

**PROGRESSIVE ALLIANCE
BERLIN**

REPORT ON THE ACCOUNTANTS' REVIEW OF THE INCOME
AND EXPENDITURE ACCOUNT OF THE ACCOUNTING YEAR 2020

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TABLE OF ABBREVIATIONS

Terms of contract	General terms and conditions for chartered accountants and general auditing companies in the revision of 1 January 2020
e. V.	Registered Association (eingetragener Verein)
PA	Progressive Alliance
mbH	with limited liability (mit beschränkter Haftung)
HFA	Main professional committee (Hauptfachausschuss) of the IDW
IDW	Institute of Public Auditors in Germany (Institut der Wirtschaftsprüfer in Deutschland e.V.), Düsseldorf
Office Consult	Office Consult Büroorganisation Beratungsgesellschaft mbH, Berlin
PS	IDW auditing standard (Prüfungsstandard)
RS	IDW accounting standard (Rechnungslegungsstandard)
SPD	Social Democratic Party of Germany, Berlin

A. COMMISSION

The Board of the

Progressive Alliance, Berlin

has commissioned us to review the income/expenditure account of the accounting year 2020 as well as the accounting system on which this is based and to present a report on the results of our review.

We were not commissioned to assess the executive managements' compliance with regulations, the utilization of funds in accordance with the intended objectives of the statutes or compliance with taxation law or society-regulation provisions.

In fulfilling the tasks for which the Board had commissioned us, we reviewed the income/expenditure account by following, in an analogue fashion, the German "Principles for reviewing final statements of accounts" ("Grundsätze für die prüferische Durchsicht von Abschlüssen" – IDW PS 900) defined by the IDW. According to these principles, an accountants' review shall be planned and carried out in such a way that we, when assessing it critically, can be reasonably confident that we can exclude the possibility that essential issues of this income/expenditure account do not conform to statutory regulations and their interpretation in the statement on accounting systems published by the HFA "Accounting systems of associations" ("Rechnungslegung von Vereinen" – IDW RS HFA 14). Please refer to section "B." for a description of the procedure used to fulfil this task.

According to the provisions of IDW RS HFA 14, an income/expenditure account presents the means of payment taken in and spent by the association within the period under review. To achieve this, the income/expenditure accounting system shall be aligned to the following principles:

- correctness and freedom from arbitrary evaluation;
- clarity and comprehensibility,
- completeness and observance of the rule that balancing of individual items is forbidden;
- individual evaluation of assets and accounts payable;
- cautious evaluation of assets and debt;
- consistency in evaluating and structuring, and
- continuation of operations.

In accordance with IDW RS HFA 14 and due to the simplicity of the account conditions and the negligible effect of randomness of the times of payment, the PA has not compiled an additional asset account. The PA does not have any considerable assets or liabilities. At the end of our review procedure, all debts had been settled.

A chartered accountants' review is primarily limited to interviewing staff and an analytical assessment and therefore does not achieve the same security of results as an end-of-year account audit. As we were not commissioned to audit a final annual statement of accounts and have therefore not done so, we are unable to award an audit certificate.

We have summed up the results of our accountants' review in the form of an accountants' certificate (section "**C.**"). The income/expenditure account (**Attachment 1**) which we reviewed is attached to our present report.

The agreed general terms and conditions of contract (not attached to this translation) of the report are applicable to and govern the fulfilment of our contract and our responsibilities, also in relation to third parties (Sidenote: available in German only and will be sent on request).

B. PROCEDURE

The PA Board is responsible for accounting and for compiling the income/expenditure account as well as for the information provided to us. The Board has commissioned Office Consult to manage the accounts and to compile the income/expenditure account for the accounting year 2020. Our task is to assess the submitted documents and information in the course of our review process.

We carried out our work in April to June 2021 at the premises of Office Consult and concluded it on 8 June 2021.

The chartered accountants' review is primarily limited to interviewing staff and an analytical assessment. Furthermore, a limited investigation of individual issues was carried out on the basis of selected important business transactions. Further examination of information received and other documents is basically only required if there is reason to assume that the information provided for review contains essentially incorrect statements or indications that wrong information was given, or similar grounds for such assumptions.

The PA's accounting documents, transaction documents as well as its files and correspondence were used in the review.

We were readily given all information, explanations and proof documents that we requested.

In addition, the Board has given us a written confirmation, in the form of a declaration of completeness as normally given in this profession, that all income and all expenditures have been entered in the income/expenditure account.

Our work documents contain descriptions of the type of individual review activities carried out, their scope and results.

C. CERTIFICATION OF ACCOUNTANTS' REVIEW

To the Progressive Alliance, Berlin

We have reviewed the Progressive Alliance's income/expenditure account of the accounting year 2020. The association's Board is responsible for the account management and compiling the income/expenditure account in accordance with the statutory regulations and their interpretation as defined by IDW RS HFA 14. We are required to issue a certificate for the income/expenditure account on the basis of our accountants' review.

We have conducted the review in a manner similar to the principles defined by the IDW for reviewing final account balances. According to these principles, an accountants' review shall be planned and carried out in such a way that we, when assessing it critically, can be reasonably confident that we can exclude the possibility that essential issues of this income/expenditure account do not conform to the applicable accounting system principles. A chartered accountants' review is primarily limited to interviewing staff and an analytical assessment and therefore does not achieve the same security of results as an end-of-year account audit. As we were not commissioned to audit a final annual statement of accounts and have therefore not done so, we are unable to award an audit certificate.

In the course of the review conducted by us, we have not found any facts or situations which give reason to assume that essential issues of this income/expenditure account do not conform to statutory regulations and their interpretation as defined in IDW RS HFA 14.

Krefeld, 8 June 2021

RSM Altavis GmbH
Wirtschaftsprüfungsgesellschaft
Steuerberatungsgesellschaft

(chartered accountants and tax consultants)

Dieckmann
Chartered accountant

Lohmann
Chartered accountant

		Progressive Alliance	
		Provisional conclusions Income / Expenditures for 2020	
		<u>2020</u>	<u>2019</u>
		EUR	EUR
Income			
	Contributions	161.902,26	149.600,95
		<u>161.902,26</u>	<u>149.600,95</u>
Expenditures			
	Administration	(19.974,56)	(80.632,64)
	Political activities	(14.153,43)	(59.664,43)
		<u>(34.127,99)</u>	<u>(140.297,07)</u>
Increase in net assets		<u>127.774,27</u>	<u>9.303,88</u>
	Net assets at the beginning of the period	71.758,63	62.454,75
Net assets at the end of the period		<u>199.532,90</u>	<u>71.758,63</u>

Berlin, 8 June 2021



Conny Reuter,
Coordinator