



**International Association of Water Service Companies
in the Danube River Catchment Area (IAWD),
Vienna, Austria**

Independent Assurance Report on the
Audit of the Project Financial Statement
of the Danube Region Water Supply and
Waste Water Sector Capacity Building
Program Trust Fond No 012722 and
No 0A9427 for the Year 2021 and the
period January 1st to October 7th, 2022

November 4th, 2022

KPMG Austria GmbH
Wirtschaftsprüfungs- und Steuerberatungsgesellschaft
10209640



*International Association of Water Service Companies in
the Danube River Catchment Area (IAWD), Vienna, Austria*
*Independent Assurance Report on the Audit of the Project Financial Statement of the Danube
Region Water Supply and Waste Water Sector Capacity Building Program Trust Fond No 012722
and No 0A9427 for the Year 2021 and the period January 1st to October 7th, 2022*
November 4th, 2022

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(Report 1 to 4) of International Association of Water Service Companies in the
Danube River Catchment Area (IAWD)

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To
Walter Kling,
IAWD, Secretary General

To
Katerina Schilling PhD
IAWD, Communication and Program Manager
Interim Head of IAWD Technical Secretariat

International Association of Water Service Companies
in the Danube River Catchment Area (IAWD),
Vienna, Austria

Independent Assurance Report on the Audit of the Project Financial Statement of the Danube Region Water Supply and Waste Water Sector Capacity Building Program Trust Fond No 012722 and No 0A9427 for the Year 2021 and the period January 1st to October 7th, 2022

We have performed an independent assurance engagement in connection with the Project Financial Statement of the Danube Region Water Supply and Waste Water Sector Capacity Building Program Trust Fond No 012722 and No 0A9427 for the Year 2021 and the period January 1st to October 7th, 2022 of the

**International Association of Water Service Companies in
the Danube River Catchment Area (IAWD),
Vienna, Austria**
(referred to as "The Organisation").

Conclusion

Based on the procedures performed and the evidence we have obtained, Project Financial Statement of the Danube Region Water Supply and Waste Water Sector Capacity Building Program Trust Fond No 012722 and No 0A9427 for the Year January 1st to December 31st, 2021 and the period January 1st to October 7th, 2022 in accordance with the cash receipts and disbursements basis of accounting described in the World Bank's Financial Reporting Guidelines in all material respects.

Management's Responsibility

The Organisation's management is responsible for the proper preparation and fair presentation of **Project Financial Statement** of the Danube Region Water Supply and Waste Water Sector Capacity Building Program Trust Fond No 012722 and No 0A9427 for the Year 2021 and the period January 1st to October 7th, 2022 in accordance with the cash receipts and disbursements basis of accounting described in the World Bank's Financial Reporting Guidelines.

These Guidelines include:

- Reference Material for the Financial Management Manual for World Bank-Financed Investment Operations (March 2010): RM 3 – Financial Reporting and Auditing
- Disbursement Handbook for World Bank Clients, dated May 2006
- Disbursement Guidelines for Projects, dated May 2006
- Guidelines: Procurement Under IBRD Loans and IDA Credits, revised May 2010
- Guidelines: Selection and Employment of Consultants by World Bank Borrowers, revised July 2014
- Additional Disbursement and Financial Information Letter, Re.Grant No TF0A9427, dated February 2019
- Information about agreement of deducting of 5 % administration fees of Re.Grant No TF0A9427 between Austrian Finance Ministry (= donor) and the World Bank

This includes determining that the cash receipts and disbursements basis of accounting described in the above mentioned Guidelines is an acceptable basis for the preparation of the project financial statement in the circumstances, and for such internal control as management determines is necessary to enable the preparation of the project financial statement that is free from material misstatement, whether due to fraud or error.

The **Project Financial Statements** for the Year January 1st to December 31st, 2021 and for the period from January 1st to October 7th, 2022 (see Annex I) include

- a summary of funds received, showing the World Bank, project funds from other donors, and counterpart funds separately (Report 1);
- a summary of expenditures shown under the main project headings and by main categories of expenditures, both for the current fiscal year/period and accumulated to-date (Report 2);
- a summary of summary Reports or Statement of Expenditures (SOEs) used as the basis for the submission of withdrawal applications (Report 4);
- a Statement of designated account (Report 3), and
- additional notes, if any.

We will request from Management written confirmation concerning representations made to us in connection with the performance of our engagement.

Auditors' Responsibility

Our responsibility is to state whether, based on our procedures performed and the evidence we have obtained, Project Financial Statement of the Danube Region Water Supply and Waste Water Sector Capacity Building Program Trust Fond No 012722 and No 0A9427 for the Year January 1st to December 31st, 2021 and the period January 1st to October 7th, 2022 is in accordance with the cash receipts and disbursements basis of accounting described in the World Bank's Financial Reporting Guidelines in all material respects.

Our engagement was conducted in conformity with Austrian Standards for independent assurance engagements (KFS/PG 13) and in accordance with the International Standard on Assurance Engagements (ISAE 3000) applicable to such engagements. These standards require us to comply with our professional requirements including independence requirements, and to plan and perform the engagement to enable us to express a conclusion with reasonable assurance, taking into account materiality.

The procedures selected depend on the auditor's judgment and included the following procedures in particular:

- To confirm that the Project Financial Statement of the Danube Region Water Supply and Waste Water Sector Capacity Building Program Trust Fund for the Year January 1st to December 31st, 2021 and the period January 1st to October 7th, 2022 are in accordance with the cash receipts and disbursements basis of accounting described in the World Bank's Financial Reporting Guidelines.
- To obtain audit evidence about the amounts and disclosures in the project financial statement.
- The procedures selected, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the Organization's preparation and fair presentation of the project financial statement 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 Organization's internal control.
- The audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by project management, as well as evaluating the overall presentation of the project financial statement.

Our engagement did not focus on revealing and clarifying of illegal acts (such as fraud), nor did it focus on assessing the efficiency of management.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our independent assurance conclusion.

Opinion

In our opinion, the project financial statements present fairly, in all material respects, the cash receipts and disbursements of the Danube Region Water Supply and Waste Water Sector Capacity Building Program Trust Fund of the International Association of Water Service Companies in the Danube River Catchment Area (IAWD), Vienna, for the Year January 1st to December 31st, 2021 and the period January 1st to October 7th, 2022 in accordance with the cash receipts and disbursements basis of accounting described in the World Bank's Financial Reporting Guidelines.



*International Association of Water Service Companies in
the Danube River Catchment Area (IAWD), Vienna, Austria*
*Independent Assurance Report on the Audit of the Project Financial Statement of the Danube
Region Water Supply and Waste Water Sector Capacity Building Program Trust Fond No 012722
and No 0A9427 for the Year 2021 and the period January 1st to October 7th, 2022*

Restriction on use

Because our report will be prepared solely on behalf of and for the benefit of the principal, its contents may not be relied upon by any third party, and consequently, we shall not be liable for any third party claims. Therefore this report or parts of it may not be made available to any third party without our explicit consent.

General Conditions of Contract

Our responsibility and liability towards the Organisation and any third party is subject to paragraph 7 of the General Conditions of Contract for the Public Accounting Professions.

