Audit Certificate***

To the INGO - International NGO - Accountability Charter gUG (Accountable Now), Berlin:

#### **Audit opinion**

We have audited the accompanying annual financial statements of INGO - International NGO - Accountability Charter gUG (Accountable Now), Berlin, comprising the balance sheet as of December 31, 2020 and the income statement for the fiscal year from January 1, 2020 to December 31, 2020, including summary of significant accounting policies and other explanatory information.

In our opinion, based on the findings of our audit, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2020, and of its financial performance for the fiscal year from January 1, 2020 to December 31, 2020 in accordance with German principles of proper accounting.

In accordance with Section 322 (3) Sentence 1 of the German Commercial Code, we declare that our audit has not led to any reservations concerning the propriety of the annual financial statements.

#### **Basis for our Audit opinion**

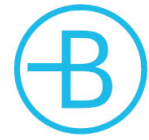
We conducted our audit of the annual financial statements in accordance with sec. 317 German Commercial Code and German generally accepted standards for the audit of financial statements promulgated by the Institut der Wirtschaftsprüfer (IDW). Our responsibility under those provisions and standards is further described in the "Auditor's Responsibility for the Audit of the Annual Financial Statements" section of our auditor's report. We are independent of the Company in accordance with German commercial law and professional standards and have fulfilled our other German 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 audit opinion on the financial statements.

#### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with German principles of proper accounting 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. Furthermore, management is responsible 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 statements, management is responsible for assessing the Company's ability to continue as a going concern. Furthermore, they are responsible for disclosing, as applicable, matters related to the Company's ability to continue as a going concern. Furthermore, they are





## Annex 5

responsible for preparing the financial statements on the basis of the going concern principle, unless factual or legal circumstances prevent this.

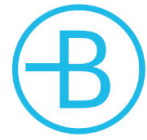
### **Auditor's Responsibility for the Audit of the Financial Statements**

Our objective is to obtain reasonable assurance about whether the annual financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion on the annual financial statements.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with § 317 HGB and German generally accepted standards for the audit of financial statements promulgated by the Institut der Wirtschaftsprüfer (Institute of Public Auditors in Germany) (IDW) will always detect a material misstatement. 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 these financial statements.

During the audit, we exercise professional judgment and maintain a critical perspective. Furthermore, we

- Identify and assess the risks of material misstatement of the financial statements, 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 is higher in the case of noncompliance than in the case of inaccuracy, as noncompliance may involve fraud, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- 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 and related disclosures made by management.
- Conclude on the appropriateness of the going concern basis of accounting used by management and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company'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. We draw our conclusions based on the audit evidence obtained up to the date of our audit opinion. However, future events or conditions may cause the Company not to be able to continue as a going concern.
- We assess the overall presentation, structure and content of the annual financial statements, including the disclosures, and whether the annual financial statements represent the underlying transactions and events in such a way that the annual financial statements give a true and fair view of the net assets, financial position and results of operations of the Company in accordance with German principles of proper accounting.



Annex 5

We discuss with those charged with governance, among other matters, the planned scope and timing of the audit and significant audit findings, including any deficiencies in internal control that we identify during our audit.

Schmittgen, June 4, 2021

BRAUS BERATUNG+REVISION GmbH  
Wirtschaftsprüfungsgesellschaft

Braus  
Wirtschaftsprüfer