

TRUST FOR SOCIAL ACHIEVEMENT FOUNDATION
Annual financial statements
Independent auditors' report
31 December 2013

TRUST FOR SOCIAL ACHIEVEMENT FOUNDATION

ANNUAL FINANCIAL STATEMENTS
INDEPENDENT AUDITORS' REPORT

**TRUST FOR SOCIAL ACHIEVEMENT FOUNDATION
MANAGEMENT REPORT FOR 2013**

MANAGEMENT REPORT	1
STATEMENT OF ACTIVITY	4
STATEMENT OF FINANCIAL POSITION	5
STATEMENT OF CASH FLOWS	6
STATEMENT OF CHANGES IN NET ASSETS	7

NOTES TO THE FINANCIAL STATEMENTS

1. BACKGROUND INFORMATION ON THE FOUNDATION	8
2. SUMMARY OF THE SIGNIFICANT ACCOUNTING POLICIES OF THE FOUNDATION	9
4. FINANCING EXPENSES	20
5. MATERIALS AND CONSUMABLES USED	21
6. HIRED SERVICES EXPENSE	21
7. EMPLOYEE BENEFITS EXPENSE	22
8. OTHER EXPENSES	22
9. FINANCE INCOME, NET	22
10. PROPERTY, PLANT AND EQUIPMENT	23
11. INTANGIBLE ASSETS	24
12. RECEIVABLES AND PREPAYMENTS	24
13. CASH AND CASH EQUIVALENTS	25
14. FINANCING FOR NON-CURRENT ASSETS	25
15. TRADE PAYABLES	26
16. PAYABLES TO PERSONNEL AND FOR SOCIAL SECURITY	26
17. RELATED PARTY TRANSACTIONS	27
18. CONTINGENT ASSETS AND LIABILITIES	27
19. FINANCIAL RISK MANAGEMENT	28
20. EVENTS AFTER THE REPORTING PERIOD	31

TRUST FOR SOCIAL ACHIEVEMENT FOUNDATION

MANAGEMENT REPORT FOR 2013

MANAGEMENT REPORT

Overview

The Trust for Social Achievement Foundation (“TSA” or the “Foundation”) is a Bulgarian non-profit organisation, registered for public benefit. The activity of the Foundation is governed by the Non-profit Legal Entities Act and the acts and regulations related to it.

TSA was established in August, 2012 r. and is registered under Company File 524/2012 of Sofia City Court, BULSTAT 176356758. The Foundation was entered in the Central Registry of Non-profit Legal Entities designated for public benefit activities at the Ministry of Justice under № 20120831005. The seat and registered address of the Foundation is: Sofia, Sredets Region, 64 Patriarh Evtimii Blvd. and its website is: <http://socialachievement.org/>

The TSA tests and supports innovative, results-driven approaches that increase self-sufficiency and improve life outcomes for Bulgaria’s poor, with a focus on the Roma. To achieve this, we honor and help develop professionalism, collaboration, and integrity in our partners. Our aim is for Bulgaria’s disadvantaged to achieve educational and economic success and to thereby break the poverty cycle, so that all of society can develop and prosper.

According to the Articles of Association – Statute of the Foundation its objectives are:

- ✓ To provide support at the local level for initiatives that improve educational achievement for at-risk pupils, with an emphasis on ethnic minorities and youth from impoverished and marginalized communities;
- ✓ To provide support at the local level for initiatives that improve the economic self-sufficiency for at-risk persons, with an emphasis on ethnic minorities and youth from impoverished and marginalized communities;
- ✓ To improve capacity at the local level for accountability and administration of grants, as well as the capacity for impact evaluation and assessment of results.

To achieve its mission TSA raises funds from donor organizations and provides grants in three areas: „Family Economic Success“, „Early Childhood Development“ and „Educational Achievement“. Besides, TSA sets aside resources for improving the capacity of its partner organizations.

Governance

According to its Articles of Association – Statute, the Foundation has the following governance bodies – Founder, Board of Directors (“Board”) and Executive Director. Only individuals can be members of the Board. Board members are appointed and relieved by the Founder.

At December 31, 2013 the Board had four members. The members of the Board are not related to each other and do not receive any remuneration by TSA for their service on the Board

In 2013 none of the members of the Board has entered into any transactions with TSA.

Articles of Association – Statute has been adopted on July 19, 2012 and has not been changed or amended since that date. No changes to the Board have been made in 2013.

In 2013 the court registered a change in the Executive Director position of TSA and Sarah Perrine took over from Emilia Karadocheva.

MANAGEMENT REPORT (continued)

Activity Overview

TSA has been established in August, 2012 with funding provided by the America for Bulgaria Foundation („ABF“) with the intent to continue ABF’s activities in the social area. Across all of its program areas, ABF is supporting efforts to build and strengthen a vibrant market economy. To achieve this goal, Bulgaria’s disadvantaged poor must be included. There are extremely high levels of unemployment and very low levels of education among the disadvantaged. Roma comprise an estimated 10% of the population and make up a significant portion of the poor.

The funding provided by ABF is in the amount of BGN 18.5 million for the period October, 2012 to October, 2017. For the period 1 January 2013 to 31 December 2013 TSA received from ABF in the form of both unconditional financing a total of BGN 1.8million. For the same period TSA approved and signed 30 grant agreements for a total commitment of BGN 3.0 million, of which BGN 1.1 million were disbursed. (Detailed information on commitments and disbursements by program area is provided in Note 18 to the Annual Financial Statements).

In November 2013, the Foundation received a donation in the amount of BGN 37 thousand (USD 25 thousand) under the condition that the funds will be used for the Educational Achievement Program and children’s support.

In addition to grant-making, in 2013 management continued to strengthen the organization and its team. As of December 31, 2013 TSA had 12 full-time employees. A grant-management software system was successfully introduced. During the year two volunteers joined TSA’s advisory board – Ron Haskins,co-director of the Center on Children and Families at the Brookings Institution and Sue Lehmann, member of the Executive Committee of the Board of Teach for America.

As of December 31, 2013 current assets were BGN 255 thousand, of which cash and cash equivalents of BGN 244 thousand and other receivables and prepayments of BGN 11 thousand. Current liabilities amounted to BGN 63 thousand, of which BGN 4 thousand represented payables to personnel and social security.

The available cash and the expected disbursement of funds under the ABF grant are sufficient to support TSA’s liquidity.

At December 31, 2013 total assets amounted to BGN 947 thousand, and the result from non-profit activity for the period was BGN 15 thousand.

The Foundation does not own equity or other interests in other legal entities, does not have any related parties, does not belong to any economic group and has not entered into any related parties transactions for the period 1 January 2013 to 31 December 2013. During this period there were no unusual events that could have a material adverse impact on TSA’s activities, its financial condition and the results from its non-profit activity.

TSA has not received or provided any loans or loan guarantees. The Foundation has not used financial instruments and has no branches.