Vienna, November 4th, 2022

KPMG Austria GmbH
Wirtschaftsprüfungs- und Steuerberatungsgesellschaft

qualified electronically signed:
Johannes Bauer
Wirtschaftsprüfer
(Austrian Chartered Accountant)

**International Association of Water Service Companies in the Danube River Catchment Area IAWD
Danube Region Water Supply and Waste Water Sector Capacity Building Program****TF no 0A9427****Financial Report/ Project Financial Statement**

For the period from January 1st, 2021 to December 31st, 2021

Cash model

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International Association of Water Service Companies in the Danube River Catchment Area IAWD
Danube Region Water Supply and Waste Water Sector Capacity Building Program
TF no 0A9427

Project Sources & Uses of Funds

For the period from January 1st, 2021 to December 31st, 2021

	Actual In EUR /i			BUDGET In EUR /i
	Current Period/ Semester	Year-To Date	Cumulative To-Date /i	Value of Grant
Opening cash balances	154.966,85	159.484,14	0,00	
TF Designated Account	154.966,85	159.484,14	0,00	
Sources of Funds				
Own Contribution of IAWD	0,00	0,00	0,00	0,00
TF Grant Funds (advances and direct payments)	175.171,86	319.572,91	7.325.217,00	-7.325.217,00
Total	175.171,86	319.572,91	7.325.217,00	-7.325.217,00
Total funds available during period	330.138,71	479.057,05	7.325.217,00	
Less:				
Uses of Funds				
Financed by Grant	-268.903,66	-426.322,00	-7.297.631,95	
<i>Fixed assets</i>	0,00	-1.769,00	-109.422,57	
<i>External services</i>	-140.124,91	-162.507,91	-4.132.420,07	
<i>Personnel expenditures</i>	-125.892,38	-256.832,67	-2.896.331,29	
<i>Operating Costs</i>	-2.886,37	-5.212,42	-159.458,02	
Financed by IAWD counterpart funds	29.227,35	37.727,35	62.877,35	-7.325.217,00
Total	-239.676,31	-388.594,65	-7.234.754,60	-7.325.217,00
Closing cash balance	90.462,40	90.462,40	90.462,40	

International Association of Water Service Companies in the Danube River Catchment Area IAWD Danube Region Water Supply and Waste Water Sector Capacity Building Program TF no 0A9427 Use of Funds by Project Activity for the period from January 1st, 2021 to December 31st, 2021 in EUR				
Project Component/Activity	Current Period	Year to date	Cumulative from the beginning of the project	Total value of budget line
1. Implementation of Regional capacity building and training activities				
1.0 General costs for Capacity Building				
103 RC.I.1 Regional Support for WSS sector policies	0,00	0,00	-35.953,56	-35.953,56
104 RC.II.1 Regional support on WSS sector regulation	0,00	0,00	-31.717,88	-31.717,88
105 RC.III.1 Regional PI System Initiative (DANUBIS)	0,00	0,00	-158.176,91	-158.176,91
106 RC.III.2 Benchmarking for Utility Improvement	6.000,00	6.000,00	-413.935,62	-429.435,62
107 RC.IV.1 Reg. asset management program utilities	0,00	0,00	-378.953,00	-378.953,00
109 RC.V.1 D-Leap Energy Efficiency program	0,00	0,00	-158.603,17	-174.699,17
110 RC.V.2 D-Leap Commercial Practices program	3.000,00	3.000,00	-295.611,32	-298.611,32
111 RC.1 WSS Association Strengthening support	0,00	0,00	-64.245,12	-64.245,12
112 Advisory Committee	0,00	0,00	-7.861,84	-7.861,84
113 RC.2 IAWD Strengthening Support	0,00	0,00	-128.667,02	-128.667,02
114 RC.V.3 D-Leap Risk Management and Business Contin.	0,00	0,00	0,00	0,00
115 RC.V.4 D-Leap Non-Revenue Water management program	8.775,00	8.775,00	-143.722,35	-149.757,35
116 RC.3 D-Leap for sustainable WSS services	0,00	0,00	-158.705,73	-179.919,73
117 NC.III.10 Support to national EBC/Danube hub Ukr	0,00	0,00	-63.925,73	-63.925,73
118 NC.III.7 Support to regional EBC/Danube hub BiHHR	0,00	0,00	-80.953,31	-80.953,31
119 NC.III Country-level Benchmarking Support	0,00	0,00	-7.960,00	-7.960,00
121 NC.III.8 Kosovo support to benchm	0,00	0,00	-17.000,00	-17.000,00
123 NC.III.5 Montenegro support to ben	0,00	0,00	0,00	0,00
124 NC.III.6 Serbia support to benchm	0,00	0,00	-9.780,00	-9.780,00
125 RC.III.3 IAWD leading utilities benchmarking initi	0,00	0,00	-199.045,00	-199.045,00
128 RC.V.6 D-Leap Management training program	21.200,00	24.700,00	-50.851,43	-57.651,43
Sub-Total	38.975,00	42.475,00	-2.405.668,99	-2.474.313,99
2. Financing of country-specific activities for utility management and operational practices improvement support (competitive grant window)				
2.0 NC.2: Competitive Grant Window activities				
202 NC.2 CG2	0,00	0,00	-73.169,00	-73.169,00
203 NC.2 CG3	0,00	0,00	-25.224,00	-25.224,00
204 NC.2 CG4	0,00	0,00	-79.930,96	-79.930,96
205 NC.2 CG5	0,00	0,00	-35.546,94	-35.546,94
206 NC.2 CG6	0,00	0,00	-28.902,82	-28.902,82
207 NC.2 CG7	0,00	0,00	-42.794,50	-42.794,50
208 NC.2 CG8	0,00	0,00	-60.041,80	-60.041,80
209 NC.2 CG9	0,00	0,00	-37.889,50	-37.889,50
210 NC.2 CG10	0,00	0,00	-18.555,08	-18.555,08
211 NC.2 CG11	0,00	0,00	-56.243,04	-56.243,04
212 NC.2 CG12	0,00	0,00	-40.285,60	-40.285,60
213 NC.2 CG13	0,00	0,00	-75.377,00	-75.377,00
214 NC.2 CG14	0,00	0,00	-52.819,64	-52.819,64
220 NC.2.16 SHUKALB/Albania	0,00	0,00	-37.333,12	-37.333,12
221 NC.2.16 Korca Water Supply and Sewerage Company/Al	0,00	0,00	-20.843,00	-20.843,00
222 NC.2.17 JSC Vodovod Banja Luka/BiH	0,00	0,00	-27.860,00	-27.860,00
223 NC.2.18 UC VK, East Sarajevo/BiH	0,00	0,00	-36.500,94	-36.500,94
225 NC.2.20 Softjska Voda JSC/BG	0,00	0,00	-46.710,00	-46.710,00
226 NC.2.21 Croatian Water and Wastewater Association	0,00	0,00	-24.428,43	-24.428,43
227 NC.2.22 Hidrodinri JSC Peja/KS	0,00	0,00	-45.000,00	-45.000,00
228 NC.2.23 ADKOM/MK	0,00	0,00	-43.400,00	-43.400,00
229 NC.2.24 AMAC/MD	0,00	0,00	0,00	0,00
230 NC.2.25 Ministry of Sustainable Development and To	0,00	0,00	-28.850,00	-28.850,00
231 NC.2.26 UTVSI/SER	0,00	0,00	-50.000,00	-50.000,00
232 NC.2.27 Ivano-Frankivskivodoztekthrom/UKR	0,00	0,00	-29.730,93	-29.730,93
270 RC.1.1. BWA/BG	0,00	0,00	-15.000,00	-15.000,00
271 RC.1.2. ADKOM/MK	0,00	0,00	-20.000,00	-20.000,00
272 RC.1.3. AQUASAN/BiH	0,00	0,00	-19.875,00	-19.875,00
273 RC.1.4. Vodovod RS/SER	0,00	0,00	-17.395,00	-17.395,00
274 RC.1.5. UPKB/BiH	0,00	0,00	-3.000,00	-3.000,00
275 RC.1.6. WASS/Serbia	0,00	0,00	-3.980,00	-3.980,00
276 RC.1.7 UTVSI Serbia	0,00	0,00	-17.239,83	-17.239,83
277 RC.1.8 SHUKOS Kosovo	0,00	0,00	-4.500,00	-4.500,00
278 RC.1.9 UCVG ME	0,00	0,00	-17.168,39	-17.168,39
279 RC.1.10. SHUKALB Albania	0,00	0,00	-15.000,00	-15.000,00
Sub-Total	0,00	0,00	-1.152.592,52	-1.152.592,52
3. Project Management and coordination of Program Implementation				
301 Consulting Services	24.306,00	24.306,00	-317.584,61	-326.607,11
302 Goods for Program Management			-19.855,00	-19.855,00
304 Operating Costs	128.722,11	263.757,45	-2.558.137,18	-2.562.808,08
305 RS.1 Annual Regional Event	40.064,20	40.064,20	-663.386,34	-663.386,34
306 3.4.RS.2.Part in key region.events	-	-	-2.194,50	-2.194,50
307 RS.3 DWP Outreach and Communication	7.609,00	17.992,00	-115.335,46	-123.459,46
308 Unallocated Budget				
Sub-Total	200.701,31	346.119,65	-3.676.493,09	-3.698.310,49
Total Project Expenditures	239.676,31	388.594,65	-7.234.754,60	-7.325.217,00

