

Smart Technology  
Smart Company  
Smart People

New Format  
of the Annual  
Report.

Working for Baker Tilly is an  
Investment in Yourself.

# Baker Tilly People

Springboard

for a Professional Career

ANNUAL  
REPORT 2016

OUR PEOPLE  
EVERYWHERE:  
THE SUCCESS  
STORIES OF OUR  
ALUMNI!

18 Years of  
Drive

SECRETS OF THE BEST  
COMPANY FOR A CAREER

EDUCATION, OPPORTUNITIES, TEAM & SUCCESS

PLUS! THE REAL SUCCESS STORIES OF BAKER TILLY'S  
CUSTOMERS AND EMPLOYEES



BAKER TILLY

NEW  
**EXCLUSIVE  
COLLECTION**  
BY ALYONA SKICHKO



*Feel the luxury of accounting  
outsourcing*



**OUTSOURCING**  
KYIV

BOOKKEEPING • PERSONNEL ACCOUNTING • PAYROLL MNGT

# Net profit



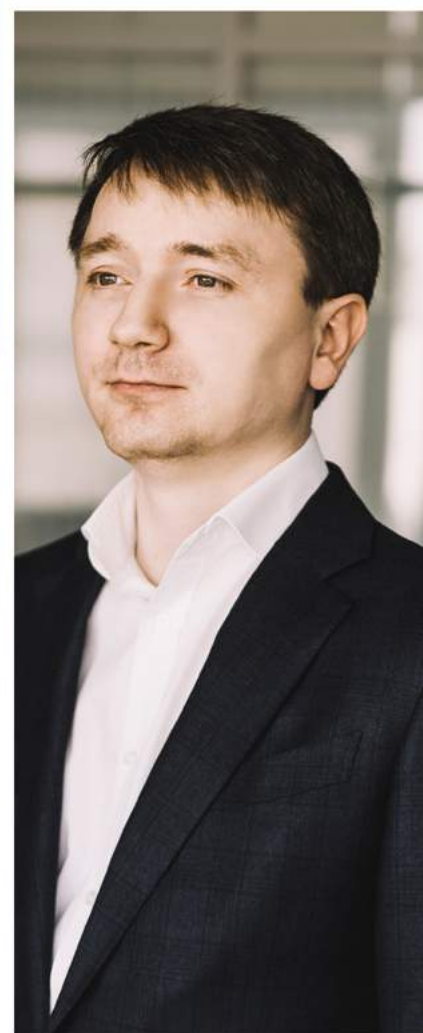
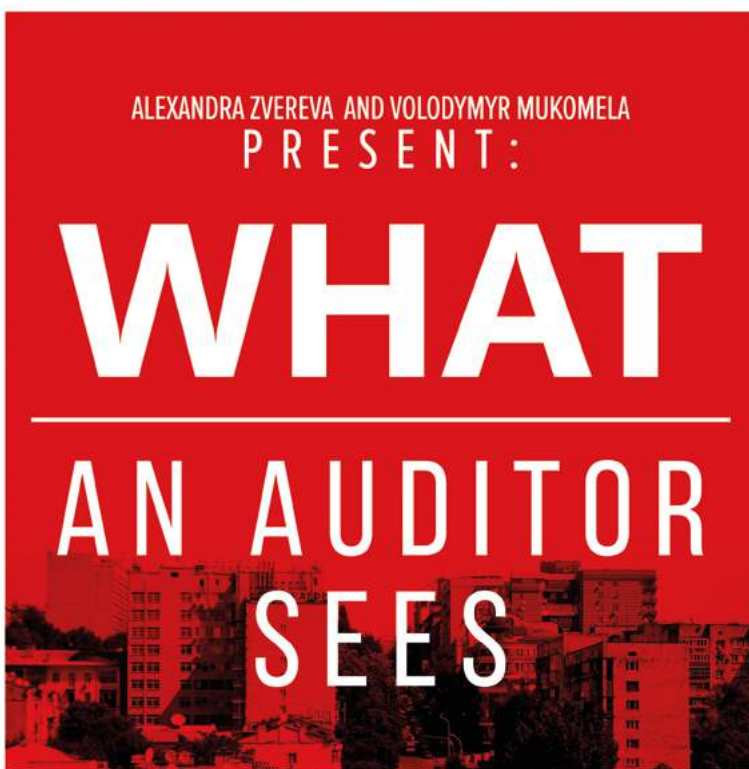
**Agro  
Consulting**

Fresh and Consumption Strategies  
Modern Management Technologies  
Without an Unnecessary Hassle for  
the Investor  
No Sugar and Fantasies

**Power of  
Nutritious  
Strategies**



bakertilly.ua



**18th Season!**

CLASSICS OF THE GENRE  
FAVORITE CHARACTERS

AUDIT / FINANCIAL OVERVIEW / INTERNAL AUDIT / FINANCIAL REPORTING

**1+1**

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The opinion of the editorial staff may not coincide solely on the issues of summer holidays. On other issues — we appreciate the opinion of each member of the team.

**Made with 100% corporate  
values of Baker Tilly:**  
Efficiency,  
Team,  
Professionalism,  
Development

**Advertising Department**  
TopLead  
toplead.com.ua

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# BAKER TILLY PEOPLE CONTENT

## ANNUAL REPORT 2016

**18** Smart company.  
Smart technology.  
GLOBAL FOCUS

Our clients are the  
companies that change  
the country and have  
global ambitions.

**Our  
clients 9**



Our team is our  
most valuable asset,  
which you will not  
find in our financial  
statements.



**21** Our  
people

**39** Our  
initiatives

How we change the  
country and our company  
for the better: our  
initiatives and charitable  
projects that we support.



**6** Baker Tilly  
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Center

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Office

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of the State

**50** Auditor's  
Opinion



**29 June 1987**

Summit International Associates, Inc. is incorporated. The network is represented in 20 countries by 50 firms, with combined revenues of US\$200m. It ranks 22nd in the world.



**2000**

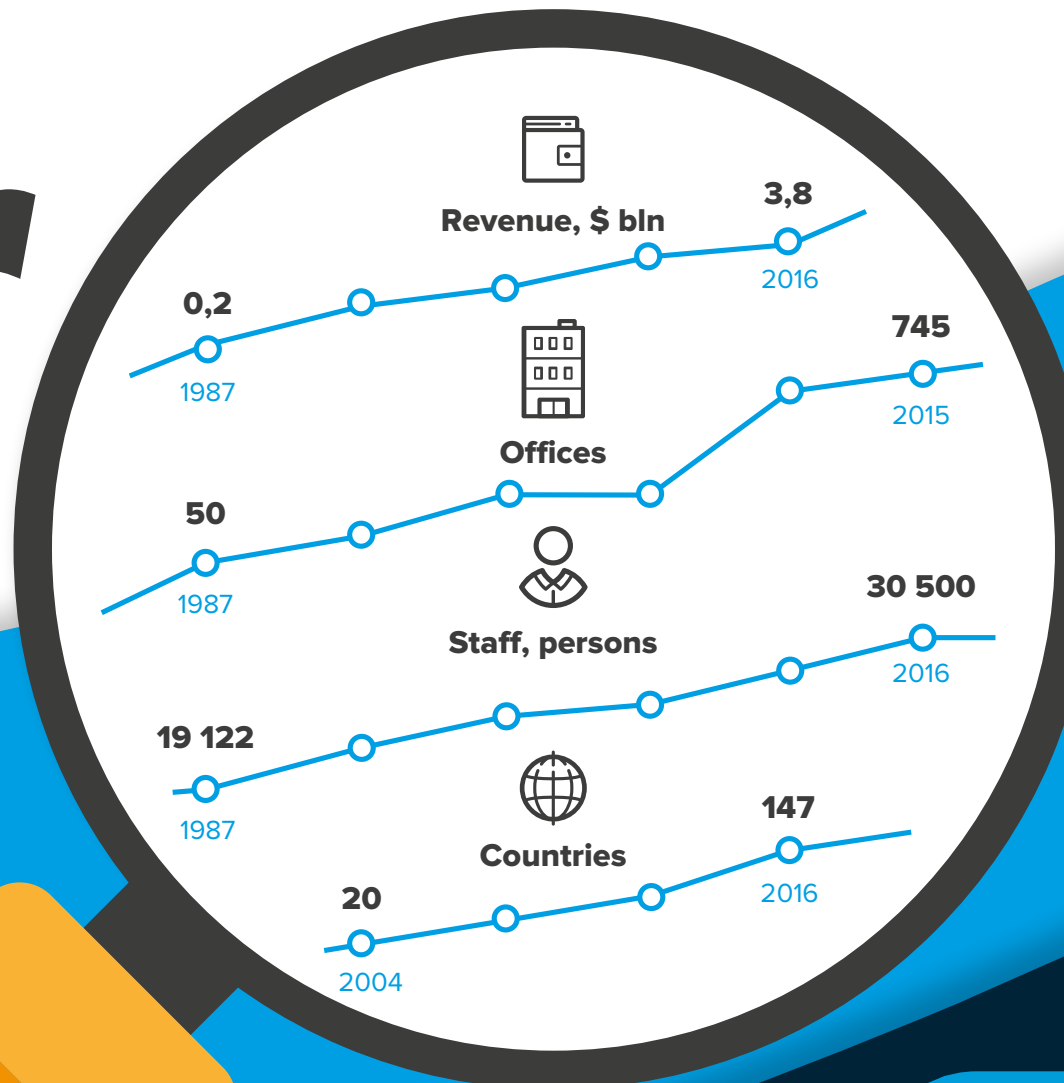
Stephen Flesch steps down as CEO and President of the network after 13 years in the role. Geoff Barnes, former regional chair of the network's EMEA region, is appointed the new CEO and President. The network's headquarters moves from New York to London.



**1 December 2002**

Baker Tilly International breaks into the top 10 of the International Accounting Bulletin World Survey, with combined revenues of US\$1.4bn.