TSA’s policy for managing its financial resources is adequate and it has sufficient resources to meet its liabilities and to finance its activities.

**TRUST FOR SOCIAL ACHIEVEMENT FOUNDATION
MANAGEMENT REPORT FOR 2013**

MANAGEMENT REPORT (continued)

Important events after the end of the reporting period

Since the end of the reporting period the following event has occurred that could have a significant impact on the Foundation's financial condition and the results from its non-profit activity: In March 2014 ABF approved additional funding to the TSA in the amount of BGN 805 thousand for the project "Zone and Legalize Two Marginalized Neighbourhoods" with a duration of 42 months.

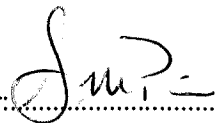
Expected Developments and Plans for 2014

In 2014 the Foundation intends to continue to grow its activities in providing grants in its three program areas: early childhood development, educational achievement, and family economic success. During the year TSA intends to launch a large scale project, together with the World Bank, that will increase affordability to kindergartens for approximately 6,000 economically disadvantaged children. The World Bank team will evaluate the project with the aim of extracting reliable information regarding its impact on kindergarten enrolment and regular attendance. TSA also intends to continue its work on improving the capacity at the local level for accountability and administration of grants, as well as the capacity for impact evaluation and assessment of results.

TSA does not plan for any material asset acquisitions in 2014.

April 7, 2014

Executive Director:



Sarah Perrine

Grant Thornton Ltd.
26, Cherni Vrah Blvd, 1421 Sofia
4, Paraskeva Nikolau Str., 9000 Varna

T (+3592) 987 28 79, (+35952) 69 55 44
F (+3592) 980 48 24, (+35952) 69 55 33
E office@gtbulgaria.com
W www.gtbulgaria.com

INDEPENDENT AUDITOR'S REPORT

**To the Founders of
Trust for Social Achievement Foundation
Sofia**

Report on the Financial Statements

We have audited the accompanying financial statements of **Trust for Social Achievement Foundation**, which comprise the statement of financial position as of 31 December 2013, and the statement of activity, statement of changes in net assets and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of **Trust for Social Achievement Foundation** as of 31 December 2013, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards, as adopted by EU and the Bulgarian legislation.

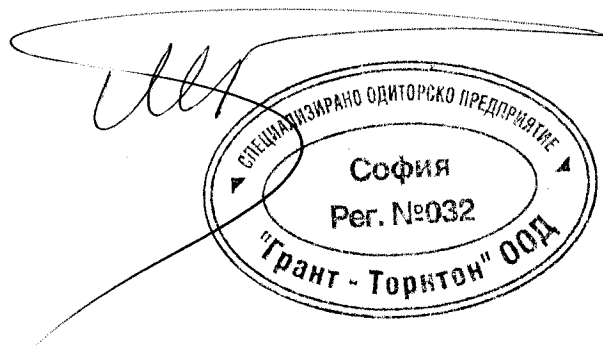
Report on Other Legal and Regulatory Requirements – Management's report for the year ended 31 December 2013

We have reviewed the management's report for the year ended 31 December 2013 of **Trust for Social Achievement Foundation**, which is not part of the financial statements. The historical financial information in the management's report complies in its main aspects with the financial information, presented in the financial statements for the year ended 31 December 2013, prepared in accordance with International Financial Reporting Standards, as adopted by EU and the national legislation. The preparation of the management's report is responsibility of the management.

Mariy Apostolov
Registered Auditor
Managing partner

Grant Thornton Ltd.
Auditing Company

15 April 2014
Bulgaria, Sofia



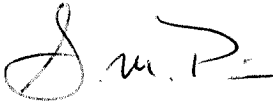
**TRUST FOR SOCIAL ACHIEVEMENT FOUNDATION
ANNUAL FINANCIAL STATEMENTS FOR 2013**


**STATEMENT OF ACTIVITY
for the year ended 31 December 2013**

	Notes	01.01.2013 - 31.12.2013 BGN '000	03.08.2012 - 31.12.2012 BGN '000
Income from financing	3	1,896	607
Financing expenses	4	(1,110)	(22)
Materials and consumables used	5	(60)	(18)
Hired services expense	6	(111)	(71)
Employee benefits expense	7	(464)	(68)
Depreciation and amortisation expense	10, 11	(74)	(4)
Other expenses	8	(68)	(6)
Income from non-profit activities		9	418
Finance income		7	2
Finance costs		(1)	-
Finance income , net	9	6	2
Result from non-profit activities for the year		15	420
TOTAL RESULT FOR THE YEAR		15	420

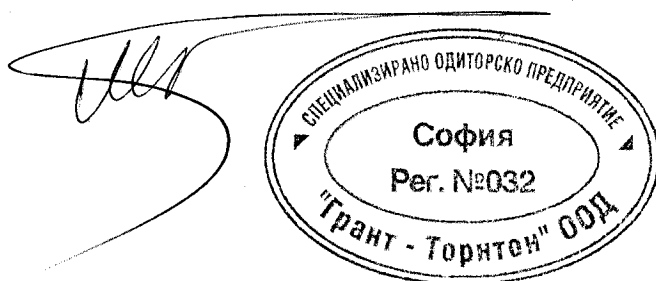
The accompanying notes on pages 8 to 31 form an integral part of these financial statements.

The financial statements on pages 1 to 31 were approved for issue by Board of Directors and signed on 7 April 2014

Executive Director: 
/ Sarah Marie Perrine /

Preparer: AFA OOD 

Signed in accordance with Independent Auditors' Report on 15 April 2014:



TRUST FOR SOCIAL ACHIEVEMENT FOUNDATION
ANNUAL FINANCIAL STATEMENTS FOR 2013

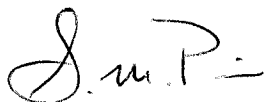
STATEMENT OF FINANCIAL POSITION
as at 31 December 2013

	Notes	31 December 2013 BGN '000	31 December 2012 BGN '000
ASSETS			
Non-current assets			
Property, plant and equipment	10	627	600
Intangible assets	11	65	42
		692	642
Current assets			
Other receivables and prepayments	12	11	15
Cash and cash equivalents	13	244	323
		255	338
TOTAL ASSETS		947	980
LIABILITIES			
Non-current liabilities			
Long-term financing for non-current assets	14	449	500
		449	500
Current liabilities			
Short-term financing for non-current assets	14	50	50
Trade payables	15	9	6
Payables to personnel and for social security	16	4	4
		63	60
TOTAL LIABILITIES		512	560
NET ASSETS OF THE FOUNDATION			
Result from non-profit activities from prior period		420	-
Result from non-profit activities for the year		15	420
		435	420

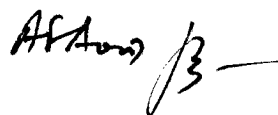
The accompanying notes on pages 8 to 31 form an integral part of these financial statements.