International Association of Water Service Companies in the Danube River Catchment Area IAWD
Danube Region Water Supply and Waste Water Sector Capacity Building Program
TF no 0A9427

Designated Account (DA) Statement

Depository Bank: Bank Austria

Account Number: AT651200010000798719

as at December 31st, 2021

and for the period from January 1st, 2013 to December 31st, 2021

In currency EUR

		Jan 1st, 2021 - Dec 31st, 2021	Jan 1st, 2013 - Dec 31st, 2021
			EUR
1	Opening balances as at January 1st, 2021	159.484,14	0.00
	Add:		
2	World Bank advances into the DA during the period	319.572,91	7.325.217,00
3	Expenditures financed by IAWD counterpart funds	0,00	0,00
	subtotal	479.057,05	7.325.217,00
	Less:		
4	Amount of eligible expenditures paid during the period /ii	388.594,65	-7.234.754,60
5	Refund to World Bank from the DA during the period	-	-
6	Service charges (if debited into DA)	-	-
	subtotal	388.594,65	-7.234.754,60
7	Closing balance as at December 31st, 2021	90.462,40	90.462,40

NOTES:

- /i: Enter the opening balance on the DA as shown on the DA Bank Statement.
- /ii: Same as the amount shown in line 7 as the EUR total.
- /iii: Enter the closing balance on the DA as shown on the DA Bank Statement.
- /iv: Real exchange rate from the date of conversion EUR into USD should be applied.
- /v: Amount in EUR should equal the amount shown in line 4. Amount in local currency should be reconciled with the report 1.
- /vi: Payments from Special Account for the project expenditure is optional note, however it can be used as a tool for reconciliation with actual expenditures.

International Association of Water Service Companies in the Danube River Catchment Area IAWD
Danube Region Water Supply and Waste Water Sector Capacity Building Program
TF no 0A9427

Statement of Expenditure Withdrawal Schedule

as at December 31st, 2021
and for the period from January 1st, 2013 to December 31st, 2021

Withdrawal application No	Date of receipt of funds on Designated Account/or date of documentary application	in grant currency EUR		
		Advances to Designated Account	Documented Expenditures:	
			category 1	Total documented expenditures included in Application sent to the World Bank
2	06/24/2013	300.000,00		-
3	10/23/2013	298.210,46	298.210,46	298.210,46
4	06/05/2014	194.547,85	194.547,85	194.547,85
5	11/07/2014	187.352,40	187.352,40	187.352,40
6	22/07/2014	228.854,91	228.854,91	228.854,91
7	13/11/2014	189.596,99	189.596,99	189.596,99
8	18/12/2014	247.526,10	247.526,10	247.526,10
9	20/02/2015	114.845,09	114.845,09	114.845,09
10	15/04/2015	231.044,34	231.044,34	231.044,34
11	24/06/2015	205.140,18	205.140,18	205.140,18
12	20/08/2015	204.837,25	204.837,25	204.837,25
13	29/09/2015	185.211,69	185.211,69	185.211,69
14	19/11/2015	183.813,09	183.813,09	183.813,09
15	31/03/2016	249.560,01	249.560,01	249.560,01
16	28/06/2016	152.853,14	152.853,14	152.853,14
17	13/09/2016	183.220,49	183.220,49	183.220,49
18	28/12/2016	191.643,47	191.643,47	191.643,47
19	07/02/2017	124.942,14	124.942,14	124.942,14
20	25/04/2017	50.115,72	50.115,72	50.115,72
21	02/06/2017	266.606,79	266.606,79	266.606,79
22	11.07.2017	282.218,59	282.218,59	282.218,59
23	08.09.2017	212.476,68	212.476,68	212.476,68
24	22.11.2017	237.189,27	237.189,27	237.189,27
25	29.12.2017	232.070,18	232.070,18	232.070,18
26	11.04.2018	140.806,61	140.806,61	140.806,61
27	16.05.2018	179.793,40	179.793,40	179.793,40
28	29.06.2018	253.863,07	253.863,07	253.863,07
29	06.09.2018	193.803,09	193.803,09	193.803,09
30	04.12.2018	131.944,96	131.944,96	131.944,96
31	02.05.2019	1.129,04	1.129,04	1.129,04
32	13.05.2019	198.000,00	198.000,00	198.000,00
33	12.07.2019	161.925,29	161.925,29	161.925,29
34	31.07.2019	108.941,12	108.941,12	108.941,12
35	28.10.2019	113.675,89	113.675,89	113.675,89
36	19.12.2019	161.698,77	161.698,77	161.698,77
37	14.04.2020	135.864,17	135.864,17	135.864,17
38	31.07.2020	123.152,99	123.152,99	123.152,99
39	15.12.2020	147.168,86	147.168,86	147.168,86
40	16.06.2021	144.401,05	144.401,05	144.401,05
41	29.09.2021	157.369,44	157.369,44	157.369,44
42	28.12.2021	17.802,42	17.802,42	17.802,42
Total		7.325.217,00	7.025.217,00	7.025.217,00

International Association of Water Supply Companies in the Danube River Catchment Area IAWD
Danube Region Water Supply and Waste Water Sector Capacity Building Program
TF no 012722 TF no 0A9427

Interim Financial Report/ Project Financial Statement

For the period from January 1st, 2022 to October 7th, 2022

Cash model

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- 1 Project Sources and Uses of Funds
- 2 Uses of Funds by Project Activities
- 3 Special Account Statement
- 4 Statement of Expenditure Withdrawal Schedule (only for annual financial statements)

International Association of Water Supply Companies in the Danube River Catchment Area IAWD
Danube Region Water Supply and Waste Water Sector Capacity Building Program

TF no 012722 TF no 0A9427

Project Sources & Uses of Funds

For the period from January 1st, 2022 to October 7th, 2022

	Actual In EUR /i			BUGET In EUR /ii
	Current Period/ Semester	Year-To Date	Cumulative To-Date /ii	Life of Project
Opening cash balances	90.462,40	90.462,40	-	
TF Designated Account	90.462,40	90.462,40	-	
			-	
			-	
Sources of Funds				
Own Contribution of IAWD	-	-	-	-
TF Grant Funds (advances and direct payments)	-	-	7.325.217,00	7.325.217,00
Financed by IAWD counterpart funds			62.877,35	-
Total	-	-	7.388.094,35	7.325.217,00
Total funds available during period	90.462,40	90.462,40	7.388.094,35	
Less:				
Uses of Funds				
Financed by Grant and IAWD	(82.017,96)	(82.017,96)	(7.379.649,91)	
Fixed assets	-	-	(109.422,57)	
External services	(82.017,96)	(82.017,96)	(4.214.438,03)	
Personnel expenditures	-	-	(2.896.331,29)	
Travel expenses	-	-	-	
Operating Costs	-	-	(159.458,02)	
Total	(82.017,96)	(82.017,96)	(7.379.649,91)	7.325.217,00
Closing balance of available funding	8.444,44	8.444,44	8.444,44	
Temporary financing of Phase IV expenditures /iv	4.046,71	4.046,71	4.046,71	
Closing Cash balance	12.491,15	12.491,15	12.491,15	

NOTES

/i: From the beginning of the project.

/ii: Budget for the entire project according to the grant agreement and other supporting documentation

/iii: This may be divided into several subheadings in accordance with the disbursement categories in the legal documents.

/iv: IAWD temporarily used funds from DA to pre-finance IV Phase expenditures. Funds were refunded to the DA by IAWD in July 2022, and they are intended to be reimbursed from the new TF.