# Gr



**January 2015**

The network records its fastest growth since 2008 with combined revenues up 7% to US\$3.8bn. The network is represented by 165 member firms in 141 countries.





**30 June 2005**

Staff numbers worldwide exceed 20,000.



**30 June 2007**

The network's coverage extends to over 100 countries.



**2008**

The launch of aud-IT — a worldwide audit methodology adopted by Baker Tilly International independent member firms.



**May 2009**

Gary Wolfe steps down as chairman of the network's International Board. Jim Castellano is elected as new chairman.



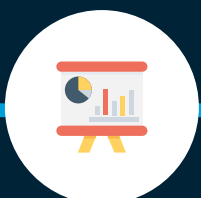
**January 2011**

One of only two of the world's top 10 networks to report positive revenue growth.



**October 2014**

Launch of Succession Reset — Family Business Succession in the 21st Century.



**January 2013**

The network records combined revenues of its member firms of US\$3.4bn, ranking it 8th in the world. The network is represented by 25,600 people in 672 offices across 156 firms in 131 countries.



**October 2012**

Network celebrates its 25 year anniversary at the World Conference in Beijing, China.



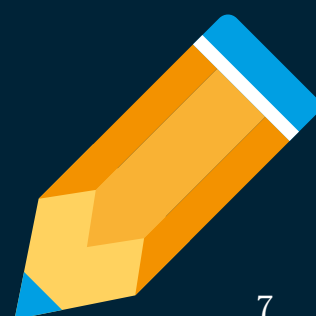
**2016**

Baker Tilly International has been named the winner of the prestigious Network of the Year Award at The Accountant & International Accounting Bulletin awards 2016.

# wth

## Network

## Baker Tilly



# BAKER TILLY

## FINANCIAL RESULTS

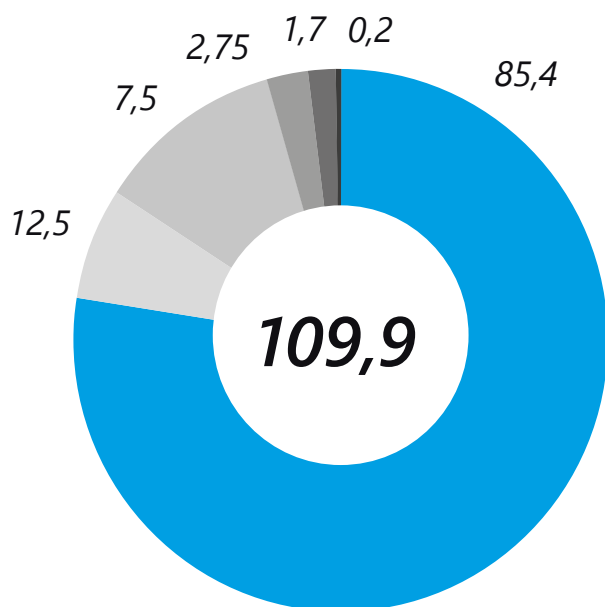
The company continues to grow, demonstrating the unchanging quality of services and expanding its portfolio of services. The audit services, bringing 78% of income to the company, showed an increase by 17% in 2016. The outsourcing direction has strengthened its position most: the increase of income in the comparison with the previous year was 30%.

Revenues from the agro-consulting service have almost doubled. In its activities, the company follows the principles of social responsibility and places a special emphasis on the continuous development of its staff. In 2016, the expenses on paying wages

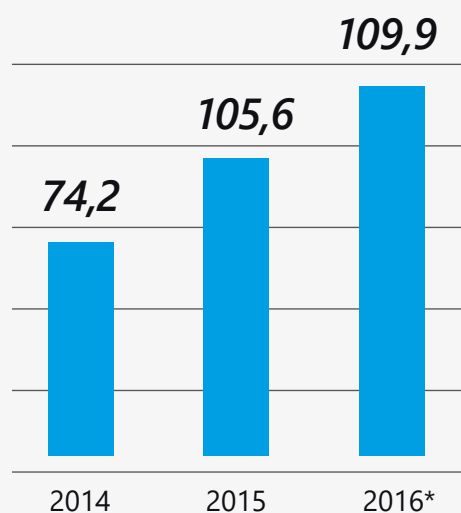
increased by almost 40%. Investments in personnel training increased by 25%, and in corporate events - by almost 60% compared to similar figures in 2015.

### STRUCTURE OF INCOME AND EXPENDITURE

Structure of income in 2016, UAH million



Income dynamics, UAH mln



Does not include the income of Baker Tilly Ukraine AC LLC, as the said company is not related to the activities of the Group of Companies operating under the Baker Tilly brand in Ukraine.

■ Audit 
 ■ Tax and Legal consulting 
 ■ Outsourcing 
 ■ Agricultural consulting 
 ■ Valuation 
 ■ Education Center (since 2016)

# OUR FINANCES

## BAKER TILLY HAS JOINED THE TOP 5 COMPANIES OF UKRAINE IN THE FIELD OF AUDIT, TAX ACCOUNTING AND BOOKKEEPING.

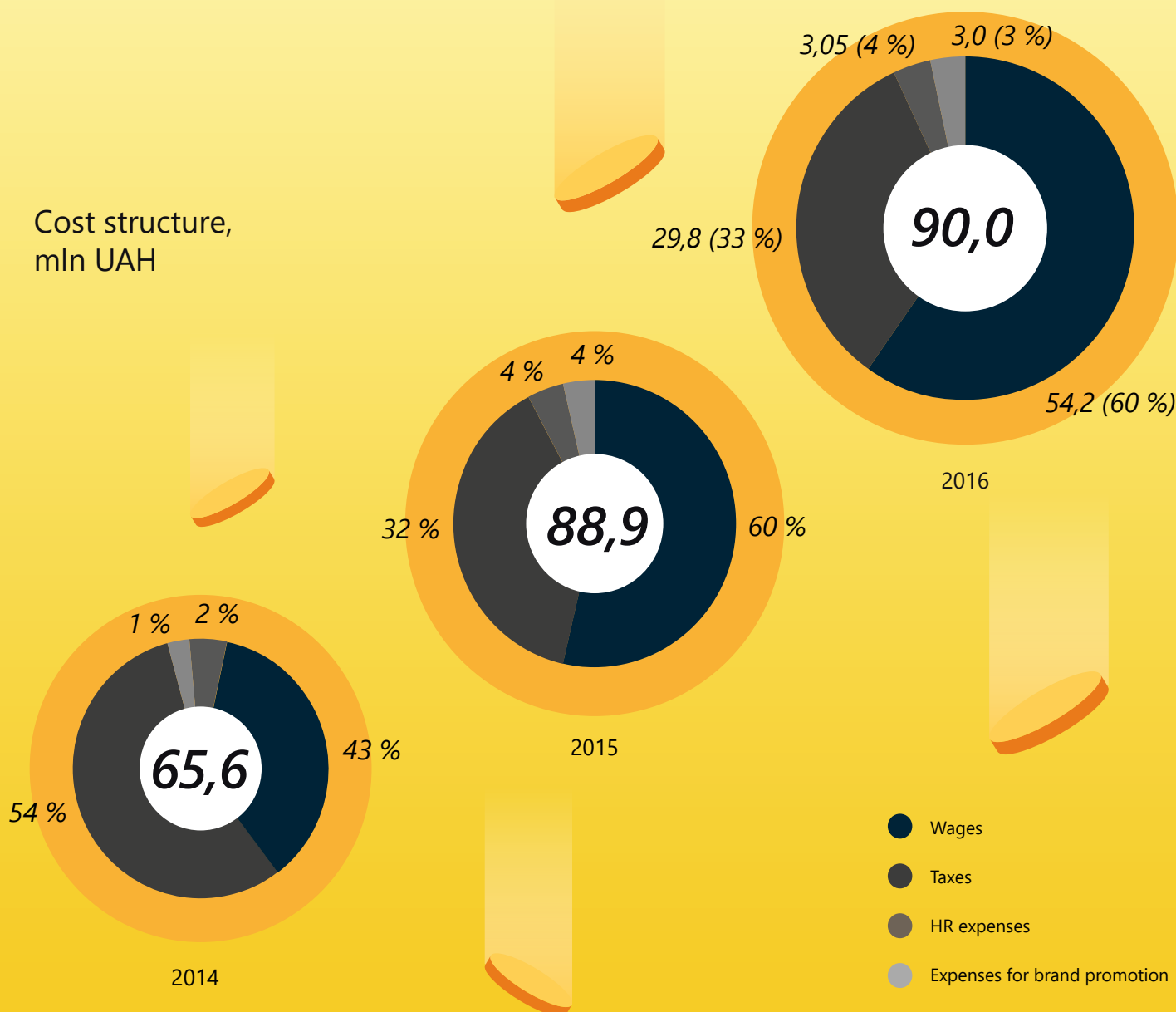
Data for the TOP-100 rating from Delo.ua edition of 2016 according to 2015 data.

Top 5 companies in the field of audit	Net income	Net profit
Ernst & Young*	<b>505</b>	<b>16</b>
PricewaterhouseCoopers*	<b>492</b>	<b>103</b>
Deloitte & Touche Ukraine Services Company	<b>292</b>	<b>64</b>
KPMG*	<b>232</b>	<b>15</b>
<b>Baker Tilly Ukraine**</b>	<b>67</b>	<b>3,0 mln UAH</b>

For companies marked with a \*, the total values of several legal entities are indicated.

\*\* The total net income of all legal entities operating under the Baker Tilly brand in Ukraine in 2015 amounted to UAH 105.6 million.