The financial statements on pages 1 to 31 were approved for issue by Board of Directors and signed on 7 April 2014.

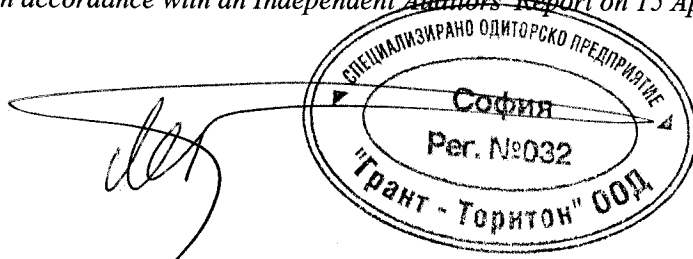
Executive Director:


 / Sarah Marie Perrine /

Preparer: AFA OOD



Signed in accordance with an Independent Auditors' Report on 15 April 2014:



TRUST FOR SOCIAL ACHIEVEMENT FOUNDATION
ANNUAL FINANCIAL STATEMENTS FOR 2013


STATEMENT OF CASH FLOWS
for the year ended 31 December 2013

	Notes	01.01.2013 - 31.12.2013 BGN '000	03.08.2012 - 31.12.2012 BGN '000
Cash flows from operating activities			
Contingent financing received		37	1
Unconditional financing received		1,808	550
Financing granted		(1,110)	(22)
Cash paid to suppliers		(207)	(104)
Cash paid to employees and for social security		(446)	(62)
Taxes paid		(42)	(5)
Bank charges paid		(1)	-
Foreign currency exchange gains/(losses), net		(1)	-
Other payments, net		(54)	(5)
Net cash flows (used in)/from operating activities		(16)	353
Cash flows from investing activities			
Purchases of property, plant and equipment		(25)	(31)
Purchases of intangible assets		(45)	(1)
Interest received		7	2
Net cash flows used in investing activities		(63)	(30)
Net (decrease)/increase in cash and cash equivalents		(79)	323
Cash and cash equivalents at 1 January		323	-
Cash and cash equivalents at 31 December	13	244	323

The accompanying notes on pages 8 to 31 form an integral part of these financial statements.

The financial statements on pages 1 to 31 were approved for issue by Board of Directors and signed on 7 April 2014.

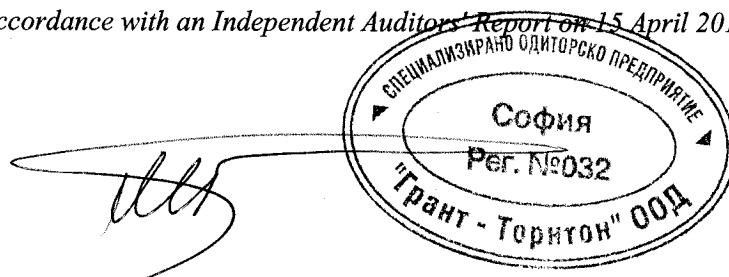
Executive Director:


 / Sarah Marie Perrine /

Preparer: AFA OOD



Signed in accordance with an Independent Auditors' Report on 15 April 2014:



TRUST FOR SOCIAL ACHIEVEMENT FOUNDATION
ANNUAL FINANCIAL STATEMENTS FOR 2013

STATEMENT OF CHANGES IN NET ASSETS
for the year ended 31 December 2013

	Operating result for the period	Total net assets
	BGN'000	BGN'000
Balance at 3 August 2012	-	-
Net result for the period	420	420
Balance at 31 December 2012	420	420
Net result for the year	15	15
Balance at 31 December 2013	435	435

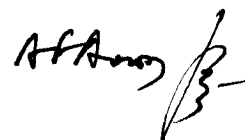
The accompanying notes on pages 8 to 31 form an integral part of these financial statements.

The financial statements on pages 1 to 31 were approved for issue by Board of Directors and signed on 7 April 2014

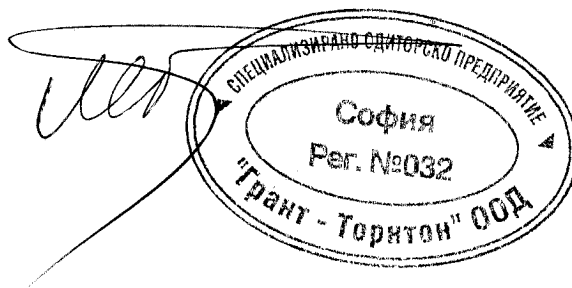
Executive Director:


 / Sarah Marie Perrine /

Preparer: AFA OOD



Signed in accordance with an Independent Auditors' Report on 15 April 2014:



1. BACKGROUND INFORMATION ON THE FOUNDATION

The Trust for Social Achievement Foundation is a non-profit organisation, registered by virtue of the Non-profit Legal Entities Act under Company File 524/2012 of Sofia City Court. The seat and registered address of the Foundation is: Sofia, Sredets Region, 64 Patriarh Evtimii Blvd.

The Foundation was entered in the Central Registry of Non-profit Legal Entities designated for public benefit activities at the Ministry of Justice.

1.1. Ownership and management

The Foundation is managed by a Board of Directors and an Executive Director. The members of the Board of Directors are as follows: Emilia Kostadinova Karadocheva, Sarah Marie Perrine, Lachezar Ivanov Bogdanov and Rosen Nikolaev Ivanov.

As at 31 December 2013, the Foundation was represented by the Executive Director Sarah Marie Perrine.

As at 31 December 2013, the total number of Foundation's personnel was 12 employees (31 December 2012: 8 employees).

1.2. Principal activities

The Trust for Social Achievement Foundation has been established for the purpose to perform non-profit activities, including charity and educational activities and initiatives in public interest and benefit.

The mission of the Foundation is focused on the achievement of the following objectives:

- ✓ to provide local level support of initiatives that improve the educational achievements of students at risk and more specifically, such from ethnic minorities and children from impoverished and marginal communities;
- ✓ to provide local level support of initiatives that improve the economic independence of persons at risk and more specifically, such from ethnic minorities and the young people from impoverished and marginal communities;
- ✓ to improve local capacity for financial accountability and management of financial aids as well as the skills for systematic monitoring, assessment and demonstration of achievements through performance indicators for envisaged activities and through specific results.