International Association of Water Service Companies in the Danube River Catchment Area IAWD Danube Region Water Supply and Waste Water Sector Capacity Building Program TF no 0A9427 Use of Funds by Project Activity For the period from January 1st, 2022 to October 7th, 2022 in EUR				
Project Component/Activity	Current Period	Year to date	Cumulative from the beginning of the project	Total value of budget line
1. Implementation of Regional capacity building and training activities				
1.0 General costs for Capacity Building				
103 RC.I.1 Regional Support for WSS sector policies	0,00	0,00	-35.953,56	-35.953,56
104 RC.II.1 Regional support on WSS sector regulation	0,00	0,00	-31.717,88	-31.717,88
105 RC.III.1 Regional PI System Initiative (DANUBIS)	0,00	0,00	-158.176,91	-158.176,91
106 RC.III.2 Benchmarking for Utility Improvement	0,00	0,00	-413.935,62	-413.935,62
107 RC.IV.1 Reg. asset management program utilities	0,00	0,00	-378.953,00	-378.953,00
109 RC.V.1 D-Leap Energy Efficiency program	5.096,00	5.096,00	-163.699,17	-163.699,17
110 RC.V.2 D-Leap Commercial Practices program	0,00	0,00	-295.611,32	-295.611,32
111 RC.1 WSS Association Strengthening support	0,00	0,00	-64.245,12	-64.245,12
112 Advisory Committee	0,00	0,00	-7.861,84	-7.861,84
113 RC.2 IAWD Strengthening Support	0,00	0,00	-128.667,02	-128.667,02
114 RC.V.3 D-Leap Risk Management and Business Contin.	0,00	0,00	0,00	0,00
115 RC.V.4 D-Leap Non-Revenue Water management program	6.035,00	6.035,00	-149.757,35	-149.757,35
116 RC.3 D-Leap for sustainable WSS services	0,00	0,00	-158.705,73	-158.705,73
117 NC.III.10 Support to national EBC/Danube hub Ukr	0,00	0,00	-63.925,73	-63.925,73
118 NC.III.7 Support to regional EBC/Danube hub BiHHR	0,00	0,00	-80.953,31	-80.953,31
119 NC.III Country-level Benchmarking Support	0,00	0,00	-7.960,00	-7.960,00
121 NC.III.8 Kosovo support to benchm	0,00	0,00	-17.000,00	-17.000,00
123 NC.III.5 Montenegro support to ben	0,00	0,00	0,00	0,00
124 NC.III.6 Serbia support to benchm	0,00	0,00	-9.780,00	-9.780,00
125 RC.III.3 IAWD leading utilities benchmarking initi	0,00	0,00	-199.045,00	-199.045,00
128 RC.V.6 D-Leap Management training program	51.704,50	51.704,50	-102.555,93	-88.756,43
Sub-Total	62.835,50	62.835,50	-2.468.504,49	-2.454.704,99
2. Financing of country-specific activities for utility management and operational practices improvement support (competitive grant window)				
2.0 NC.2: Competitive Grant Window activities				
202 NC.2 CG2	0,00	0,00	-73.169,00	-73.169,00
203 NC.2 CG3	0,00	0,00	-25.224,00	-25.224,00
204 NC.2 CG4	0,00	0,00	-79.930,96	-79.930,96
205 NC.2 CG5	0,00	0,00	-35.546,94	-35.546,94
206 NC.2 CG6	0,00	0,00	-28.902,82	-28.902,82
207 NC.2 CG7	0,00	0,00	-42.794,50	-42.794,50
208 NC.2 CG8	0,00	0,00	-60.041,80	-60.041,80
209 NC.2 CG9	0,00	0,00	-37.889,50	-37.889,50
210 NC.2 CG10	0,00	0,00	-18.555,08	-18.555,08
211 NC.2 CG11	0,00	0,00	-56.243,04	-56.243,04
212 NC.2 CG12	0,00	0,00	-40.285,60	-40.285,60
213 NC.2 CG13	0,00	0,00	-75.377,00	-75.377,00
214 NC.2 CG14	0,00	0,00	-52.819,64	-52.819,64
220 NC.2.16 SHUKALB/Albania	0,00	0,00	-37.333,12	-37.333,12
221 NC.2.16 Korca Water Supply and Sewerage Company/Al	0,00	0,00	-20.843,00	-20.843,00
222 NC.2.17 JSC Vodovod Banja Luka/BiH	0,00	0,00	-27.860,00	-27.860,00
223 NC.2.18 UC VK, East Sarajevo/BiH	0,00	0,00	-36.500,94	-36.500,94
225 NC.2.20 Softijska Voda JSC/BG	0,00	0,00	-46.710,00	-46.710,00
226 NC.2.21 Croatian Water and Wastewater Association	0,00	0,00	-24.428,43	-24.428,43
227 NC.2.22 Hidrodinri JSC Peja/KS	0,00	0,00	-45.000,00	-45.000,00
228 NC.2.23 ADKOM/MK	0,00	0,00	-43.400,00	-43.400,00
229 NC.2.24 AMAC/MD	0,00	0,00	0,00	0,00
230 NC.2.25 Ministry of Sustainable Development and To	0,00	0,00	-28.850,00	-28.850,00
231 NC.2.26 UTVSI/SER	0,00	0,00	-50.000,00	-50.000,00
232 NC.2.27 Ivano-Frankivskvodozetekphrom/UKR	0,00	0,00	-29.730,93	-29.730,93
270 RC.1.1. BWA/BG	0,00	0,00	-15.000,00	-15.000,00
271 RC.1.2. ADKOM/MK	0,00	0,00	-20.000,00	-20.000,00
272 RC.1.3. AQUASAN/BiH	0,00	0,00	-19.875,00	-19.875,00
273 RC.1.4. Vodovod RS/SER	0,00	0,00	-17.395,00	-17.395,00
274 RC.1.5. UPKB/BiH	0,00	0,00	-3.000,00	-3.000,00
275 RC.1.6. WASS/Serbia	0,00	0,00	-3.980,00	-3.980,00
276 RC.1.7 UTVSI Serbia	0,00	0,00	-17.239,83	-17.239,83
277 RC.1.8 SHUKOS Kosovo	0,00	0,00	-4.500,00	-4.500,00
278 RC.1.9 UCVG ME	0,00	0,00	-17.168,39	-17.168,39
279 RC.1.10. SHUKALB Albania	0,00	0,00	-15.000,00	-15.000,00
Sub-Total	0,00	0,00	-1.152.592,52	-1.152.592,52
3. Project Management and coordination of Program Implementation				
301 Consulting Services	4.426,50	4.426,50	-322.011,11	-330.411,11
302 Goods for Program Management	-	-	-19.855,00	-19.855,00
304 Operating Costs	-	-	-2.558.137,18	-2.571.981,08
305 RS.1 Annual Regional Event	-	-	-663.386,34	-663.386,34
306 3.4.RS.2.Part in key region.events	-	-	-2.194,50	-2.194,50
307 RS.3 DWP Outreach and Communication	14.755,96	14.755,96	-130.091,42	-130.091,46
308 Unallocated Budget	-	-	-	-
Sub-Total	19.182,46	19.182,46	-3.695.675,55	-3.717.919,49
Total Project Expenditures	82.017,96	82.017,96	-7.316.772,56	-7.325.217,00

ational Association of Water Supply Companies in the Danube River Catchment Area IAWD
Danube Region Water Supply and Waste Water Sector Capacity Building Program
TF no 012722

Designated Account (DA) Statement

Depository Bank: Bank Austria

Account Number: AT651200010000798719

as at October 7th, 2022

For the period from January 1st, 2022 to October 7th, 2022

In currency EUR

		Added for annual rep	
		1 Jan - 7 October 2022	1 Jan 2013 - 7 October 2012
		EUR	EUR
1	Opening balances as at 1 Jan 2022/ 1 January 2013	90.462,40	-
Add:			
2	<i>World Bank advances into the DA during the period</i>	-	7.325.217,00
3	<i>Interest earned (if credited into DA)</i>	-	-
	subtotal	90.462,40	7.325.217,00
Less:			
4	<i>Amount of eligible expenditures paid during the period</i>	82.017,96	7.316.772,56
5	<i>Refund to World Bank from the DA during the period</i>	-	-
6	<i>Service charges (if debited to the DA)</i>	-	-
	subtotal	82.017,96	7.316.772,56
7	<i>Available funds</i>	8.444,44	8.444,44
8	Closing balance as at October 7, 2022 per bank statement	12.491,15	12.491,15
	Discrepancy to be explained /iv	-4.046,71	-4.046,71

/iv: IAWD temporarily used funds from DA to pre-finance IV Phase expenditures. Funds were refunded to the DA by IAWD in July 2022, and they are intended to be reimbursed from the new TF.