Cost structure,  
mln UAH





ELENA RUBAN  
starring

# Firm Score

«IDEALLY  
ACCURATELY»  
- Client

bakentillyua

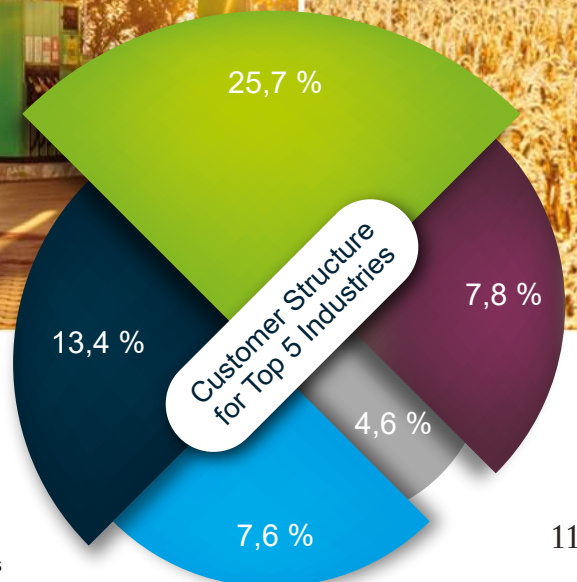
SHE WORKS IN THE FIELDS, BUT DOESN'T HAVE HER HEAD IN THE CLOUDS

# OUR CLIENTS

OUR CLIENTS ARE THE COMPANIES THAT  
CHANGE THE COUNTRY AND HAVE GLOBAL AMBITIONS.



-  Agriculture
-  Industry
-  Trade
-  Service companies
-  Banks and financial institutions





## OUR CLIENTS

# WOG:

# OUR OBJECTIVE IS TO BECOME A UKRAINIAN STARBUCKS

Starting from 2013, the fuel market of Ukraine is constantly shrinking under the influence of a number of economic and political factors. The total volume of oil products consumption has fallen by 30% over the past three years, from 10 million tons in 2013 to less than 7 million tons in 2016. In the WOG Group, the wholesale of oil products decreased by 10% over the period. This forced the Group's management to review the policy of working with customers. In particular, a decision was made to terminate cooperation with companies, the contract with which provided for

a significant delay in payments. At the same time, the situation with the retail sale of oil products through the WOG fuel filling stations network remained stable, and in general, **the company's niche in the fuel market in 2016 reached 24%, which is 5% more than in 2015.**

The narrowing of the fuel market has intensified competition between the major players, forcing them to develop more effective development strategies. As for the WOG Group, the decision to make key changes to the business strategy was taken before

the crisis began. In 2013, priority was given to the development of non-fuel services — a network of stores and cafes at the fuel filling stations. The goal is to become the retailer company number 1 in Ukraine.

Expansion in this direction began at the end of 2015, with the appearance of the first WOG CAFE outside the fuel filling station in Kyiv.

The European service and delicious food from WOG at affordable prices are received by up to 7 thousand customers traveling by 15 trains in 6 directions each day.



And now the network has 22 facilities: 3 coffee-points, 4 city cafes and 15 cafes in the Intercity train, and, our pride, - a cafe at the Zhulyany airport with a 24/7 work schedule. In the near future, they also plan to open WOG CAFE at the Teremky Bus Terminal: this is the first place where a cafe and market will be combined. The network will also expand with the help of the WOG CAFE at the central train stations of cities-millionaires. Over the last four years, the sales figures of the non-oil product group at the WOG fuel filling stations are increasing at double-digit rates, which is a significant competitive advantage.

The most successful marketing project of the last year was cooperation with the Intercity high-speed trains. Tender for the service was won by the company in February, and by the end of the year, it received a small operating profit. The European service and delicious food from WOG at affordable prices are received by up to 7 thousand customers traveling by 15 trains in 6 directions each day.

The WOG fuel filling stations network keeps an eye on up-to-date trends and considers the desires of its customers, actively developing online services. The mobile application that allows

storing all the necessary information on the history of purchases, balance of bonuses, maps with the nearest fuel filling stations on a smartphone or smart watch has already been downloaded by more than 200 thousand customers. And the "virtual wallet" allows buying fuel online. Within the framework of the policy of personalized approach to customer service, the company reduced the range of automotive products at fuel filling complexes in favor of the product group, including the products of impulsive purchase. The format and menu of the best European cafeteria and fast food restaurants were taken as an example. The company's immediate plans are to increase the recognition level of the WOG brand. For this purpose, there will be a rebranding of all cafes and shops at fuel filling stations.

The WOG Group already had the experience of cooperation with Baker Tilly, and in 2016, the Company ordered audit services for the first time. During of the audit, Baker Tilly's specialists performed a detailed analysis of business processes and conducted a stress test of their maturity.

The audit allowed to provide recommendations for the improvement of certain existing business processes, some of which were either fuzzy or out-of-date. For example, there was no complete general knowledge base of the company: the specialists were not able to share the acquired knowledge, which negatively affected

the efficiency of work. In the near future, the company plans to structure these processes, making instructions for internal use on their basis. With a positive experience of established cooperation and trust in Baker Tilly, the WOG Group now considers Baker Tilly as a service provider and in other areas, for example, in providing tax and legal advice, and transfer pricing services.

Using a single contractor will allow better company's resources management, and the professionalism of Baker Tilly's employees will guarantee protection from false decisions.

Baker Tilly specialists having experience in working with oil and gas companies can act as experts in this field. Baker Tilly specialists are able to anticipate new trends and tendencies in the market development, so they can offer ready-made business cases to their customers and consult on their implementation. For example, Baker Tilly is developing a strategy for the WOG Group to improve the operational efficiency for the next 5 years.



In 2016, the WOG Group became the largest coffee seller among single-brand companies

## "TASTY" FIGURES

In 2016, through the network of WOG CAFÉ at fuel filling stations and out of them it was sold::



more than  
**20 mln**  
cups  
of coffee

**8 mln**



hot dogs  
and WOG-  
burgers

**1,5 mln**



ready-made  
meals

# FILM.UA: DEVELOPING UKRAINIAN CINEMA INDUSTRY

OUR  
CLIENTS

The turbulence of the events of recent years has not passed by the branch of film production. For FILM.UA Group, this meant a change in sales markets - instead of Russia and CIS countries, other areas are coming to the fore, falling of financial indicators and changing the structure of the content.

At the same time, the crisis helped mobilize resources, giving impetus to the development of new directions. For several years, the number of viewers of our products has increased due to countries in Europe, North America and Asia. According to the taste of the public, there has been a change in the format of production: for the studio, which previously specialized in the production of serials, now it is strategically important to produce full-length feature and animation films, the development of innovative forms of content. In general, the studio produces 20-25 products per year, which is about 500 commercial hours of high-quality content.

As we grow, we move the Ukrainian film industry forward and improve the image of the country in the world.

In addition, we pay special attention to our own broadcasting: now there is a whole line of paid satellite channels, the programming of which is based on the library of studios and partners, in the structure of the group. We are also actively promoting our content on the Internet - both through our own YouTube channel and through the distribution of world VOD platforms.

Of course, the conquest of new markets requires a lot of efforts, as competition among filmmakers in developed countries is very fierce. And in China, the number of films of foreign production, which are allowed for distribution, is regulated by the state. That is why the process of entering the world markets is complicated, and its success depends on a number of factors. The development strategy and its consistent implementation are one of the most important.

At the same time, the list of achievements of FILM.UA Group has been impressive in recent years: the film "The Unbreakable" and the dramatic series "The Red Queen" are among the top 100 most popular videos on Amazon. And the series "The Sniffer" became the first Ukrainian TV series available for viewing on Netflix, the largest VOD platform, representatives from almost all countries of the world are among viewers of which. The rights to adapt the series were acquired by French and Japanese TV channels, and



in 2016, in Japan, their own "Sniffer" was produced and demonstrated on the national TV. The latter fact is worthy of special attention, because it is not easy to please this audience's tastes.

In addition to the production of high-quality cinema products that are competitive in world markets and raise Ukrainian production to the higher level, the company creates jobs and is engaged in the development of the domestic film production system at the legislative level. The purpose of FILM.UA Group is to become the largest producer of media content in the Central and Eastern Europe. Prerequisites for this have already been created: a film studio complex, called "the Ukrainian Hollywood", located on more than three hectares, has 7 pavilions packed full of the most up-to-date equipment. In the future, the FILM.UA Group is not only considering using the studio for filming by foreign professionals, but considers

**NETFLIX**

## The Sniffer

### Watch the Series

An extraordinary sense of smell gives a crime investigator unique insight into solving mysteries, but his gift takes a toll on his personal life.

JOIN FREE FOR A MONTH

### The Sniffer

Starring: Kirill Káro, Ivan Oganetsyan, Mariya Anikanova

Genres: TV Shows, Crime TV Shows, TV Dramas, Crime TV Dramas, TV Thrillers

2013 **13+** 2 Seasons

The series "The Sniffer" is the first Ukrainian TV series available for viewing on Netflix, the largest VOD platform, representatives from almost all countries of the world are among viewers of which.

Sign In

**FILM.UA**  
GROUP

**FILM.UA – THAT IS**

**20-23**  
projects  
per year



**7** pavilions  
on **three**  
hectares  
of land

it one of the most important areas of development. The already materialized cases of co-production with France, Belgium and North Korea have been confirmed: the company has enough resources to provide a full range of services - from casting actors and choosing locations to post-production at the global level.

FILM.UA Group is engaged in the implementation and long-term plans aimed at the development of the Ukrainian media space. First of all – by creating conditions for attracting talented youth to the industry. The studio has an educational center - FILM.UA Faculty, where various educational events for the specialists of the film and television industry are held.

Two comprehensive programs - Skill Bill and Cinema Kids, consisting of courses, lectures, seminars and workshops - have been developed. The first one will be useful to anyone who intends to work in the media or tries to deepen their knowledge. Thanks to the established cooperation with the New York Film Academy, local industry professionals are able to attend lectures and intensities from the masters of the world film industry, who come to Kyiv.

The Cinema Kids program combines interesting and cognitive projects for children: the acting school, dubbing school, video blog managing course "I am a Vlogger". And during school holidays, children have the opportunity to shoot their own film at the studio within a week or two. A company can concentrate on development only when all its internal processes are well-adjusted, and procedures are optimized. That is why FILM.UA Group uses the services of Baker Tilly specialists who have helped overcome the challenges and succeed during the last five years.