1.3. Main indicators of the economic environment

The main economic indicators of the business environment that have affected the Foundation activities throughout the period 2011 – 2013, are presented in the table below:

Indicator	2011	2012	2013
GDP in million levs	75,308	78,089	78,115*
Actual growth of GDP	1.80%	0.60%	0.9*
Year-end inflation	2.80%	4.20%	-1.60%
Average exchange rate of USD for the year	1.4065	1.5221	1.4736
Exchange rate of the USD at the year-end	1.5116	1.4836	1.4190
Unemployment rate at the year-end	10.40%	11.40%	11.80%
Basic interest rate at the year-end	0.22%	0.03%	0.02%

Source: NSI, BNB

*preliminary data for 2013

2. SUMMARY OF THE SIGNIFICANT ACCOUNTING POLICIES OF THE FOUNDATION

2.1. Basis for the preparation of the financial statements

The financial statements of Trust for Social Achievement Foundation have been prepared in accordance with the requirements of the International Financial Reporting Standards (IFRS), which comprise Financial Reporting Standards and the International Financial Reporting Interpretations Committee (IFRIC) interpretations, approved by the International Accounting Standards Board (IASB), as well as the International Accounting Standards (IAS) and the Standing Interpretations Committee (SIC) interpretations, approved by the International Accounting Standards Committee (IASC), which are effectively in force on 1 January 2013 and have been accepted by the Commission of the European Union.

Considering the specific status of the Foundation as a non-profit legal entity, certain IFRS principals, rules and methods have been modified to achieve a more fair and reliable presentation of the specific reporting items in the financial statements. The principles, rules and methods, which are of significance for the understanding of these financial statements, are disclosed in Notes 2.3 to 2.11.

TRUST FOR SOCIAL ACHIEVEMENT FOUNDATION
NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR 2013

For the current financial year the Foundation has adopted all new and/or revised standards and interpretations, issued by the International Accounting Standards Board (IASB) and respectively, by the International Financial Reporting Interpretations Committee (IFRIC), which are relevant to its activities.

The adoption of these standards and/or interpretations, effective for annual periods beginning on 1 January 2013, has not caused changes in Foundation's accounting policies, except for some new disclosures and the expansion of those already adopted, however, not resulting in other changes in the classification or valuation of individual reporting items and transactions.

These standards and interpretations include:

- IAS 1 (amended) "Presentation of Financial Statements" (in force for annual periods beginning on or after 1 July 2012 – endorsed by EC).
- IAS 12 (amended) "Income Taxes" (in force for annual periods beginning on or after 1 January 2013 – endorsed by EC).
- IAS 19 (as revised in 2011) "Employee Benefits" (in force for annual periods beginning on or after 1 January 2013 – endorsed by EC).
- IFRS 7 (amended) "Financial Instruments: Disclosures" – regarding the offsetting of financial assets and financial liabilities (in force for annual periods beginning on or after 1 January 2013 – endorsed by EC).
- IFRS 13 "Fair Value Measurement" (in force for annual periods beginning on or after 1 January 2013 – endorsed by EC).
- Annual Improvements to IFRSs 2009-2011 Cycle (May 2012) - improvements to IAS 1, 16, 32, 34, IFRS 1 (in force for annual period beginning on or after 1 January 2013 – endorsed by EC).
- IFRIC 20 "Stripping Costs in the Production Phase of a Surface Mine" (in force for annual periods beginning on or after 1 January 2013 – endorsed by EC).

At the date when these financial statements have been approved for issue, there are several new standards and interpretations as well as amended standards and interpretations, issued but not yet in force for annual periods beginning on or after 1 January 2013, which have not been adopted by the Foundation for early application. The management has done research and has concluded that these amendments would not affect materially the accounting policies, and the value and classification of Foundation's assets, liabilities, transactions and performance.

- IAS 27 (as revised in 2011) "Separate Financial Statements" (in force for annual periods beginning on or after 1 January 2013 – endorsed by EC – for mandatory application in the European Union for annual periods beginning on or after 1 January 2014).
- IAS 28 (as revised in 2011) "Investments in Associates and Joint Ventures" (in force for annual periods beginning on or after 1 January 2013 – endorsed by EC – for mandatory application in the European Union for annual periods beginning on or after 1 January 2014).
- IAS 32 (amended) "Financial Instruments: Presentation" (in force for annual periods beginning on or after 1 January 2014 – endorsed by EC) – regarding the offsetting of financial assets and financial liabilities.
- IFRS 7 (amended) "Financial Instruments: Disclosures" – regarding the relief from the requirement to restate comparatives and the related thereto disclosures when applying IFRS 9 (effective date – deferred to 1 January 2015 – not endorsed by EC).
- IFRS 9 "Financial Instruments" (effective date – deferred to 1 January 2015 – not endorsed by EC).
- IFRS 10 "Consolidated Financial Statements" (in force for annual periods beginning on or after 1 January 2013 – endorsed by EC – for mandatory application in the European Union for annual periods beginning on or after 1 January 2014); Transitional guidance (in force for annual periods beginning on or after 1 January 2013 – endorsed by EC) – regarding the first-time application of this standard.
- IFRS 11 "Joint Arrangements" (in force for annual periods beginning on or after 1 January 2013 – endorsed by EC – for mandatory application in the European Union for annual periods beginning on or after 1 January 2014). Transitional guidance (in force for annual periods beginning on or after 1 January 2013 – endorsed by EC) – regarding the first-time application of this standard.
- IFRS 12 "Disclosing of Interest in Other Entities" (in force for annual periods beginning on or after 1 January 2013 – endorsed by EC – for mandatory application in the European Union for annual periods beginning on or after 1 January 2014). Transitional guidance (in force for annual periods beginning on or after 1 January 2013 – endorsed by EC) – regarding the first-time application of this standard.
- IAS 36 (amended) "Impairment of Assets" (in force for annual periods beginning on or after 1 January 2014 – endorsed by EC) – regarding recoverable amount disclosures for non-financial assets.

- IAS 39 (amended) "Financial Instruments: Recognition and Measurement" (in force for annual periods beginning on or after 1 January 2014 – endorsed by EC) – regarding novation of derivatives and continuation of hedge accounting;
- IFRIC 21 "Levies" (in force for annual periods beginning on or after 1 January 2014 – not endorsed by EC) – regarding levies imposed by a government;
- IAS 19 (as revised in 2011) "Employee Benefits" (in force for annual periods beginning on or after 1 July 2014 – not endorsed by EC).
- Annual Improvements to IFRSs 2010-2012 Cycle (December 2013) – improvements to IFRS 2, IFRS 3, IFRS 8, IFRS 13, IAS 16, IAS 24, IAS 38 (in force for annual periods beginning on or after 1 July 2014 – not endorsed by EC).
- Annual Improvements to IFRSs 2011-2013 Cycle (December 2013) – improvements to IFRS 1, IFRS 3, IFRS 13, IAS 40 (in force for annual periods beginning on or after 1 July 2014 – not endorsed by EC).

The financial statements have been prepared on a historical cost basis.

The Foundation maintains its accounting books in Bulgarian Lev (BGN), which is accepted as being its presentation currency. The data in the financial statements and the notes thereto are presented in thousand Bulgarian Levs (BGN'000).