International Association of Water Service Companies in the Danube River Catchment Area IAWD
Danube Region Water Supply and Waste Water Sector Capacity Building Program
TF no 0A9427

Statement of Expenditure Withdrawal Schedule

as at October 7th, 2022

and for the period from January 1st, 2013 to October 7th, 2022

Withdrawal application No	Date of receipt of funds on Designated Account/or date of documentary application	in grant currency EUR		
		Advances to Designated Account	Documented Expenditures:	
			category 1	Total documented expenditures included in Application sent to the World Bank
2	06/24/2013	300.000,00		-
3	10/23/2013	298.210,46	298.210,46	298.210,46
4	06/05/2014	194.547,85	194.547,85	194.547,85
5	11/07/2014	187.352,40	187.352,40	187.352,40
6	22/07/2014	228.854,91	228.854,91	228.854,91
7	13/11/2014	189.596,99	189.596,99	189.596,99
8	18/12/2014	247.526,10	247.526,10	247.526,10
9	20/02/2015	114.845,09	114.845,09	114.845,09
10	15/04/2015	231.044,34	231.044,34	231.044,34
11	24/06/2015	205.140,18	205.140,18	205.140,18
12	20/08/2015	204.837,25	204.837,25	204.837,25
13	29/09/2015	185.211,69	185.211,69	185.211,69
14	19/11/2015	183.813,09	183.813,09	183.813,09
15	31/03/2016	249.560,01	249.560,01	249.560,01
16	28/06/2016	152.853,14	152.853,14	152.853,14
17	13/09/2016	183.220,49	183.220,49	183.220,49
18	28/12/2016	191.643,47	191.643,47	191.643,47
19	07/02/2017	124.942,14	124.942,14	124.942,14
20	25/04/2017	50.115,72	50.115,72	50.115,72
21	02/06/2017	266.606,79	266.606,79	266.606,79
22	11.07.2017	282.218,59	282.218,59	282.218,59
23	08.09.2017	212.476,68	212.476,68	212.476,68
24	22.11.2017	237.189,27	237.189,27	237.189,27
25	29.12.2017	232.070,18	232.070,18	232.070,18
26	11.04.2018	140.806,61	140.806,61	140.806,61
27	16.05.2018	179.793,40	179.793,40	179.793,40
28	29.06.2018	253.863,07	253.863,07	253.863,07
29	06.09.2018	193.803,09	193.803,09	193.803,09
30	04.12.2018	131.944,96	131.944,96	131.944,96
31	02.05.2019	1.129,04	1.129,04	1.129,04
32	13.05.2019	198.000,00	198.000,00	198.000,00
33	12.07.2019	161.925,29	161.925,29	161.925,29
34	31.07.2019	108.941,12	108.941,12	108.941,12
35	28.10.2019	113.675,89	113.675,89	113.675,89
36	19.12.2019	161.698,77	161.698,77	161.698,77
37	14.04.2020	135.864,17	135.864,17	135.864,17
38	31.07.2020	123.152,99	123.152,99	123.152,99
39	15.12.2020	147.168,86	147.168,86	147.168,86
40	16.06.2021	144.401,05	144.401,05	144.401,05
41	29.09.2021	157.369,44	157.369,44	157.369,44
42	28.12.2021	17.802,42	17.802,42	17.802,42
Total		7.325.217,00	7.025.217,00	7.025.217,00

General Conditions of Contract for the Public Accounting Professions (AAB 2018)

Recommended for use by the Board of the Chamber of Tax Advisers and Auditors, last recommended in its decision of April 18, 2018

Preamble and General Items

(1) Contract within the meaning of these Conditions of Contract refers to each contract on services to be rendered by a person entitled to exercise profession in the field of public accounting exercising that profession (de facto activities as well as providing or performing legal transactions or acts, in each case pursuant to Sections 2 or 3 Austrian Public Accounting Professions Act (WTBG 2017). The parties to the contract shall hereinafter be referred to as the "contractor" on the one hand and the "client" on the other hand).

(2) The General Conditions of Contract for the professions in the field of public accounting are divided into two sections: The Conditions of Section I shall apply to contracts where the agreeing of contracts is part of the operations of the client's company (entrepreneur within the meaning of the Austrian Consumer Protection Act. They shall apply to consumer business under the Austrian Consumer Protection Act (Federal Act of March 8, 1979 / Federal Law Gazette No. 140 as amended) insofar as Section II does not provide otherwise for such business.

(3) In the event that an individual provision is void, the invalid provision shall be replaced by a valid provision that is as close as possible to the desired objective.

SECTION I

1. Scope and Execution of Contract

(1) The scope of the contract is generally determined in a written agreement drawn up between the client and the contractor. In the absence of such a detailed written agreement, (2)-(4) shall apply in case of doubt:

(2) When contracted to perform tax consultation services, consultation shall consist of the following activities:

- a) preparing annual tax returns for income tax and corporate tax as well as value-added tax (VAT) on the basis of the financial statements and other documents and papers required for taxation purposes and to be submitted by the client or (if so agreed) prepared by the contractor. Unless explicitly agreed otherwise, documents and papers required for taxation purposes shall be produced by the client.
- b) examining the tax assessment notices for the tax returns mentioned under a).
- c) negotiating with the fiscal authorities in connection with the tax returns and notices mentioned under a) and b).
- d) participating in external tax audits and assessing the results of external tax audits with regard to the taxes mentioned under a).
- e) participating in appeal procedures with regard to the taxes mentioned under a).

If the contractor receives a flat fee for regular tax consultation, in the absence of written agreements to the contrary, the activities mentioned under d) and e) shall be invoiced separately.

(3) Provided the preparation of one or more annual tax return(s) is part of the contract accepted, this shall not include the examination of any particular accounting conditions nor the examination of whether all relevant concessions, particularly those with regard to value added tax, have been utilized, unless the person entitled to exercise the profession can prove that he/she has been commissioned accordingly.

(4) In each case, the obligation to render other services pursuant to Sections 2 and 3 WTBG 2017 requires for the contractor to be separately and verifiably commissioned.

(5) The aforementioned paragraphs (2) to (4) shall not apply to services requiring particular expertise provided by an expert.

(6) The contractor is not obliged to render any services, issue any warnings or provide any information beyond the scope of the contract.

(7) The contractor shall have the right to engage suitable staff and other performing agents (subcontractors) for the execution of the contract as well as to have a person entitled to exercise the profession substitute for him/her in executing the contract. Staff within the meaning of these Conditions of Contract refers to all persons who support the contractor in his/her operating activities on a regular or permanent basis, irrespective of the type of underlying legal transaction.

(8) In rendering his/her services, the contractor shall exclusively take into account Austrian law; foreign law shall only be taken into account if this has been explicitly agreed upon in writing.

(9) Should the legal situation change subsequent to delivering a final professional statement passed on by the client orally or in writing, the contractor shall not be obliged to inform the client of changes or of the consequences thereof. This shall also apply to the completed parts of a contract.

(10) The client shall be obliged to make sure that the data made available by him/her may be handled by the contractor in the course of rendering the services. In this context, the client shall particularly but not exclusively comply with the applicable provisions under data protection law and labor law.

(11) Unless explicitly agreed otherwise, if the contractor electronically submits an application to an authority, he/she acts only as a messenger and this does not constitute a declaration of intent or knowledge attributable to him/her or a person authorized to submit the application.

(12) The client undertakes not to employ persons that are or were staff of the contractor during the contractual relationship, during and within one year after termination of the contractual relationship, either in his/her company or in an associated company, failing which he/she shall be obliged to pay the contractor the amount of the annual salary of the member of staff taken over.

2. Client's Obligation to Provide Information and Submit Complete Set of Documents

(1) The client shall make sure that all documents required for the execution of the contract be placed without special request at the disposal of the contractor at the agreed date, and in good time if no such date has been agreed, and that he/she be informed of all events and circumstances which may be of significance for the execution of the contract. This shall also apply to documents, events and circumstances which become known only after the contractor has commenced his/her work.