# FOZZY GROUP:

## BY THE ROAD OF CHANGES FOR THE BETTER

We do not stop at what we have achieved, but continue to seek, find and implement new solutions.

The past five years have been challenging not only for business but for all of us: changes in the country have been happening rapidly and, most importantly, unpredictably. The retail market was constantly transforming, adapting to internal economic and political challenges, and being under the influence of global trends. And changes, mostly were not for the better.

Keeping the status of an active business process subject required flexibility, adaptability and ability not only to respond to changes in a timely manner, but also be able to anticipate them, be one step ahead. For example, expansion of international trade networks to the Ukraine's market continues, the activity of local players increases. This leads to an increase in the number of offers, while consumer demand is still low. Therefore, those market participants, who understand the needs and values of their customers can make them attractive offers and

The Silpo supermarket chain is the leader in the Fozzy Group's sales structure. Today the chain has 263 supermarkets in 60 cities of Ukraine.



innovative technological products, have the upper hand.

The challenges of recent years have encouraged Fozzy Group to modernize and revise the concept of further development. The company has chosen the strategy for the development of those formats of retail chains that have a clear consumer value and are able to meet the needs of specific groups of the population. After a thorough evaluation of the product offers, some of them have been adapted, expanded and supplemented in accordance with customer needs. Some stores of the Silpo network were complemented by a food zone, which allowed attracting more visitors.



# OUR CLIENTS



The hard  
discounter trading  
network "Thrash!"  
("THRASH!")  
Smashing prices!

The answer to the uneasy economic situation in the country, which led to a decline in consumer demand, was the launch of the hard discounter trading network "Thrash!". A small number of personnel is involved in the service of stores, the range of goods consists mainly of products of own brands, and the interior design is marked by minimalism. This allows making a lot of profitable offers to the thrifty consumers.

In 2016, Fozzy Group focused on conducting large-scale optimization of operational and logistics processes within the company. At this stage, the help of Baker Tilly specialists, whose services we have been using for nine years, was needed. Based on

their recommendations, the existing reporting system was improved, and the work of the IFRS department was improved. This helped free up the necessary resources and significantly accelerated the processing of requests.

Majority of the Fozzy Group projects are still in the process of implementation, but there is no shortage of reasons to be proud of ourselves. For the past 5 years, 200 stores have been opened in various formats: hypermarkets, supermarkets, shops near the house, hard discounts shops.



The excellent choice for small business: Fozzy Cash & Carry, which consists of 10 hypermarkets, offers a range of wholesale products tailored for professional buyers.

The total profit of the group has increased by UAH 20 billion. Our customers, whom we respect and to whom we are always striving to offer a comfortable service and the widest range of goods at affordable prices, are the main value for us.

Regular clients of the group also receive material and moral rewards in the form of a system of bonuses and loyalty programs.



## FOZZY GROUP – IT IS:

**More than  
600  
stores**

**More than  
44.5 thsd.  
people**

**More than  
35 thsd.  
items of goods**



OUR  
CLIENTS

# AUDIT DATA:

## BELIEVING THAT OUR GREATEST ACHIEVEMENTS ARE AHEAD

Auditdata Ukraine LLC is a full-fledged subsidiary of the Danish Auditdata, which has been developing software for hospitals and private medical institutions since 1992. The company's representative office in Ukraine began its work in 2004: employees of the Kyiv office have been improving the measuring equipment and supporting the office software for audiologists — hearing experts for more than ten years. By tracking all industry trends, the company is able to offer topical, integrated solutions that fully meet the needs of its customers.


Recently, a new stage in development has begun at Auditdata Ukraine LLC. The impetus was the acquisition by the parent company in Denmark of investments from a well-known foundation in the world. Of course, new opportunities and ambitious plans have also appeared in the Ukrainian office. They plan to pay the principal emphasis on the development of existing software products developed directly in Ukraine. After all, before offering them to foreign clinics, these products need to be brought in line with the European standards. The development strategy provides for access to new markets and the involvement of a large number of customers, thus both Danish

and Ukrainian offices are growing. Over the past 9 months, the staff of the Ukrainian company has grown by almost 50%. The recruitment of personnel continues, although some difficulties were faced in the process.

As it turned out, finding IT specialists of the desired profile in Kyiv is not easy. Sometimes HR specialists may spend a few months on searching for candidates for appropriate vacancies. However, they don't lose optimism at Auditdata Ukraine, but are trying to use different approaches, including cooperation with leading employment portals and successful recruiters. During this turbulent development period the help

provided by Baker Tilly specialists to the Ukrainian office is very important. They consult on any amendments to the laws and their impact on the company's accounting, inform on what actions should be taken, try to anticipate and exclude all possible financial and legal risks.

And the day-to-day support of the company by Baker Tilly professionals helps focus on the main thing - business development and market expansion.



Auditdata Ukraine  
team at the 25th  
Sports Charity  
"Run under  
Chestnut Trees"

TELL ME  
WHO YOUR TAX  
ADVISOR IS...



PREMIERE  
OF THE TAX  
SEASON

**TAX  
CONSULTING**

PLANNING AND STRUCTURING  
TAX REVIEW  
ACCOUNTABILITY

**TP**

# SMART COMPANY. SMART TECHNOLOGY. GLOBAL FOCUS

Our story is a  
story of our  
customers' success

Oleksandr has been working for Baker Tilly for 11 years: during this period, he held positions of an audit specialist, lead auditor and manager. During the past three years, as Director of the Technical Control Department, Oleksandr is responsible for the installation, support and improvement of quality control programs for audit services, audit methodology, implementation and use of automation systems for providing services, providing internal training and professional development of audit staff, solution of technical requests for the practical application of IFRS, Ukrainian Standards of Accounting, audit standards, ethical requirements.

Oleksandr's main task in 2016-2017 is to coordinate the project on the transition to the use of Global Focus — the latest innovative Baker Tilly International methodology of audit. With Global Focus, the required services can be provided anywhere in the world: all members of the audit

company receive remote access to audit files in real time. With the help of new technology, standardization of the audit procedure throughout the whole BTI network is provided. The integrated group approach to audit provides an opportunity to control the process, ensuring its infallible execution.

Enhanced software allows creating individually developed risk registers, as well as measures of risk minimization control and financial reporting elements. Visual charts, which are formed on the basis of audit planning documentation, contribute to a better understanding of important areas of financial reporting. Including — risks related to them and internal control

measures to minimize these risks.

The benefits of the new methodology for clients are obvious: they receive a high-quality audit developed taking into account the individual characteristics of a particular business.

This allows distinguishing potentially inefficient processes in the activity of the client's enterprise. Integrated quality control procedures confirm the reliability of the results. Improving the effectiveness of the audit process helps to reduce the time, spent on its conduction.

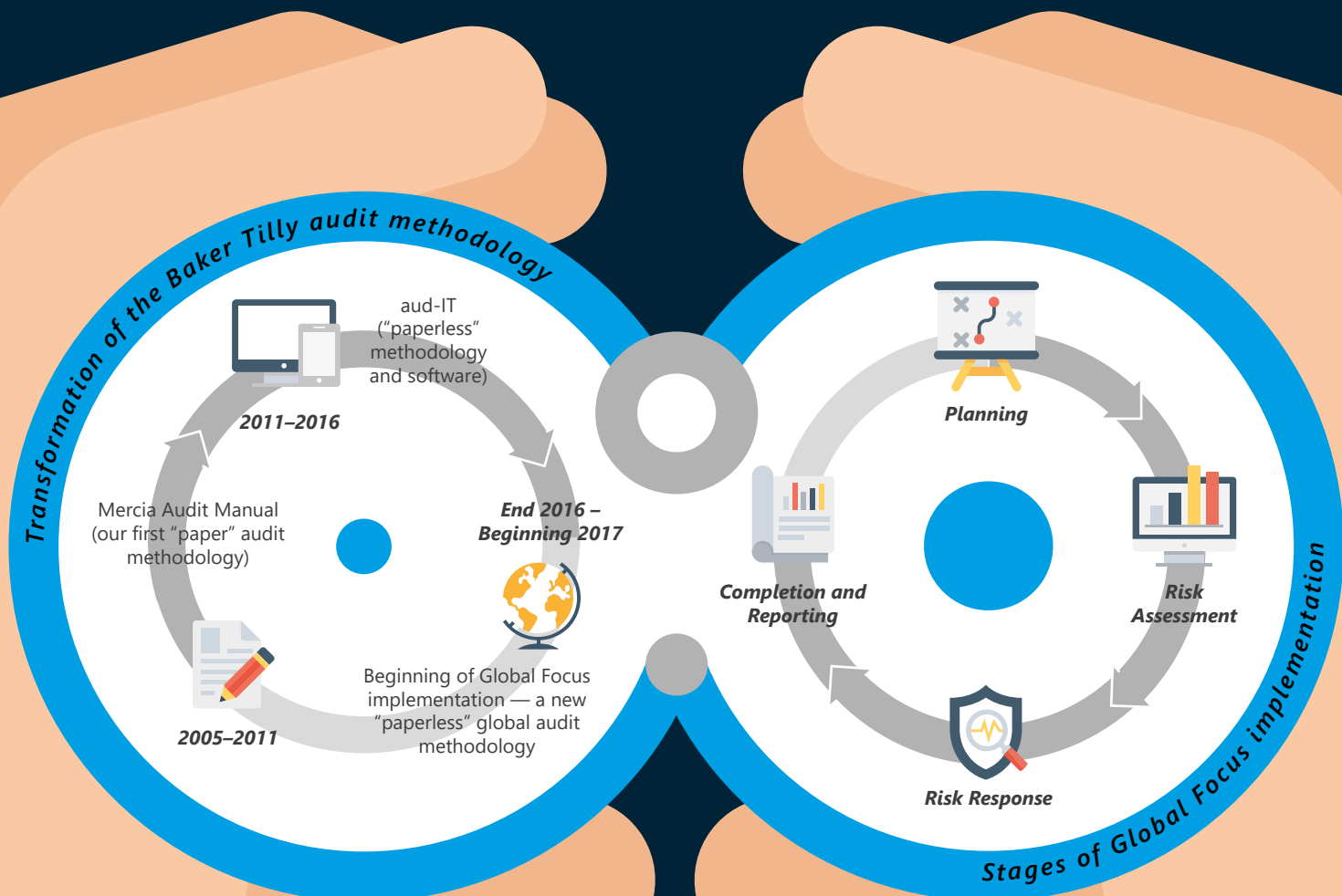
This enables the company's specialists to spend more time advising clients in order to improve their business.