The presentation of the financial statements requires the management to make best estimates, accruals and reasonable assumptions that affect the reported values of assets and liabilities, of income and expenses, and the disclosure of contingent receivables and payables as at the date of the financial statements. These estimates, accruals and assumptions are based on the information, which is available at the date of the financial statements, and therefore, the future actual results might be different from them (whereas in the conditions of financial crisis the uncertainties are more significant).

2.2. Comparatives

The Foundation was registered on 3 August 2012 and therefore, the financial statements do not include comparative information.

2.3. Functional currency and recognition of exchange differences

The functional and presentation currency of the Foundation is the Bulgarian Lev. BGN is fixed under the BNB Act to the official currency of the European Union, the Euro, at the ratio of BGN 1.95583:EUR 1.

Upon its initial recognition, a foreign currency transaction is recorded in the functional currency whereas the exchange rate to BGN at the date of the transaction or operation is applied to the foreign currency amount. Cash and cash equivalents, receivables and payables denominated in foreign currency are recorded in the functional currency by applying the exchange rate as quoted by the Bulgarian National Bank (BNB) for the last working day of the respective month. At 31 December, these amounts are presented in BGN at the closing exchange rate of BNB.

The non-monetary items in the statement of financial position, which are initially denominated in a foreign currency, are accounted for in the functional currency by applying the historical exchange rate at the date of the transaction and are not subsequently revalued at the closing exchange rate.

Foreign exchange gains or losses arising on the settlement of foreign currency transactions or the recording of foreign currency transaction at rates different from those at which they were converted on initial recognition, are treated as current operating income/expenses and are presented net.

2.4. Income

The income of Trust for Social Alternative Foundation is from received financing – either contingent or unconditional.

The income from contingent financing requires the execution of certain obligations. It is recognised on a systematic basis in the periods in which the Foundation recognises as expense the respective costs that the gratuitous funds are intended to compensate so that the preliminary set condition is satisfied.

Income from financing, contingent on conditions for acquisition of non-current assets, is recognised up to the amount of depreciation expenses charged on the assets acquired through gratuitous funds in the period.

The gratuitous funds, related with the non-depreciable asset of the Foundation "Land in a built-up yard", are recognised over the useful life of the acquired building.

Income from unconditional financing is recognised when originated.

Finance income is included in the statement of activity when earned and comprises: interest income from bank deposits.

2.5. Expenses

Expenses of the Foundation are recognised as they are incurred, following the accrual and matching concepts.

The Foundation spends its financial resources in line with a budget, approved by the Board of Directors, which covers all operating expenses and the overall plan for financing of the authorised number and

amount of grants in each of the project areas related with the fulfilment of its mission as a non-profit organisation for performing activities in public benefit.

Deferred expenses are put off and recognised as current expenses in the period whereto they refer.

2.6. Property, plant and equipment

Property, plant and equipment (tangible fixed assets) are presented in the financial statements at historical cost less the accumulated depreciation and any impairment losses in value.

Initial acquisition

Upon their initial acquisition, machinery and equipment are valued at acquisition cost (cost), which comprises the purchase price, including customs duties and any directly attributable costs of bringing the asset to working condition for its intended use. The directly attributable costs include the cost of site preparation, initial delivery and handling costs, installation costs, professional fees for people involved in the project, non-refundable taxes etc.

The Foundation has set a value threshold of BGN 700, below which the acquired assets, regardless of having the features of fixed assets, are treated as current expense at the moment of their acquisition.

Subsequent measurement

The chosen by the Foundation approach for subsequent measurement of property, plant and equipment, is the historical cost (cost) model, less any accumulated depreciation and any accumulated impairment losses in value.

Subsequent costs

Repair and maintenance costs are recognised as current expenses as incurred. Subsequent expenses incurred in relation to machinery and equipment having the nature of replacement of certain components, significant parts and aggregates or improvements and restructuring, are capitalised in the carrying amount of the respective asset whereas the residual useful life is reviewed at the capitalisation date. At the same time, the non-depreciated part of the replaced components is derecognised from the carrying amount of the assets and is recognised in the current expenses for the period of restructure.

Depreciation methods

The Foundation applies the straight-line depreciation method for machinery and equipment. Depreciation of an asset begins when it is available for use. The useful life of the groups of assets is

dependent on their physical wear and tear, the characteristic features of the equipment, the future intentions for use and the expected obsolescence.

The useful life per group of assets is as follows:

- buildings – 25 years;
- computer hardware – 2 years;
- office equipment – 6.7 years;
- motor vehicles – 4 years;
- office furniture – 6.7 years.

The useful life, set for any tangible fixed asset, is reviewed at the end of each reporting period and in case of any material deviation from the future expectations of their period of use, the latter is adjusted prospectively.

Impairment of assets

The carrying amounts of machinery and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying amount might significantly differ from their recoverable amount. If any indications exist that the estimated recoverable amount of an asset is lower than its carrying amount, the latter is adjusted to the recoverable amount of the asset. The recoverable amount of machinery and equipment is the higher of the fair value less costs to sell or the value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market conditions and assessments of the time value of money and the risks, specific to the particular asset. Impairment losses are recognised in the statement of activity.

Gains and losses on disposal (sale)

Tangible fixed assets are derecognised from the statement of financial position when they are permanently disposed of and no future economic benefits are expected therefrom or on sale. The gains or losses arising from the sale of an item of property, plant and equipment are determined as the difference between the consideration received and the carrying amount of the asset at the date of sale. They are stated net under 'other operating income/(losses)' on the face of the statement of activity.

2.7. Intangible assets

Intangible assets are stated in the financial statements at acquisition cost (cost) less accumulated amortisation and any impairment losses in value. Cost is the fair value of the respective asset as at the date of acquisition and includes purchase price and any other directly attributable transaction costs. They include software and licences used by the Foundation.

The Foundation applies the straight-line amortisation method for the intangible assets with determined useful life of 2 years.

The carrying amount of the intangible assets is subject to review for impairment when events or changes in the circumstances indicate that the carrying amount might exceed their recoverable amount. Then the impairment loss is included as an expense in the statement of activity.

Intangible assets are derecognised from the statement of financial position when they are permanently disposed of and no future economic benefits are expected from their use or on sale. The gains or losses arising from the sale of an item of intangible assets are determined as the difference between the consideration received and the carrying amount of the asset at the date of sale. They are stated net under 'other operating income/(losses)' on the face of the statement of activity.

2.8. Cash and cash equivalents

Cash and cash equivalents include current bank accounts.

For the purpose of the statement of cash flows, cash paid to suppliers is presented at gross amount, including value added tax (20%).

2.9. Trade and other payables

Payables to suppliers and other current amounts payable are carried at original invoice amount (cost), being the fair value of the consideration to be paid in the future for goods and services received. In case of payments deferred over a period exceeding the common credit terms, where no additional interest payment has been envisaged or the interest considerably differs from the common market interest rates, the payables are initially valued at their fair value and subsequently – at amortised cost, after deducting the interest incorporated in their nominal value and determined following the effective interest rate method (Note 2.11).