(2) The contractor shall be justified in regarding information and documents presented to him/her by the client, in particular figures, as correct and complete and to base the contract on them. The contractor shall not be obliged to identify any errors unless agreed separately in writing. This shall particularly apply to the correctness and completeness of bills. However, he/she is obliged to inform the client of any errors identified by him/her. In case of financial criminal proceedings he/she shall protect the rights of the client.

(3) The client shall confirm in writing that all documents submitted, all information provided and explanations given in the context of audits, expert opinions and expert services are complete.

(4) If the client fails to disclose considerable risks in connection with the preparation of financial statements and other statements, the contractor shall not be obliged to render any compensation insofar as these risks materialize.

(5) Dates and time schedules stated by the contractor for the completion of the contractor's products or parts thereof are best estimates and, unless otherwise agreed in writing, shall not be binding. The same applies to any estimates of fees: they are prepared to best of the contractor's knowledge; however, they shall always be non-binding.

(6) The client shall always provide the contractor with his/her current contact details (particularly the delivery address). The contractor may rely on the validity of the contact details most recently provided by the client, particularly have deliveries made to the most recently provided address, until such time as new contact details are provided.

3. Safeguarding of Independence

(1) The client shall be obliged to take all measures to prevent that the independence of the staff of the contractor be jeopardized and shall himself/herself refrain from jeopardizing their independence in any way. In particular, this shall apply to offers of employment and to offers to accept contracts on their own account.

(2) The client acknowledges that his/her personal details required in this respect, as well as the type and scope of the services, including the performance period agreed between the contractor and the client for the services (both audit and non-audit services), shall be handled within a network (if any) to which the contractor belongs, and for this purpose transferred to the other members of the network including abroad for the purpose of examination of the existence of grounds of bias or grounds for exclusion and conflicts of interest. For this purpose the client expressly releases the contractor in accordance with the Data Protection Act and in accordance with Section 80 (4) No. 2 WTBG 2017 from his/her obligation to maintain secrecy. The client can revoke the release from the obligation to maintain secrecy at any time.

4. Reporting Requirements

(1) (Reporting by the contractor) In the absence of an agreement to the contrary, a written report shall be drawn up in the case of audits and expert opinions.

(2) (Communication to the client) All contract-related information and opinions, including reports, (all declarations of knowledge) of the contractor, his/her staff, other performing agents or substitutes ("professional statements") shall only be binding provided they are set down in writing. Professional statements in electronic file formats which are made, transferred or confirmed by fax or e-mail or using similar types of electronic communication (that can be stored and reproduced but is not oral, i.e. e.g. text messages but not telephone) shall be deemed as set down in writing; this shall only apply to professional statements. The client bears the risk that professional statements may be issued by persons not entitled to do so as well as the transfer risk of such professional statements.

(3) (Communication to the client) The client hereby consents to the contractor communicating with the client (e.g. by e-mail) in an unencrypted manner. The client declares that he/she has been informed of the risks arising from the use of electronic communication (particularly access to, maintaining secrecy of, changing of messages in the course of transfer). The contractor, his/her staff, other performing agents or substitutes are not liable for any losses that arise as a result of the use of electronic means of communication.

(4) (Communication to the contractor) Receipt and forwarding of information to the contractor and his/her staff are not always guaranteed when the telephone is used, in particular in conjunction with automatic telephone answering systems, fax, e-mail and other types of electronic communication. As a result, instructions and important information shall only be deemed to have been received by the contractor provided they are also received physically (not by telephone, orally or electronically), unless explicit confirmation of receipt is provided in individual instances. Automatic confirmation that items have been transmitted and read shall not constitute such explicit confirmations of receipt. This shall apply in particular to the transmission of decisions and other information relating to deadlines. As a result, critical and important notifications must be sent to the contractor by mail or courier. Delivery of documents to staff outside the firm's offices shall not count as delivery.

(5) (General) In writing shall mean, insofar as not otherwise laid down in Item 4. (2), written form within the meaning of Section 886 Austrian Civil Code (ABGB) (confirmed by signature). An advanced electronic signature (Art. 26 eIDAS Regulation (EU) No. 910/2014) fulfills the requirement of written form within the meaning of Section 886 ABGB (confirmed by signature) insofar as this is at the discretion of the parties to the contract.

(6) (Promotional information) The contractor will send recurrent general tax law and general commercial law information to the client electronically (e.g. by e-mail). The client acknowledges that he/she has the right to object to receiving direct advertising at any time.

5. Protection of Intellectual Property of the Contractor

(1) The client shall be obliged to ensure that reports, expert opinions, organizational plans, drafts, drawings, calculations and the like, issued by the contractor, be used only for the purpose specified in the contract (e.g. pursuant to Section 44 (3) Austrian Income Tax Act 1988). Furthermore, professional statements made orally or in writing by the contractor may be passed on to a third party for use only with the written consent of the contractor.

(2) The use of professional statements made orally or in writing by the contractor for promotional purposes shall not be permitted; a violation of this provision shall give the contractor the right to terminate without notice to the client all contracts not yet executed.

(3) The contractor shall retain the copyright on his/her work. Permission to use the work shall be subject to the written consent by the contractor.

6. Correction of Errors

(1) The contractor shall have the right and shall be obliged to correct all errors and inaccuracies in his/her professional statement made orally or in writing which subsequently come to light and shall be obliged to inform the client thereof without delay. He/she shall also have the right to inform a third party acquainted with the original professional statement of the change.

(2) The client has the right to have all errors corrected free of charge if the contractor can be held responsible for them; this right will expire six months after completion of the services rendered by the contractor and/or – in cases where a written professional statement has not been delivered – six months after the contractor has completed the work that gives cause to complaint.

(3) If the contractor fails to correct errors which have come to light, the client shall have the right to demand a reduction in price. The extent to which additional claims for damages can be asserted is stipulated under Item 7.

7. Liability

(1) All liability provisions shall apply to all disputes in connection with the contractual relationship, irrespective of the legal grounds. The contractor is liable for losses arising in connection with the contractual relationship (including its termination) only in case of willful intent and gross negligence. The applicability of Section 1298 2nd Sentence ABGB is excluded.

(2) In cases of gross negligence, the maximum liability for damages due from the contractor is tenfold the minimum insurance sum of the professional liability insurance according to Section 11 WTBG 2017 as amended.

(3) The limitation of liability pursuant to Item 7. (2) refers to the individual case of damages. The individual case of damages includes all consequences of a breach of duty regardless of whether damages arose in one or more consecutive years. In this context, multiple acts or failures to act that are based on the same or similar source of error as one consistent breach of duty if the matters concerned are legally and economically connected. Single damages remain individual cases of damage even if they are based on several breaches of duty. Furthermore, the contractor's liability for loss of profit as well as collateral, consequential, incidental or similar losses is excluded in case of willful damage.

(4) Any action for damages may only be brought within six months after those entitled to assert a claim have gained knowledge of the damage, but no later than three years after the occurrence of the (primary) loss following the incident upon which the claim is based, unless other statutory limitation periods are laid down in other legal provisions.

(5) Should Section 275 Austrian Commercial Code (UGB) be applicable (due to a criminal offense), the liability provisions contained therein shall apply even in cases where several persons have participated in the execution of the contract or where several activities requiring compensation have taken place and irrespective of whether other participants have acted with intent.

(6) In cases where a formal auditor's report is issued, the applicable limitation period shall commence no later than at the time the said auditor's report was issued.

(7) If activities are carried out by enlisting the services of a third party, e.g. a data-processing company, any warranty claims and claims for damages which arise against the third party according to law and contract shall be deemed as having been passed on to the client once the client has been informed of them. Item 4. (3) notwithstanding, in such a case the contractor shall only be liable for fault in choosing the third party.