OLEKSANDR  
SUVOROV

—  
Director of the  
Technical Control  
Department

# METHODOLOGY OF GLOBAL FOCUS



## What does this mean for us?

- 1 Common audit language for our network
- 2 Common understanding of the audit strategy
- 3 Common approach to conducting an audit

## What does this mean for each of our clients?

- 1 Consistent and high-quality audit
- 2 Integrated quality control procedures
- 3 Efficiency and accelerated process
- 4 Integrated group approach to audit
- 5 Risk assessment

KATERYNA  
**SHCHURKO**

# CODE OF ANTI-CORRUPTION *Procedures*

SHE INSPIRES  
TO WORK  
TRANSPARENTLY...

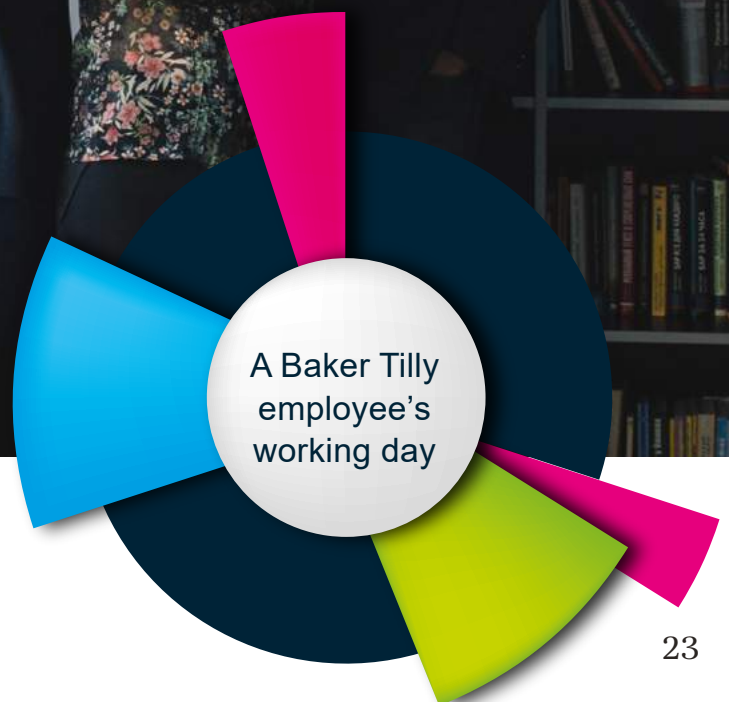
# OUR PEOPLE

OUR TEAM IS OUR MOST VALUABLE ASSET, WHICH YOU WILL NOT FIND IN OUR FINANCIAL STATEMENTS.



A Baker Tilly employee spends 50% of active time at the office. However, 50% is not only work, but also development and fun!

- Work
- Fun
- Lunch
- Development



# OUR PEOPLE



KATERYNA  
SOTNIKOVA

—  
Manager  
of the Audit  
Department

# OFFICE IS NOT ONLY WORK

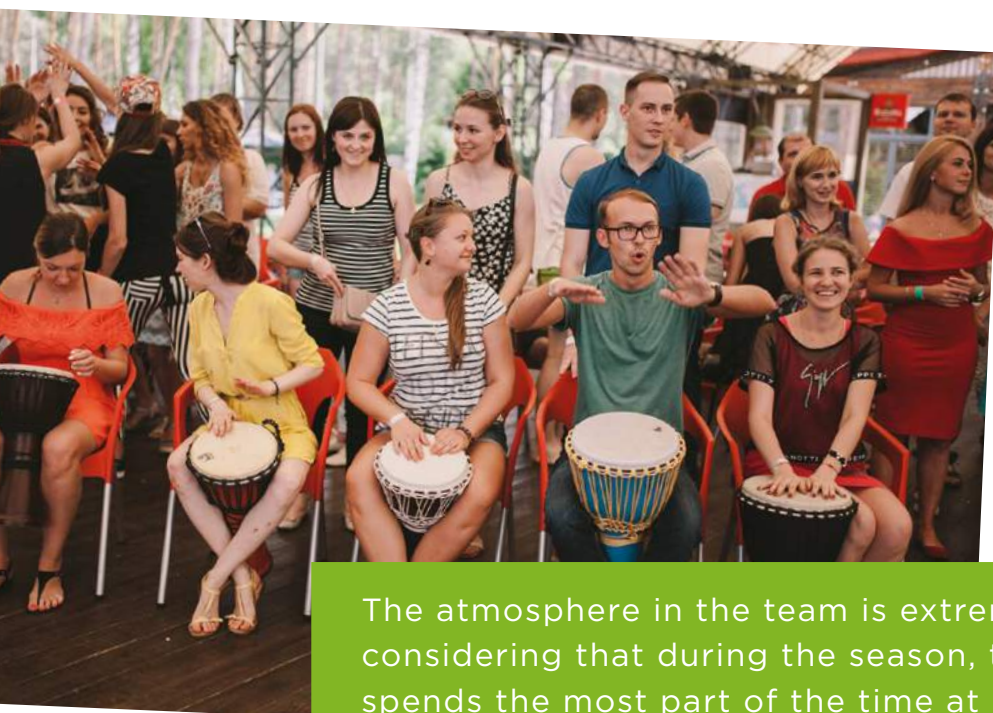
Kateryna found out about the opportunity to work at Baker Tilly during a theater visit - a friend told her. At that time, the girl had been working for 2 years in the field of outsourcing, where she did not see opportunities for professional or career development. So the decision to try herself in a new area has come quickly. The test for competence and interview in a round table format involving 6 people made her nervous, but in a couple of hours, Kateryna was offered a job.

The beginning of work in the company coincided with the start of a new project: at this stage, the senior auditor's mentor support helped very much to cope with the task, a large amount of information and not to lose courage. However, Kateryna got used to it quickly and gained the necessary knowledge and experience by working on interesting projects, constant development under the programs offered by the company, and the colleagues' support. There is no time to be bored. The irregular working hours peculiar to the profession of the auditor are compensated by good

relationships with colleagues: friends also meet regularly for communication outside the office.

Majority believe that the auditor is completely immersed in the analysis and computation during the workflow - in fact, this profession requires a high level of communicability. At first, Kateryna felt some uncertainty during telephone conversations with clients, but the constant need for communication helped overcome the uneasiness and even became one of the foundations for forming a "manager's character".

An employee, who is not afraid of difficulties and shows initiative, gets the opportunity to work not only on more interesting and status projects, but also encouragement: faster career advancement, the possibility of internship abroad.



The atmosphere in the team is extremely important, considering that during the season, the auditor spends the most part of the time at work

# AUDIT AS VALUE

Myroslav joined the company even while studying a masters, thanks to the internship program for students. The beginning of work fell on the height of the business season, so from the first working day, Myroslav was able to imagine the challenges that he would constantly have to face. However, the ambitions, the desire to develop professionally, to grow and improve skills and knowledge acquired, as well as team support and opportunities provided by the company, have helped to achieve the position of the Audit Department Manager within 5 years.

The variety of projects, including with companies-leaders of various industries, as well as working with international companies, gaining valuable experience and affiliation with the development of the team and company are the issues

that constantly keep you focused, inspires and stimulates continuous inspire and stimulate new to continuous goals. Using the opportunities provided by the company, Myroslav took training courses under the ACCA program and has full membership in this Association for today.

In 2015, Myroslav worked for several months at the Baker Tilly team in Canada within the framework of the Secondment program that was introduced in companies of the Baker Tilly International network in the countries where the brand is present in order to develop cooperation among member companies, share experience and best practices to improve the quality of services and introduce innovative approaches to work with clients. In addition to projects in

the professional field, Myroslav also supports and participates in company's social initiatives. Thus, last year, Myroslav and his colleagues took part in the half marathon, where the team took the 3rd place among the participants — consulting companies.

There are plenty of plans for the future, as the audit and consulting market is constantly changing, along with it the company and team change and grow. Myroslav together with other colleagues, in his free time, visits educational institutions and acts as a Brand Ambassador, and can helping students to build the right perception of our profession and decide on future employment.



Audit is not only figures, but also value for clients' business.



# OUR PEOPLE



MYROSLAV  
KATONA

—  
Manager  
of the Audit  
Department



A portrait of Lesia Berdnyk, a woman with short brown hair and bangs, smiling slightly. She is wearing a dark floral patterned top and a thin gold necklace. The background is blurred.

# OUR PEOPLE

LESIA  
BERDNYK

—  
Manager  
of the Audit  
Department

To succeed in the profession of an auditor it is important to be able to optimally distribute the main resource — time.

# TIME IS OUR MAIN RESOURCE

Lesia joined Baker Tilly already with professional qualifications and substantial experience in tax accounting and reporting, but audit has become a new stage in future development.

It was not difficult to adapt, because the company developed a program for new employees, which provides training on the audit methodology and financial statements preparation, as well as provides the opportunity to work in a team with more experienced staff in small projects in order to acquire the necessary skills. The desire to develop the professional competence inspired to start ACCA training, and today, thanks to the opportunities provided by the company, Lesia is already a Certified Member of the Association. For several recent years, Lesia has been a member of the mentoring program implemented within the company, which enables her to share her knowledge and experience with other employees, improve the effectiveness of the entire team, influence the professional and personal development of colleagues and inspire to new achievements.

Lesia and  
colleagues  
have recently  
become  
ACCA  
Certified  
Members.