2.10. Pensions and other payables to personnel under the social security and labour legislation

The employment and social security relations with the workers and employees of Foundation are based on the provisions of the Labour Code and the effective social security legislation in Bulgaria.

Short-term benefits

Short-term benefits in the form of remuneration, bonuses and social payments and benefits (due for payment within 12 months after the end of the period when the employees have rendered the service or have satisfied the required terms) are recognised as an expense in the statement of comprehensive income (within profit or loss for the year) for the period when the service thereon has been rendered and/or the requirements for their receipt have been met, unless a particular IFRS requires capitalisation thereof to the cost of an asset, and as a current liability (less any amounts already paid and deductions due) at their undiscounted amount.

At the end of the reporting period, the Foundation measures the estimated costs on the accumulating compensated absences, which amount is expected to be paid as a result of the unused entitlement. The measurement includes the estimated amounts of employee's remuneration and the statutory social security and health insurance contributions due by the employer thereon.

Long-term retirement benefits

Defined contribution plans

The major duty of the Foundation as an employer in Bulgaria is to make the mandatory social security contributions for the hired employees to the Pensions Fund, the Supplementary Mandatory Pension Security (SMPS) Fund, to the General Diseases and Maternity (GDM) Fund, the Unemployment Fund, the Labour Accident and Professional Diseases (LAPD) Fund, the Guaranteed Receivables of Workers and Employees (GRWE) Fund and for health insurance. The rates of the social security and health insurance contributions are defined annually in the Law on the Budget of State Social Security and the Law on the Budget of National Health Insurance Fund for the respective year. The contributions are split between the employer and employee in line with rules of the Social Security Code (SSC) at the ratio 60:40 (2012: 60:40).

The pension plans, applied by the Foundation in its capacity as an employer, are defined contribution plans. Under these plans, the employer pays defined monthly contributions to the government funds as follows: Pensions Fund, GDM Fund, Unemployment Fund, LAPD Fund as well as to universal and professional pension funds – on the basis of rates fixed by law, and has no legal or constructive obligation to pay further contributions if the funds do not hold sufficient assets to pay the respective individuals the benefits they have worked-out over the period of their service. The obligations referring to health insurance are analogous.

There is no established and functioning private voluntary social security fund at the Foundation.

The contributions, payable by the Foundation under defined contribution plans for social security and health insurance, are recognised as a current expense in the statement of comprehensive income (within profit or loss for the year) unless a particular IFRS requires this amount to be capitalised to the cost of an asset, and as a current liability at their undiscounted amount along with the accrual of the respective employee benefits to which the contributions refer and in the period of rendering the underlying service.

Defined benefit plans

In accordance with the Labour Code, the Foundation in its capacity as an employer in Bulgaria is obliged to pay to its personnel upon retirement an indemnity, which depending on the length of service at the entity varies between two and six gross monthly salaries as at the termination date of the employment. In their nature these are unfunded defined benefit schemes.

As at 31 December 2013 the Foundation has not calculated retirement liability due to the low average age of the employees.

Termination benefits

In accordance with the local provisions of the employment and social security regulations in Bulgaria, the Foundation as an employer is obliged, upon termination of the employment contracts prior to retirement, to pay certain types of indemnities.

The Foundation recognises employee benefit obligations on employment termination before the normal retirement date when it is demonstrably committed, based on a publicly announced plan, including for restructuring, to terminating the employment contract with the respective individuals without possibility of withdrawal or in case of formal issuance of documents for voluntary redundancy. Termination benefits due more than 12 months are discounted and presented in the statement of financial position at their present value.

2.11. Financial Instruments

Financial assets

The financial assets of the Foundation include other receivables from counterparts and third parties, cash and cash equivalents. They are measured in the statement of financial position at their amortised cost using the effective interest method less any allowance for impairment. These assets are included in the group of current assets when having maturity within 12 months or within a common operating cycle of the Foundation while the remaining ones are carried as non-current assets.

At the end of each reporting period, the Foundation assesses whether events and circumstances have occurred that indicate the existence of objective evidence necessitating receivables to be impaired.

Financial liabilities

The financial liabilities of the Foundation include payables to suppliers and other counterparts. They are initially recognised on the statement of financial position at fair value net of the directly attributable transaction costs and are subsequently measured at amortised cost using the effective interest method except when they are past due, re-negotiated and under the condition for pre-term payment.

2.12. Estimation uncertainty

When preparing the financial statements management undertakes a number of judgments, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses.

The actual results may differ from the judgments, estimates and assumptions made by management, and will seldom equal the estimated results.

Information about significant judgments, estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses are discussed below.

Useful lives of depreciable assets

Management reviews the useful lives of depreciable assets at each reporting date.

At 31 December 2013 management assesses that the useful lives represent the expected utility of the assets to the Foundation. The carrying amounts are analyzed in 10 and 11.

3. INCOME FROM FINANCING

The income of Trust for Social Achievement Foundation is result of gratuitous financing that can be summarised as follows:

	01.01.13 – 31.12.2013	03.08.12 – 31.12.2012
	BGN '000	BGN '000
Income from contingent financing, including:	88	4
<i>* financing for acquisition of non-current assets up to the amount of depreciation charge (Notes 10 and 11)</i>	51	4
<i>*donation for program " Educational opportunities and achievements" and support for children</i>	37	-
Income from unconditional financing, including:	1,808	603
<i>* financing the performance of regulated activities</i>	1,808	550
<i>* financing in kind for performed services</i>	-	52
<i>* donation for establishment of the Foundation</i>	-	1
Total	<u>1,896</u>	<u>607</u>

4. FINANCING EXPENSES

For the purpose of attaining its objectives, the Trust for Social Achievement Foundation is entitled to co-finance and support with resources activities, initiatives and projects by awarding financing (grants). Only physical persons or legal representatives of juridical persons, which are non-profit associations, public institutions registered as juridical persons or trade entities performing non-profit activities, have the right to apply for and obtain project funding from the Foundation.

In 2013 the Foundation approved and concluded 30 grant contracts whereas the expenses on the awarding of this grant amounted to BGN 1,110 thousand (2012: BGN 22 thousand) (Note 18).