(8) The contractor's liability to third parties is excluded in any case. If third parties come into contact with the contractor's work in any manner due to the client, the client shall expressly clarify this fact to them. Insofar as such exclusion of liability is not legally permissible or a liability to third parties has been assumed by the contractor in exceptional cases, these limitations of liability shall in any case also apply to third parties on a subsidiary basis. In any case, a third party cannot raise any claims that go beyond any claim raised by the client. The maximum sum of liability shall be valid only once for all parties injured, including the compensation claims of the client, even if several persons (the client and a third party or several third parties) have sustained losses; the claims of the parties injured shall be satisfied in the order in which the claims have been raised. The client will indemnify and hold harmless the contractor and his/her staff against any claims by third parties in connection with professional statements made orally or in writing by the contractor and passed on to these third parties.

(9) Item 7. shall also apply to any of the client's liability claims to third parties (performing agents and vicarious agents of the contractor) and to substitutes of the contractor relating to the contractual relationship.

8. Secrecy, Data Protection

(1) According to Section 80 WTBG 2017 the contractor shall be obliged to maintain secrecy in all matters that become known to him/her in connection with his/her work for the client, unless the client releases him/her from this duty or he/she is bound by law to deliver a statement.

(2) Insofar as it is necessary to pursue the contractor's claims (particularly claims for fees) or to dispute claims against the contractor (particularly claims for damages raised by the client or third parties against the contractor), the contractor shall be released from his/her professional obligation to maintain secrecy.

(3) The contractor shall be permitted to hand on reports, expert opinions and other written statements pertaining to the results of his/her services to third parties only with the permission of the client, unless he/she is required to do so by law.

(4) The contractor is a data protection controller within the meaning of the General Data Protection Regulation ("GDPR") with regard to all personal data processed under the contract. The contractor is thus authorized to process personal data entrusted to him/her within the limits of the contract. The material made available to the contractor (paper and data carriers) shall generally be handed to the client or to third parties appointed by the client after the respective rendering of services has been completed, or be kept and destroyed by the contractor if so agreed. The contractor is authorized to keep copies thereof insofar as he/she needs them to appropriately document his/her services or insofar as it is required by law or customary in the profession.

(5) If the contractor supports the client in fulfilling his/her duties to the data subjects arising from the client's function as data protection controller, the contractor shall be entitled to charge the client for the actual efforts undertaken. The same shall apply to efforts undertaken for information with regard to the contractual relationship which is provided to third parties after having been released from the obligation to maintain secrecy to third parties by the client.

9. Withdrawal and Cancellation („Termination“)

(1) The notice of termination of a contract shall be issued in writing (see also Item 4. (4) and (5)). The expiry of an existing power of attorney shall not result in a termination of the contract.

(2) Unless otherwise agreed in writing or stipulated by force of law, either contractual partner shall have the right to terminate the contract at any time with immediate effect. The fee shall be calculated according to Item 11.

(3) However, a continuing agreement (fixed-term or open-ended contract on – even if not exclusively – the rendering of repeated individual services, also with a flat fee) may, without good reason, only be terminated at the end of the calendar month by observing a period of notice of three months, unless otherwise agreed in writing.

(4) After notice of termination of a continuing agreement and unless otherwise stipulated in the following, only those individual tasks shall still be completed by the contractor (list of assignments to be completed) that can (generally) be completed fully within the period of notice insofar as the client is notified in writing within one month after commencement of the termination notice period within the meaning of Item 4. (2). The list of assignments to be completed shall be completed within the termination period if all documents required are provided without delay and if no good reason exists that impedes completion.

(5) Should it happen that in case of a continuing agreement more than two similar assignments which are usually completed only once a year (e.g. financial statements, annual tax returns, etc.) are to be completed, any such assignments exceeding this number shall be regarded as assignments to be completed only with the client's explicit consent. If applicable, the client shall be informed of this explicitly in the statement pursuant to Item 9. (4).

10. Termination in Case of Default in Acceptance and Failure to Cooperate on the Part of the Client and Legal Impediments to Execution

(1) If the client defaults on acceptance of the services rendered by the contractor or fails to carry out a task incumbent on him/her either according to Item 2. or imposed on him/her in another way, the contractor shall have the right to terminate the contract without prior notice. The same shall apply if the client requests a way to execute (also partially) the contract that the contractor reasonably believes is not in compliance with the legal situation or professional principles. His/her fees shall be calculated according to Item 11. Default in acceptance or failure to cooperate on the part of the client shall also justify a claim for compensation made by the contractor for the extra time and labor hereby expended as well as for the damage caused, if the contractor does not invoke his/her right to terminate the contract.

(2) For contracts concerning bookkeeping, payroll accounting and administration and assessment of payroll-related taxes and contributions, a termination without prior notice by the contractor is permissible under Item 10. (1) if the client verifiably fails to cooperate twice as laid down in Item 2. (1).

11. Entitlement to Fee

(1) If the contract fails to be executed (e.g. due to withdrawal or cancellation), the contractor shall be entitled to the negotiated compensation (fee), provided he/she was prepared to render the services and was prevented from so doing by circumstances caused by the client, whereby a merely contributory negligence by the contractor in this respect shall be excluded; in this case the contractor need not take into account the amount he/she obtained or failed to obtain through alternative use of his/her own professional services or those of his/her staff.

(2) If a continuing agreement is terminated, the negotiated compensation for the list of assignments to be completed shall be due upon completion or in case completion fails due to reasons attributable to the client (reference is made to Item 11. (1)). Any flat fees negotiated shall be calculated according to the services rendered up to this point.

(3) If the client fails to cooperate and the assignment cannot be carried out as a result, the contractor shall also have the right to set a reasonable grace period on the understanding that, if this grace period expires without results, the contract shall be deemed ineffective and the consequences indicated in Item 11. (1) shall apply.

(4) If the termination notice period under Item 9. (3) is not observed by the client as well as if the contract is terminated by the contractor in accordance with Item 10. (2), the contractor shall retain his/her right to receive the full fee for three months.

12. Fee

(1) Unless the parties explicitly agreed that the services would be rendered free of charge, an appropriate remuneration in accordance with Sections 1004 and 1152 ABGB is due in any case. Amount and type of the entitlement to the fee are laid down in the agreement negotiated between the contractor and his/her client. Unless a different agreement has verifiably been reached, payments made by the client shall in all cases be credited against the oldest debt.

(2) The smallest service unit which may be charged is a quarter of an hour.

(3) Travel time to the extent required is also charged.

(4) Study of documents which, in terms of their nature and extent, may prove necessary for preparation of the contractor in his/her own office may also be charged as a special item.

(5) Should a remuneration already agreed upon prove inadequate as a result of the subsequent occurrence of special circumstances or due to special requirements of the client, the contractor shall notify the client thereof and additional negotiations for the agreement of a more suitable remuneration shall take place (also in case of inadequate flat fees).

(6) The contractor includes charges for supplementary costs and VAT in addition to the above, including but not limited to the following (7) to (9):

(7) Chargeable supplementary costs also include documented or flat-rate cash expenses, traveling expenses (first class for train journeys), per diems, mileage allowance, copying costs and similar supplementary costs.

(8) Should particular third party liabilities be involved, the corresponding insurance premiums (including insurance tax) also count as supplementary costs.

(9) Personnel and material expenses for the preparation of reports, expert opinions and similar documents are also viewed as supplementary costs.

(10) For the execution of a contract wherein joint completion involves several contractors, each of them will charge his/her own compensation.

(11) In the absence of any other agreements, compensation and advance payments are due immediately after they have been requested in writing. Where payments of compensation are made later than 14 days after the due date, default interest may be charged. Where mutual business transactions are concerned, a default interest rate at the amount stipulated in Section 456 1st and 2nd Sentence UGB shall apply.

(12) Statutory limitation is in accordance with Section 1486 of ABGB, with the period beginning at the time the service has been completed or upon the issuing of the bill within an appropriate time limit at a later point.

(13) An objection may be raised in writing against bills presented by the contractor within 4 weeks after the date of the bill. Otherwise the bill is considered as accepted. Filing of a bill in the accounting system of the recipient is also considered as acceptance.

(14) Application of Section 934 ABGB within the meaning of Section 351 UGB, i.e. rescission for *laesio enormis* (lesion beyond moiety) among entrepreneurs, is hereby renounced.