Lesia is not going to stop on what has already been achieved and plans to expand her professional horizons.

She is interested in deepening knowledge and skills in business valuation, organizing communication

with colleagues from the Baker Tilly Network in other countries and participation in joint international projects.

# PERSISTENCE LEADS TO SUCCESS

Oleksandr has been working for Baker Tilly for more than 10 years, starting his career as an Assistant to the System Administrator. Before that, he had chance to get experience as a web designer and system administrator in various business areas. In the first year of work in the company, he met his future wife.

While working at the company,

Positive emotions  
appear when you  
reach your goals  
after hard work.

Oleksandr constantly improved his skills, attended Microsoft training programs and training on hard and soft skills.

The year of 2016 became a turning point for Oleksandr - he was appointed as a Director of the IT Department. For the short period it was required to get a large number of new knowledges and develop new skills. For example, the company provided an opportunity to take C # programming courses. Last year, Oleksandr participated in the installation of CaseWare Working Papers, a program for auditors, to be used by the entire Baker Tilly

International network.

Ukraine has become one of the first countries to introduce it, so now Oleksandr can transfer experience to colleagues from other countries.

Oleksandr's work is not limited to solving tasks related to software and computer work. He also helps to establish connection between clients and auditors. This concerns, for example, the receipt and processing of information from the accounting department of large regional enterprises that are not yet equipped with modern technologies at a proper level.

Oleksandr has also enough plans for 2017, as the company is constantly introducing new interesting projects. Last year, an IT audit of the company, which revealed all the disadvantages that are now being gradually eliminated, was carried out. And this year, Oleksandr plans to improve his English language skills by attending the company's internal corporate courses and to start studies under the CISA (Certified Information Systems Auditor) program.



Oleksandr and  
his wife met  
each other  
while working  
at Baker Tilly

A portrait of Aleksandr Prus, a man with short dark hair and a slight smile, wearing a dark blue patterned sweater. The background is a blurred indoor setting with large windows.

OUR  
PEOPLE

OLEKSANDR  
PRUS

—  
Director  
of the IT  
Department

A portrait of a man with short dark hair and light blue eyes, wearing a dark blue and white checkered blazer over a black shirt. He is looking slightly to the right with a neutral expression. The background is a plain, light grey wall.

# OUR PEOPLE

SERHIY  
HOROBETS

—  
Director  
of the  
company's  
office in  
Odesa

# DEVELOPMENT OF THE REPRESENTATIVE OFFICE IN THE SOUTHERN REGION



Serhiy has started his career in insurance company while studying at Donetsk university. Soon he decided to change the place of work, as he did not see prospects for development. A friend who was working in the Donetsk office of the company at that time told him about the possibility of employment in Baker Tilly.

Serhiy had a vague idea of the specificity of the future work, so the first weeks were quite complicated. The support of the team was irreplaceable during the adaptation period. The work in Baker Tilly is interesting for a variety of tasks: there are no similar projects, even for one client. The company pays for employee's training programs, stimulating them to develop. Those who have a sufficient English language level have an opportunity to attend the ACCA program, those who do not — CAP.

For 2 years, Serhiy worked in the team of the Kyiv office, and in April 2016, he was offered to head the company's office in Odessa. The new position and new challenges help Serhiy to improve his skills and develop new ones, thereby growing not only professionally but also

Working at Baker Tilly is a constant challenge, development, diversity



personally, giving a good example to his young, ambitious colleagues.

In November 2016, Serhiy, together with other company managers, attended training on the international financial reporting standards held in Prague, now he shares his experience

with the team, constantly working on improving work processes and growing brand awareness in the Southern region of the country.

# READINESS FOR DEVELOPMENT AND CHANGE

During two years  
of work, the skill of  
packing and preparing  
for a two-week  
business trip in half an  
hour was acquired.

Yevheniya got into Baker Tilly thanks to a university teacher, who recommended her along with two more students of the 5th year for internship in the company.

Even before receiving a diploma, Yevheniya had experience of work, business trips and, most importantly, confidence in the future. Interestingly, a girl, who refused from that student program at the time, recently came to the interview. Now she will have to catch up what Yevheniya learned over the past 6 years. While working in the company, Yevheniya obtained additional professional qualifications and got international certificates such as: CAP, ACCA DipIFR and also completed a fundamental level of ACCA program. In two years, she has also significantly improved her English language skills, reaching the Upper-Intermediate level - in the Odessa office, there is an opportunity to attend classes in almost an individual format and on a flexible schedule. But, most importantly, Yevheniya could achieve one of her goals - understanding the key features and efficiency of an enterprise's work at the stage of reviewing its

reporting. Now the company, and, in particular, the Odessa office is actively changing: with the increase in the number of clients and projects, the staff is growing. Much attention is being paid to training new employees, effective transfer of experience — the company implemented the mentoring program to ensure maximum personal and professional development on each position.

An important factor for success is the company's mobility in solving the existing problems: any of the employees can initiate "a round-table" to discuss urgent issues. In addition,

Yevheniya is the initiator of events aimed at supporting the atmosphere of team work - intellectual games in the Odessa office, and the spread of this tradition to all offices of the company in Ukraine. Now the situation in the audit market, as well as in the company itself, promotes rapid professional and career development, which stimulates constant self-improvement. The work of the auditor requires understanding of market trends, different business areas - you must always be well informed of the key trends, follow the changes, study and implement innovative methodological approaches, thus gaining a better understanding of the situation from the inside - and not only for a particular enterprise, but also for business and development of the country as a whole.



The auditor's job is readiness for non-standard situations, a lot of business trips and communication - it provides mobility, training, which, by the way, will be useful not only when performing work tasks.

# OUR PEOPLE

YEVHENIYA  
KLYUCHNYK

—  
Senior  
Auditor,  
Odesa

ALYONA  
LEV  
—  
Manager  
of Baker Tilly  
Accounting  
Services

# THE FUTURE IS IN YOUR HANDS

Alyona has been working for the company for 5 years, passing all the way from an assistant to project manager. She got into Baker Tilly right after graduating KNEU, where she studied Finance and Credit.

Thanks to a good level of English, she immediately began working on the projects related to non-resident companies. At the moment, Alyona is responsible for the work of the team of nine people performing accounting functions in the IT, investment management, production and agriculture sectors. In the spring of 2016, Alyona was able to participate in a secondment program in the Danish office of the Baker Tilly International network. The experience gained in Copenhagen has helped deepen knowledge of international accounting and improve business English language skills. In Denmark, business environment is completely different, the process of preparing and submitting reports is also very different from the one that exists in Ukraine. In this Scandinavian country, mostly men work in the field of accounting. In Denmark, a lot of men take maternity leave - this opportunity is provided by the legislation of the country. In Ukraine, audit and accounting are traditionally considered to be women's specialties, and the average age of Baker Tilly

Accounting Services employees is 23-24 years. Therefore, it is not surprising that at first the attitude towards colleagues from Ukraine was a bit cautious: two young girls arrived, and what is more from a country not well-known in Denmark. Cooperation began with the scanning of documents, but soon colleagues from Ukraine proved that they have a solid knowledge base and are capable of performing complex tasks on a high level.

This was the start of an offshore project in Denmark, which includes accounting for 4 Danish companies from various fields of business - consulting, retail, etc. Baker Tilly Accounting Services processes tasks and submits them into the system, while Baker Tilly's function in Denmark is in final reporting control and communications with customers. In Denmark the work approach essentially differs from the one here, this gave us, both Baker Tilly in Ukraine and Denmark, an opportunity to share our experience, improve skills and learn something new.

After this trip, the staff of Baker Tilly Accounting Services got rid of the inferiority complex: they realized that their level of professionalism was in line with international standards. Alyona still maintains trust-based relations



with colleagues from Denmark, communicating not only on the issues of work. Danish partners, satisfied with the quality of providing services by their colleagues from Ukraine.

Great feedbacks on the work of Baker Tilly Accounting Services, which they share with other Baker Tilly International members at various conferences, make it easy to find customers for offshore projects. In the near future, Baker Tilly's office in the Netherlands is expected to join the project.

Alyona will be also responsible for the development of the new direction. For her, this will be not only an opportunity to gain new knowledge and experience, but also to reaffirm the reputation of Baker Tilly Accounting Services as a reliable partner among foreign colleagues.

The world is open for those who have ambitions and good knowledge of a foreign language.

# CHALLENGES ARE A PART OF VICTORY

For Svitlana, Baker Tilly has been the first place of work, where she worked for four very interesting years. During this time, Svitlana repeatedly had the opportunity to see the activities of successful companies from the inside, and constant practice helped to develop a deeper and more systematic understanding of the business of customers. The understanding that there is no single template for success, but there are many individual strategies and practices has become an significant experience.

In addition, communication with companies' top-managers during project management inspired and encouraged further development, as the environment has a significant impact on the formation of professional skills. Examples of real success models helped Svitlana build a career.

"And at Baker Tilly, they encourage, reward, and provide with the opportunity to study to everyone. They understand it here that the world is changing rapidly, therefore continuous training and professional development of employees is the key to the success of the company"

For example, Svitlana took the opportunity to expand the professional outlook, having tried her forces in different company's activities. Rising to

the position of a manager was the real challenge, because this position involves responsibility for the implementation of projects and management of the team. The challenge was to learn how to plan the work of all participants, delegate tasks, inspire, manage people and their emotions. Working for Baker Tilly has become a great platform for further career development. Svitlana is currently working as a financial director at Trigon Agri, holding 46,000 hectares of land and 4 elevators.

Svitlana is in charge of all financial matters of the holding and the team of 50 specialists. In her work, Svitlana constantly uses the experience gained in Baker Tilly. She is open to new challenges of any complexity, is master of time management and knows whom to address for professional advice. At Baker Tilly, they helped Svitlana to understand that everyone can succeed, only effort is needed.

Having spent many evenings in the

workplace, now, she can see the life of the company, its achievements and failures in dry figures of any financial report. Friends among former colleagues, with whom Svitlana still maintains relationships, are another achievement.