TRUST FOR SOCIAL ACHIEVEMENT FOUNDATION
NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR 2013

5. MATERIALS AND CONSUMABLES USED

	<i>01.01.13 – 31.12.2013</i>	<i>03.08.12 – 31.12.2012</i>
	<i>BGN '000</i>	<i>BGN '000</i>
Non-current assets below value threshold	24	13
Office materials and consumables	21	1
Fuels and lubricating materials	10	2
Advertising materials	4	-
Spare parts and accessories for motor vehicles	1	2
Total	60	18

6. HIRED SERVICES EXPENSE

	<i>01.01.2013 – 31.12.2013</i>	<i>03.08.12 – 31.12.2012</i>
	<i>BGN '000</i>	<i>BGN '000</i>
Civil contracts	20	3
Telephone, internet	14	-
Legal services	11	13
Accounting and payroll services	10	4
IT services	10	2
Insurance	9	1
Repair and maintenance office	8	-
Consultation services	8	-
Training	4	6
Audit services	4	1
Courier and postal services	3	1
Repair and maintenance of motor vehicles	2	1
Transportation services	2	-
Subscriptions	2	-
Marketing research	-	35
Other	4	4
Total	111	71

TRUST FOR SOCIAL ACHIEVEMENT FOUNDATION
NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR 2013

7. EMPLOYEE BENEFITS EXPENSE

	<i>01.01.13 – 31.12.2013</i>	<i>03.08.12 – 31.12.2012</i>
	<i>BGN '000</i>	<i>BGN '000</i>
Current wages and salaries	420	59
Social security contributions	44	6
Accruals for unused paid leaves	-	3
Total	464	68

8. OTHER EXPENSES

	<i>01.01.2013 – 31.12.2013</i>	<i>03.08.2012 – 31.12.2012</i>
Business trips	23	3
Entertainment costs	18	1
Donations	17	2
Local taxes and fees	5	-
Conference	2	-
Other	3	-
Total	68	6

9. FINANCE INCOME, NET

In 2013 the Foundation earned finance income from interest on deposits at the amount of BGN 7 thousand (2012: BGN 2 thousand) and finance costs from exchange rate differences amount of BGN 1 thousand (2012: BGN 0 thousand).

TRUST FOR SOCIAL ACHIEVEMENT FOUNDATION
NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR 2013

10. PROPERTY, PLANT AND EQUIPMENT

	<i>Land</i>		<i>Office</i>		<i>Computer hardware</i>		<i>Motor vehicles</i>		<i>Office equipment and furniture</i>		<i>Construction of assets in progress</i>		<i>Total</i>	
	<i>2013</i>	<i>2012</i>	<i>2013</i>	<i>2012</i>	<i>2013</i>	<i>2012</i>	<i>2013</i>	<i>2012</i>	<i>2013</i>	<i>2012</i>	<i>2013</i>	<i>2012</i>	<i>2013</i>	<i>2012</i>
	<i>BGN</i>	<i>BGN</i>	<i>BGN</i>	<i>BGN</i>	<i>BGN</i>	<i>BGN</i>	<i>BGN</i>	<i>BGN</i>	<i>BGN</i>	<i>BGN</i>	<i>BGN</i>	<i>BGN</i>	<i>BGN</i>	<i>BGN</i>
	<i>'000</i>	<i>'000</i>	<i>'000</i>	<i>'000</i>	<i>'000</i>	<i>'000</i>	<i>'000</i>	<i>'000</i>	<i>'000</i>	<i>'000</i>	<i>'000</i>	<i>'000</i>	<i>'000</i>	<i>'000</i>
Book value														
Balance at 1 January	7	-	458	-	21	-	47	-	9	-	61	-	603	-
Additions	-	7	112	458	9	21	-	47	21	9	-	61	142	603
Disposals	-	-	-	-	(2)	-	-	-	-	-	(61)	-	(63)	-
Balance at 31 December	7	7	570	458	28	21	47	47	30	9	-	61	682	603
Accumulated depreciation														
Balance at 1 January	-	-	3	-	-	-	-	-	-	-	-	-	3	-
Accumulated depreciation	-	-	22	3	14	-	12	-	4	-	-	-	52	3
Depreciation written-off	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance at 31 December	-	-	25	3	14	-	12	-	4	-	-	-	55	3
Carrying amount at 31 December	7	7	545	455	14	21	35	47	26	9	-	61	627	600

The land, two-level office and the car were acquired through gratuitous selective financing obtained on the basis of a grant contract with America for Bulgaria Foundation.

11. INTANGIBLE ASSETS

	<i>Software</i>		<i>Licences</i>		<i>Construction of assets in progress</i>		<i>Total</i>	
	<i>2013</i>	<i>2012</i>	<i>2013</i>	<i>2012</i>	<i>2013</i>	<i>2012</i>	<i>2013</i>	<i>2012</i>
	<i>BGN '000</i>	<i>BGN '000</i>	<i>BGN '000</i>	<i>BGN '000</i>	<i>BGN '000</i>	<i>BGN '000</i>	<i>BGN '000</i>	<i>BGN '000</i>
Book value								
Balance at 1 January	1	-	42	-	-	-	43	-
Additions	4	1	-	42	41	-	45	43
Balance at 31 December	5	1	42	42	41	-	88	43
Accumulated depreciation								
Balance at 1 January	-	-	1	-	-	-	1	-
Accumulated depreciation	1	-	21	1	-	-	22	1
Balance at 31 December	1	-	22	1	-	-	23	1
Carrying amount at 31 December	4	1	20	41	41	-	65	42

The licences were acquired through gratuitous selective financing obtained under contracts for donation with Microsoft.

As at 31 December 2013 the Foundation had formed cost for assets in progress for implementation of management grants software amounting to BGN 41 thousand.

12. RECEIVABLES AND PREPAYMENTS

	<i>31.12.2013</i>	<i>31.12.2012</i>
	<i>BGN '000</i>	<i>BGN '000</i>
Prepaid deferred expenses	10	7
Receivables from accountable persons	1	1
Receivables from advances to suppliers	-	7
Total	11	15

Prepaid deferred expenses include insurance and subscriptions.

13. CASH AND CASH EQUIVALENTS

	31.12.2013	31.12.2012
	BGN '000	BGN '000
Cash at a current bank account in BGN	208	11
Cash at deposit accounts	36	312
Total	244	323

The cash existing as at 31 December are at current accounts of the Foundation with the Bulgarian-American Credit Bank (BACB).

The deposits of the Foundation as at 31 December 2013 include deposit in USD placed at deposit account with BACB agreed for 1-month term at annual interest rate of 1.3% (31.12.2012: one demand deposit with annual interest rate of 2% and two deposits agreed for 1-month term at annual interest rate of 3%).

14. FINANCING FOR NON-CURRENT ASSETS

The financing for non-current assets are recognised as current income for financing up to the amount of the depreciation charge for the period (Notes 10, 11).

As at 31 December 2013, the financing of the Foundation for non-current assets represents a selective funding for the acquisition of:

	31.12.2013	31.12.2012
	BGN '000	BGN '000
Up to one year	50	50
<i>Two-level office</i>	18	18
<i>Motor vehicle (car)</i>	12	12
<i>Licences</i>	20	20
Over one year	449	500
<i>Two-level office</i>	419	437
<i>Motor vehicle (car)</i>	23	35
<i>Licences</i>	-	21
<i>Land</i>	7	7
Total	499	550

TRUST FOR SOCIAL ACHIEVEMENT FOUNDATION
NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR 2013

Financing for non-current assets of the Foundation for the next 12 months are presented in the statement of financial position as current portion of financing for non-current assets.