(15) If a flat fee has been negotiated for contracts concerning bookkeeping, payroll accounting and administration and assessment of payroll-related taxes and contributions, in the absence of written agreements to the contrary, representation in matters concerning all types of tax audits and audits of payroll-related taxes and social security contributions including settlements concerning tax assessments and the basis for contributions, preparation of reports, appeals and the like shall be invoiced separately. Unless otherwise agreed to in writing, the fee shall be considered agreed upon for one year at a time.

(16) Particular individual services in connection with the services mentioned in Item 12. (15), in particular ascertaining whether the requirements for statutory social security contributions are met, shall be dealt with only on the basis of a specific contract.

(17) The contractor shall have the right to ask for advance payments and can make delivery of the results of his/her (continued) work dependent on satisfactory fulfillment of his/her demands. As regards continuing agreements, the rendering of further services may be denied until payment of previous services (as well as any advance payments under Sentence 1) has been effected. This shall analogously apply if services are rendered in installments and fee installments are outstanding.

(18) With the exception of obvious essential errors, a complaint concerning the work of the contractor shall not justify even only the partial retention of fees, other compensation, reimbursements and advance payments (remuneration) owed to him/her in accordance with Item 12.

(19) Offsetting the remuneration claims made by the contractor in accordance with Item 12. shall only be permitted if the demands are uncontested and legally valid.

13. Other Provisions

(1) With regard to Item 12. (17), reference shall be made to the legal right of retention (Section 471 ABGB, Section 369 UGB); if the right of retention is wrongfully exercised, the contractor shall generally be liable pursuant to Item 7. or otherwise only up to the outstanding amount of his/her fee.

(2) The client shall not be entitled to receive any working papers and similar documents prepared by the contractor in the course of fulfilling the contract. In the case of contract fulfillment using electronic accounting systems the contractor shall be entitled to delete the data after handing over all data based thereon – which were prepared by the contractor in relation to the contract and which the client is obliged to keep – to the client and/or the succeeding public accountant in a structured, common and machine-readable format. The contractor shall be entitled to an appropriate fee (Item 12. shall apply by analogy) for handing over such data in a structured, common and machine-readable format. If handing over such data in a structured, common and machine-readable format is impossible or unfeasible for special reasons, they may be handed over in the form of a full print-out instead. In such a case, the contractor shall not be entitled to receive a fee.

(3) At the request and expense of the client, the contractor shall hand over all documents received from the client within the scope of his/her activities. However, this shall not apply to correspondence between the contractor and his/her client and to original documents in his/her possession and to documents which are required to be kept in accordance with the legal anti-money laundering provisions applicable to the contractor. The contractor may make copies or duplicates of the documents to be returned to the client. Once such documents have been transferred to the client, the contractor shall be entitled to an appropriate fee (Item 12. shall apply by analogy).

(4) The client shall fetch the documents handed over to the contractor within three months after the work has been completed. If the client fails to do so, the contractor shall have the right to return them to the client at the cost of the client or to charge an appropriate fee (Item 12. shall apply by analogy) if the contractor can prove that he/she has asked the client twice to pick up the documents handed over. The documents may also further be kept by third parties at the expense of the client. Furthermore, the contractor is not liable for any consequences arising from damage, loss or destruction of the documents.

(5) The contractor shall have the right to compensation of any fees that are due by use of any available deposited funds, clearing balances, trust funds or other liquid funds at his/her disposal, even if these funds are explicitly intended for safekeeping, if the client had to have anticipated the counterclaim of the contractor.

(6) To secure an existing or future fee payable, the contractor shall have the right to transfer a balance held by the client with the tax office or another balance held by the client in connection with charges and contributions, to a trust account. In this case the client shall be informed of the transfer. Subsequently, the amount secured may be collected either after agreement has been reached with the client or after enforceability of the fee by execution has been declared.

14. Applicable Law, Place of Performance, Jurisdiction

(1) The contract, its execution and the claims resulting from it shall be exclusively governed by Austrian law, excluding national referral rules.

(2) The place of performance shall be the place of business of the contractor.

(3) In absence of a written agreement stipulating otherwise, the place of jurisdiction is the competent court of the place of performance.

SECTION II

15. Supplementary Provisions for Consumer Transactions

(1) Contracts between public accountants and consumers shall fall under the obligatory provisions of the Austrian Consumer Protection Act (KSchG).

(2) The contractor shall only be liable for the willful and grossly negligent violation of the obligations assumed.

(3) Contrary to the limitation laid down in Item 7. (2), the duty to compensate on the part of the contractor shall not be limited in case of gross negligence.

(4) Item 6. (2) (period for right to correction of errors) and Item 7. (4) (asserting claims for damages within a certain period) shall not apply.

(5) Right of Withdrawal pursuant to Section 3 KSchG:

If the consumer has not made his/her contract statement in the office usually used by the contractor, he/she may withdraw from the contract application or the contract proper. This withdrawal may be declared until the contract has been concluded or within one week after its conclusion; the period commences as soon as a document has been handed over to the consumer which contains at least the name and the address of the contractor as well as instructions on the right to withdraw from the contract, but no earlier than the conclusion of the contract. The consumer shall not have the right to withdraw from the contract

1. if the consumer himself/herself established the business relationship concerning the conclusion of this contract with the contractor or his/her representative,

2. if the conclusion of the contract has not been preceded by any talks between the parties involved or their representatives, or

3. in case of contracts where the mutual services have to be rendered immediately, if the contracts are usually concluded outside the offices of the contractors, and the fee agreed upon does not exceed €15.

In order to become legally effective, the withdrawal shall be declared in writing. It is sufficient if the consumer returns a document that contains his/her contract declaration or that of the contractor to the contractor with a note which indicates that the consumer rejects the conclusion or the maintenance of the contract. It is sufficient if this declaration is dispatched within one week.

If the consumer withdraws from the contract according to Section 3 KSchG,

1. the contractor shall return all benefits received, including all statutory interest, calculated from the day of receipt, and compensate the consumer for all necessary and useful expenses incurred in this matter,

2. the consumer shall pay for the value of the services rendered by the contractor as far as they are of a clear and predominant benefit to him/her.

According to Section 4 (3) KSchG, claims for damages shall remain unaffected.

(6) Cost Estimates according to Section 5 Austrian KSchG:

The consumer shall pay for the preparation of a cost estimate by the contractor in accordance with Section 1170a ABGB only if the consumer has been notified of this payment obligation beforehand.

If the contract is based on a cost estimate prepared by the contractor, its correctness shall be deemed warranted as long as the opposite has not been explicitly declared.

(7) Correction of Errors: Supplement to Item 6.:

If the contractor is obliged under Section 932 ABGB to improve or complement his/her services, he/she shall execute this duty at the place where the matter was transferred. If it is in the interest of the consumer to have the work and the documents transferred by the contractor, the consumer may carry out this transfer at his/her own risk and expense.

(8) Jurisdiction: Shall apply instead of Item 14. (3)

If the domicile or the usual residence of the consumer is within the country or if he/she is employed within the country, in case of an action against him/her according to Sections 88, 89, 93 (2) and 104 (1) Austrian Court Jurisdiction Act (JN), the only competent courts shall be the courts of the districts where the consumer has his/her domicile, usual residence or place of employment.

(9) Contracts on Recurring Services:

(a) Contracts which oblige the contractor to render services and the consumer to effect repeated payments and which have been concluded for an indefinite period or a period exceeding one year may be terminated by the consumer at the end of the first year, and after the first year at the end of every six months, by adhering to a two-month period of notice.

(b) If the total work is regarded as a service that cannot be divided on account of its character, the extent and price of which is determined already at the conclusion of the contract, the first date of termination may be postponed until the second year has expired. In case of such contracts the period of notice may be extended to a maximum of six months.

(c) If the execution of a certain contract indicated in lit. a) requires considerable expenses on the part of the contractor and if he/she informed the consumer about this no later than at the time the contract was concluded, reasonable dates of termination and periods of notice which deviate from lit. a) and b) and which fit the respective circumstances may be agreed.

(d) If the consumer terminates the contract without complying with the period of notice, the termination shall become effective at the next termination date which follows the expiry of the period of notice.