Continuous improvement is a key to success. Baker Tilly's corporate culture encourages, rewards and provides an opportunity to learn.



SVITLANA  
OMELCHENKO  
Financial Director  
of Ukrainian  
Assets of  
Trigon Agri  
Agroholding

# BENEFITS FOR ALL LIFE

Due to the desire to work for one of the best auditing companies in Ukraine, Nazar got to Baker Tilly through an open competition for an auditor. The decision turned out to be right: Nazar worked in the company for over 6 years. Taking advantage of the opportunities provided by Baker Tilly to its employees, he started studying under the ACCA program.

The professional accounting and financial reporting experience gained in Baker Tilly contributed to further professional growth and allowed Nazar to take the position of the Head of the Consolidated Reporting Department in the Nova Poshta Group. Other acquired skills, such as readiness to projects requiring overtime work, turned out to be useful at the new work.

The ability to keep control of the execution of several projects at the same time, ensuring their high quality and adherence to the terms, was also very valuable and significant skills for a managerial position.

NAZAR  
BOYCHUK

Head of the  
Consolidated  
Reporting  
Department in  
Nova Poshta Group  
of Companies



First of all,  
I thank Baker Tilly  
for meeting my  
better part there.

# YOUR CAREER STARTS WITH YOUR ENGLISH



The education center invites you to an interactive English language course **Business English Intensive**.

We start enrolment to three levels:

**Basis**

**Business English (Intermediate)**

**Business English (Upper Intermediate)**

Venue for classes:

28 Fizkultury St., Kyiv.

For more information please contact:

**+38 044 284 18 65**

**ec@bakertilly.ua.**



**Business English Intensive**

*Open your future!*

# OUR INITIATIVES

HOW WE CHANGE THE COUNTRY AND OUR COMPANY FOR THE BETTER:  
our initiatives and charitable projects that we support.

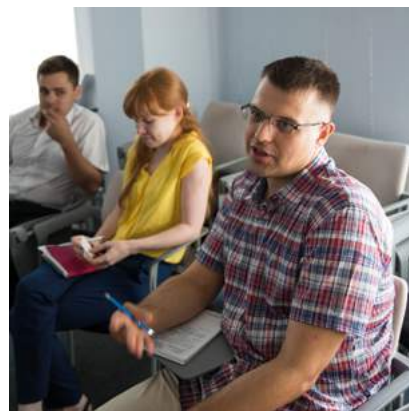


# EDUCATION CENTER

BAKER TILLY  
IN 2016 – THIS IS:



**2 900**  
HOURS  
of training activities



**329**

PERSONS  
took part  
in the events



**5**

## DIRECTIONS

formation and improvement  
of professional competences

studying foreign languages

development of personal  
skills

visiting international trainings  
and forums

secondment exchange  
experience program



**1,9 mln**  
UAH  
was invested in  
educational activities





Its function is to be a platform where its expertise and best practices are shared by representatives of different departments of the company and third-party providers of educational services. Moreover, the employees who act as lecturers simultaneously improve their professional skills. Part of the internal educational process is the mentoring program, within the framework of which a young employee receives assistance and support from a company's experienced employee. The company spends about 2 million hryvnias per year on the education

is taught by a well-known experts of this sphere. We want everyone to find something important and interesting for themselves within the framework of the Education Center, so that in the process of communication and discussion, people receive the necessary and relevant knowledge. In order to increase the overall level of education of society, we implement the principles of sharing economy: lecturers-beginners with interesting ideas get an opportunity to reveal their potential and bring the subject to the audience, avoiding additional costs. The plans for the future are to open a second conference room for our students and to launch more intensive training programs.





A company or a person does not exist separately from the society, and by our activity, we form the social environment around ourselves. We do not expect positive changes, but accelerate them by taking an active part in supporting projects that we consider to be important. In our opinion, social initiatives that promote the development of civil society are those bricks, of which a successful and modern country will be built.



ВІСНОВАНИЙ ШЛЯХ

# ORNAMENT WAY

Ornament Way is a tourist route, which pierces the entire country like an ornament of embroidery from Uzhgorod to Slovyansk.

The main purpose of this project, apart from the symbolic combination of representatives from different regions, is to present Ukraine's cultural and tourist potential, and improve its international image. In addition, organizers of the initiative seek to promote a healthy lifestyle and active

tourism. For example, in June 2016, the All-Ukrainian bicycle ride from Uzhgorod to Kharkiv, which lasted 18 days, was arranged.

And already in July, two extreme travelers began the pedestrian tour #prostoboso, by having walked the Ornament Way with bare feet in about 100 days.

During the two years of the project, a large database of infrastructure facilities found on the Way has been collected: hotels, hostels, farmsteads, dining places and cultural monuments. A successful crowdfunding campaign on the Spilnokosht platform (Big Idea) was also organized that helped to develop the Project's website and to

create a non-government and non-for-profit organization. Ornament Way All-Ukrainian Tour is planned for 2017. This 2,080 km long journey will be performed by four well-known Ukrainian bloggers-travelers. They will visit the most interesting and little-known sightseeing places of Ukraine, will travel to authentic villages and places of cultural heritage. Impressions can be shared with them on the YouTube channel and on the social networks of the project.

Ukraine is a place where we live, achieve success and where our children will live happily.

The UUE was created in April 2016 by a group of independent entrepreneurs who desired to create a comfortable business environment in Ukraine and establish civilized conditions for doing business. Ideological leaders and managers of the UUE are successful Ukrainian entrepreneurs who have built their business due to hard work and in spite of external pressure. They set a goal to consolidate representatives of small, medium and large enterprises of various industries into a business association in order to protect the common interests. And also to radically change the image of a Ukrainian entrepreneur in society, to promote entrepreneurship as a kind of successful

activity, to share international business experience and to spread innovative ideas. During the year the Union established the cooperation with a number of organizations: the Ukrainian Agribusiness Club, the European Business Association, the American Chamber of Commerce in Ukraine, the Association of Private Clinics of Ukraine, the All-Ukrainian Advertising Coalition, the Ukrainian Building Community and the Confederation of Builders of Ukraine. By 2020, the UUE plans to unite more than 100 thousand Ukrainian entrepreneurs.



## OWN CINEMA

Watch Ukrainian - Create Your Future!

**РОБИМО  
СВОЄ  
КІНО**  
#МайбутнєТворятьЛюди

In the society, that is undergoing a transformation process, cinema plays not only an entertaining role. It can be an effective way of conducting political and cultural discussions that can bring socially important information to a wide range of viewers. The project "Watch Ukrainian - Create Your Future!" was created to enable Ukrainian cinema to live under new values, as well as to reveal the human potential of the country. Among the main tasks

of the project is involvement of new authors and young cinematographers in film production, who can offer to the audience, is among the main tasks of the project.

Fresh and interesting ideas that resonate with the challenges of our time will be the best incentive for the audience to choose Ukrainian and contribute to the development of a public dialogue about the future. The VAVILON Company and the Association

of "Ukrainian Cinema Development Support —Watch Ukrainian!" are the initiators and developers of the project. The implementation of the project will have several stages. From November 2016 to February 2017, Screenwriting Contest "OWN CINEMA".

Of 501 works presented, the contest jury has chosen 20 scenarios for further screening. And in November of 2017 year, the organizers plan to demonstrate the first films in cinemas and on TV channels.

## SUPPORT OF CHILDREN SOCIAL-CHARITABLE ORGANIZATIONS

We support a number of charitable projects. The Hope & Homes organization and the Small Heart with Art art project are among them.

Charity organization "Hope and Homes" cares about children from different parts of Ukraine who live in orphanages. There are about 70 thousand of

One girl, having received the desired doll, wept, because she did not believe that it is actually possible - to get the gift she dreamed about.



such kids. They all need protection and love. Therefore, the purpose of the organization is to facilitate the search for loving families for children, reformation of orphanages, support for vulnerable families, and reduction of abandonment of children in maternity homes.

We have been cooperating with this institution already for a few years. Usually before the school year, we provide children with necessary things for studying. It has also become a good tradition to congratulate children with the New Year and Christmas holidays. In particular, in December 2016, the presents were received by the children of the Small Group House "My Home" and the "Good at Home" Center, living in the Dnipro city. Here's how people (named parents) who care about these children, describe their emotions: "Gifts were chosen by the children themselves, so when they received what they had desired, they were deliriously happy. The boys showed each other their watches, played with phones, girls tried clothes like models. Everyone went sledding." Seeing kids happy is the best reward for us.

The charity project "Small Heart With Art" helps HIV-infected and AIDS-affected children. With the help of art, the project tries to draw attention to the conditions of their living. The money allocated by the organization were aimed on renovation and warming one of the hospital's buildings.

The project regularly provides children with necessary medicines, and the Okhmatdit hospital - with equipment. Among the most famous campaigns of the project is painting by well-known Ukrainian artists of one of the buildings of Okhmatdyt hospita. Also, on the regular basis, the auctions for works by.



**Hope & Homes for Children**

Raised funds are used to provide sick children with vital stuff and medicines. But that's not all: Small Heart With Art also holds educational events and special events to draw attention to the problem of HIV / AIDS and engages the public in free disease testing.

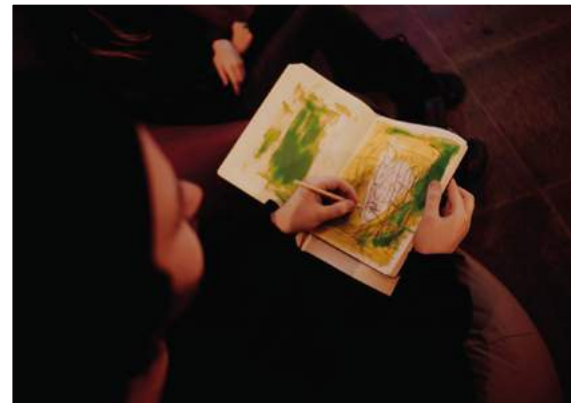


The project's objective is to create a platform where leading business representatives, contemporary Ukrainian artists and a wide audience can conduct a conceptual dialogue.