15. TRADE PAYABLES

The trade payables amounting to BGN 6 thousand are composed of accruals for:

	31.12.2013	31.12.2012
	BGN'000	BGN'000
Audit services	4	1
Accounting services	3	3
Office consumables	1	1
Trade payables on invoices for office consumables	1	1
Total	<u><u>9</u></u>	<u><u>6</u></u>

The trade payables are denominated in BGN and settled in the beginning of the following reporting period.

16. PAYABLES TO PERSONNEL AND FOR SOCIAL SECURITY

Payables to personnel and for social security at 31 December include:

	31.12.2013	31.12.2012
	BGN '000	BGN '000
Accruals for payments on unused paid leaves	3	3
Accruals for social security contributions on unused paid leaves	1	1
Total	<u><u>4</u></u>	<u><u>4</u></u>

17. RELATED PARTY TRANSACTIONS

In 2013 the Foundation has not executed deals with related parties.

18. CONTINGENT ASSETS AND LIABILITIES

As at 31 December 2013 the Foundation had contingent receivables resulting from the terms and conditions of the grant contract concluded with America for Bulgaria Foundation and were as follows:

Contract term:	5 years
Purpose:	Financing of the <i>Trust for Social Achievement</i> project
Maturity:	1 September 2017

	31.12.2013	31.12.2012
	BGN'000	BGN'000
Contingent receivables at 1 January	17,390	-
Total grant amount, including:	18,504	18,504
➤ drawn <i>unconditional</i> amount for regulated activities and performed services (Note 3)	1,808	602
➤ <i>contingent</i> financing for the acquisition of non-current assets	-	512
including unused amount (Note 14)	-	509
including currently drawn amounts up to the amount of the depreciation charge for the period (Note 10)	-	3
Contingent receivables at 31 December	15,582	17,390

TRUST FOR SOCIAL ACHIEVEMENT FOUNDATION
NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR 2013

As at 31 December 2013 the Foundation had also contingent payables resulting from the terms and conditions of the grants awarded by the Foundation in three areas or programs that work:

- 1) "Educational Achievement Program";
- 2) "Early Childhood Development Program";
- 3) "Family Economic Success Program".

	<i>Educational Achievement Program</i>		<i>Early Childhood Development Program</i>		<i>Family Economic Success Program</i>		<i>Total</i>	
	<i>2013</i>	<i>2012</i>	<i>2013</i>	<i>2012</i>	<i>2013</i>	<i>2012</i>	<i>2013</i>	<i>2012</i>
	<i>BGN'000</i>		<i>BGN'000</i>		<i>BGN'000</i>		<i>BGN'000</i>	
Total grant amount, including	1,811	-	287	-	975	74	3,073	74
Contingent liabilities at 1 January	-	-	-	-	52	-	52	-
Disbursed <i>unconditional</i> financing (Note 4)	670	-	156	-	284	22	1,110	22
Contingent liabilities at 31 December	1,141	-	131	-	691	52	1 963	52

19. FINANCIAL RISK MANAGEMENT

In the course of its ordinary activities the Trust for Social Achievement Foundation can be exposed to a variety of financial risks the most important of which are currency risk, price risk, credit risk, liquidity risk and interest risk.

The *structure of Foundation's financial assets and liabilities* as at 31 December 2013 is presented below by category. It includes all financial assets in one group 'loans and receivables' and all financial liabilities in one group 'other financial liabilities'.

31 December 2013

	<i>Loans and receivables</i>
	BGN'000
Financial assets	
Cash and cash equivalents	244
Total	<u>244</u>

TRUST FOR SOCIAL ACHIEVEMENT FOUNDATION
NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR 2013

	<i>Other financial liabilities</i>
	BGN'000
Financial liabilities	
Payables to suppliers	9
Total	<u>9</u>

	BGN'000
Financial assets	
Cash and cash equivalents	323
Total	<u>323</u>

	<i>Other financial liabilities</i>
	BGN'000
Financial liabilities	
Payables to suppliers	6
Total	<u>6</u>

Currency risk

The Foundation is not exposed to currency risk since its transactions are performed in BGN.

Price risk

The Foundation is not exposed to price risk, performing only non-profit activities.

Credit risk

The Foundation is not exposed to credit risk, performing only non-profit activities.

Cash transactions are limited to several reputable banks with liquid stability.

Liquidity risk

Liquidity risk is the adverse situation when the Foundation encounters difficulty in meeting unconditionally its obligations within their maturity.

The table below presents the financial non-derivative assets and liabilities of the Foundation, grouped by remaining term to maturity, determined against the contractual maturity at the date of the statement of financial position. The table is prepared on the basis of undiscounted cash flows and the earliest date on which the receivable and respectively, the payable becomes due for payment.

TRUST FOR SOCIAL ACHIEVEMENT FOUNDATION
NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR 2013

Maturity analysis

31 December 2013	At sight and up to 1 month	Total
	BGN'000	BGN'000
Financial assets		
Cash and cash equivalents	244	244
Total	244	244
Financial liabilities		
Payables to suppliers	9	9
Total	9	9

31 December 2012	At sight and up to 1 month	Total
	BGN'000	BGN'000
Financial assets		
Cash and cash equivalents	323	323
Total	323	323
Financial liabilities		
Payables to suppliers	6	6
Total	6	6

Risk of interest-bearing cash flows

The Foundation does not have a significant portion of interest-bearing assets except for cash.

In general, the Foundation is not exposed to interest risk of its liabilities because they are usually trade ones.

Interest analysis

31 December 2013	<i>With fixed interest % BGN'000</i>	<i>Interest- free BGN'000</i>	<i>Total BGN'000</i>
Financial assets			
Cash and cash equivalents	36	208	244
Total	36	208	244
Financial liabilities			
Payables to suppliers	-	9	9
Total	-	9	9

TRUST FOR SOCIAL ACHIEVEMENT FOUNDATION
NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR 2013

31 December 2012	<i>With fixed interest % BGN'000</i>	<i>Interest- free BGN'000</i>	<i>Total BGN'000</i>
Financial assets			
Cash and cash equivalents	312	11	323
Total	312	11	323
Financial liabilities			
Payables to suppliers	-	6	6
Total	-	6	6

20. EVENTS AFTER THE REPORTING PERIOD

There is a significant event occurred after the reporting date which is essential for the Foundation's financial condition and the results from its non-profit activity .

In March 2014 America for Bulgaria Foundation approved additional funding to the Foundation in the amount of BGN 805 thousand for the project "Zone and Legalize Two Marginalized Neighbourhoods" with a duration of 42 months.