## "IMPLEMENTING THE MISSION. ART AND BUSINESS" **ART PROJECT**

The main idea behind this social art project was the creative visualization of the ideology of each participating company, as well as the disclosure of the philosophy of business creation, based on the organization's responsibility and understanding of own public mission. The project was attended by 19 companies, including Baker Tilly, Kyivstar, Nova Poshta and Intertop. Ukrainian artists were creating art objects that would represent the values and mission of the companies-participants. All created art objects were presented at the exhibition that could be visited by all interested people.

The presentation of the art project took place last December at the M17 Contemporary Art Center. The organizers were Ihor Stepanov, an ideologist and producer of the event, the founder of Sicore and CEO of the STEPANOV company, and Oleksandr Mikhed - the project coordinator, writer, literary critic.



# GREEN OFFICE

**As part of CSR, we are implementing the Green Office program and have already achieved significant success in this area.**

Green Office is a company management concept that reduces its negative environmental impact by maximizing resource conservation and reducing waste.

Companies that implement this standard will be able to create comfortable and healthy working environment same time increasing the efficiency of employees. You can achieve this in practice by following the simple rules: to organize the collection of used batteries and waste paper, to reduce the number of printouts, to replace conventional lamps with LEDs, to use water and electricity economically, to use energy-saving office equipment, to refuse to use plastic tableware. An important moment for achieving success is the development of corporate culture: employees who see their personal contribution to environmental protection become more responsible in their other actions.

**2 500**

**TRANSFER OF  
PAPER WASTE FOR  
REPROCESSING**

2 500 kg  
of paper



**700**

**MANUFACTURED  
FROM SECONDARY  
RAW MATERIAL**



**LED-LAMPS WERE  
PURCHASED AND  
REPLACED**

Collection and transfer of waste of luminescent lamps and batteries, which were used at the company's office, for utilization by licensed contractors.



Purchase of paper  
produced from  
recycled materials  
and/or FSC certified.

**65**

**65 KG OF BATTERIES  
AND POWER ELEMENTS  
WERE COLLECTED**

Collection and transfer of waste of luminescent lamps and batteries, which were used by employees of the company, for utilization by licensed contractors.



**650 PCS OF BIO  
GARBAGE BAGS  
WERE PURCHASED**



**650**

Biobags for  
garbage

**810**

**810 UNITS OF  
GOODS WERE  
PURCHASED**

Use of environmentally  
friendly (including phosphate  
free) detergents.



**FULFILLED**



Refusal to use  
plastic  
tableware at  
the office  
kitchen



**AERATORS WERE  
INSTALLED ON  
ALL TAPS**

Equipment of all taps with nozzles for  
economical use of water.

# OUR INITIATIVES

By our own experience and experience of our clients, we can confirm that being socially and environmentally responsible, "green" is not only good for the environment and others, but also brings financial and other benefits to business, with the interaction at the local and international level.

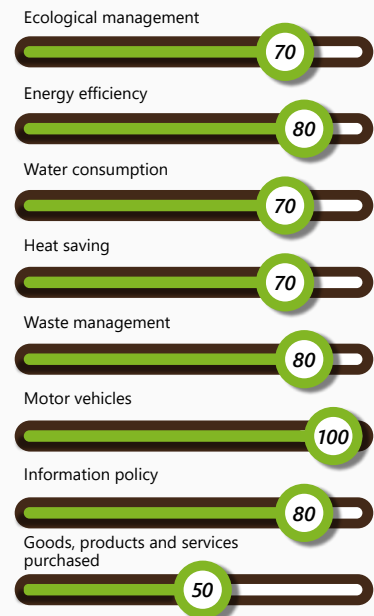
The company plans to get environmental certification under the Green Office program.

The certification process includes an assessment of the compliance of organizations with the standard \*SOU OEM.08.036.067 "Administrative Services (Offices). Environmental criteria". The standard establishes the indicators for assessing the results of the implementation of the management system in accordance with the Green Office principles.

Environmental certification is carried out by the following categories: environmental management, energy efficiency, water consumption, heat conservation, waste management, motor vehicles use, goods and services procurement and information policy. The assessment procedure is carried out by an independent organization that has the appropriate competence. This guarantees the impartiality and reliability of the results.

Environmental certification is a confirmation of the social and environmental responsibility of the organization to society. In addition, the availability of a certificate may open access to public procurement. A company that adheres to the Green Office standards in its activities improves its image in the eyes of customers, partners and potential investors.

## INDICATORS OF COMPLIANCE OF BAKER TILLY ACTIVITIES WITH STANDARDS\*



The computer not switched off every night during a year generates as much CO<sub>2</sub> as a two-story bus can contain.

Turn off the computer and feel the difference.

\* The computer of the A energy saving category with a flat monitor 1 280 by 1 024 pixels with a power of 0,107 kW in working condition is at the heart of the calculations.

The computer is considered to be switched on, when nobody works on it for 14 hours. Approximate volume of a two-story bus is 102.12 m<sup>3</sup>.



Senior Sustainable  
Development Consultant  
Alexander Baskov  
Alexander.Baskov@bakertilly.ua

# ANALYZING BUSINESS OF THE STATE

Last year, Baker Tilly became one of the leaders among companies providing audit services to the large state-owned enterprises

The interaction of the public sector with the private sector in Ukraine is mainly based on the implementation of regulatory functions by the first as to the other. In developed countries, public-private partnership ensures equal and mutually beneficial cooperation.

During the economic crisis, the state itself can become a source of projects

for companies: it helps enterprises to survive in difficult times, and besides to solve the problem of the excess of cheap labor resources. And this practice needs to be implemented in Ukraine, there is no need to invent something new or better.

At Baker Tilly for a long time we have interest in the principles of cooperation

of private companies with the state have long been of interest: the management of our company, as part of Baker Tilly International delegation, participated in the first meeting of the Public Sector Committee, held in Washington in 2009.



# Baker Tilly's participation in public tenders

Number of projects

UAH mln

ILICHIVSKY CSP  
KHERSON CSP  
MYKOLAYIVOBLENERGO  
UKRKHIMTRANSAMIAK  
ENERGORYNOK

12,5

2016

CENTRENERGO

YUZHNY CSP

MARIUPOL CSP

LVIV AIRPORT

UKRAINIAN  
DANUBE SHIPPING  
COMPANY

To succeed in building of the state, it is necessary to introduce the best modern practices. It is easier to make a breakthrough from a zero-level.

It was clear that the awareness of the necessity for a public-private partnership in Ukraine was just a matter of time. In anticipation of the right moment, we were preparing the groundwork and accumulated the necessary knowledge. The company was one of the first in Ukraine to take a training course on the application of IPSAS (International Public Sector Accounting Standards).

After the Revolution of Dignity, the dialogue between government and private business has reached to a new level, demonstrating more openness and transparency. Baker Tilly offered its expertise and audit skills to state-owned companies on a free basis,

understanding the need for such a step at that time. Volunteer co-operation lasted until the end of 2015, and then continued on the general terms. In addition to the audit services, we began to develop services where our interests and needs of the would coincide: counseling, construction of systems of internal control, management and accounting.

Due to its active position in 2016, Baker Tilly started to receive a lot of requests from state-owned companies, so we decided to highlight the interaction with the public sector in a separate business direction. Last year, Baker Tilly became one of the leaders among companies that provide audit services to large state-owned enterprises. In general, our company won 12 tenders, which were conducted through the Prozorro system and the Public Procurement Web Portal. Three of the state-owned enterprises, for which the audit was performed, work in the field of energy, the rest relate to the infrastructure sector. At the end of the 2016, the audit of 7 projects was completed. However, audit of state-owned enterprises is

not our priority: this sector brings 15-20% of the company's total profit. In our opinion, in interaction with state-owned companies, it is very important to maintain an independent position of the auditor. The fear of losing a client should not be a factor influencing on a decision-making process. It is possible to have a weighed and objective opinion only if the share of income from one client does not exceed 10%.

Another important direction for the development of the non-profit sector for us is to support charitable and voluntary organizations. Working with such projects is interesting and easy, because their participants clearly know their purpose and tasks, understand what steps need to be taken. For Baker Tilly, the development of social projects is an indicator of the transparency of society and its movement in the right direction.

# ALEXANDER POCHKUN

## AUDITOR'S OPINION

### HOW I BECAME AN AUDITOR

It was as in anecdote: "I went, fell under the ice, liked it, and became a "walrus". In 1994, I saw the announcement "Young people who do not imagine their life without accounting are invited to an interview". I studied at a military school and did not have any idea about accounting. I tried it — it was interesting.

### ROBOTS WILL NOT REPLACE AUDITORS

Currently, almost all professions have vague prospects. Nobody knows how quickly their functions will be taken by robots. However, there are things that have not changed for centuries — it's a person's need for communication and support. The owners of companies and top managers are humans, for whom the consultant can be not only an expert and adviser on professional issues, but also a psychologist a little or even a friend. His task is to help the client to understand the problem and find the right solution together. Therefore, the adviser's life experience is sometimes much more important than his knowledge.

### WHO WE ARE WAITING FOR IN BAKER TILLY

There are no clear standards, because our team is strong by its diversity. The only criterion for selection: we value good people - those with whom it is comfortable to work. We support an atmosphere of maximum freedom, motivating employees to implement their ideas. All that is needed for development is a person's desire to use the resources provided.

### WHAT I LIKE IN OUR TEAM

Baker Tilly staff is young, active and ambitious people who can make a conscious choice. This is not a group of universal soldiers that are "sharpened" for the execution of individual functions and which can be controlled, figuratively, by pressing the buttons. Our team consists of individuals, sometimes very emotional ones, each of which requires an individual approach. I appreciate most the interaction in our team: by getting feedback from our employees, we learn and progress together. For us, this is an indicator of success.







# BAKER TILLY

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