




An audit firm providing statutory audit services to public interest entities (listed companies, credit institutions, insurers and other significant entities and organizations) is required to prepare and publish a transparency report.

TRANSPARENCY REPORT 2016/2015
AUDIT FIRM  1 BDO EESTI AS



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AUDIT FIRM

BDO Eesti AS (audit firm, activity licence ) was the first legal person to obtain the right to offer audit services in Estonia after the country regained its independence. By choosing BDO, you will gain access to the experience and expertise of the global BDO network of audit and advisory firms.

STEADFAST COMMITMENT TO TRANSPARENCY

As a private entity entrusted with the statutory audit of public interest entities, we acknowledge our unique position as professionals. Accordingly, commitment to transparency is embedded in BDO's corporate culture.

DEDICATION TO DEVELOPMENT OF THE PROFESSION

The general public's understanding of the role of statutory auditors as well as the nature and quality of their services requires consistent improvement. BDO believes that greater transparency increases the public's trust in statutory auditors and helps improve the credibility and reputation of audit firms. We will continue to publish detailed transparency reports to help increase awareness of the profession, improve the reputation of statutory auditors and meet all relevant legal requirements.

BDO Eesti AS is pleased to provide an overview of its organization and activities with a focus on auditors and audit firms. We believe that you will find our transparency report both informative and interesting. We hope that insights into who we are and what kind of ethics, independence and quality assurance processes we have implemented to ensure the reliability and quality of our audit services will help increase the public's trust in us as we fulfil our role of a statutory auditor.



SULEV LUIGA
BDO Eesti AS Managing Partner,
Chairman of Management Board

“Thank you for your trust!
What matters to you,
matters to us.”

BDO IN ESTONIA AT A GLANCE

Thanks to an international reach and long-term local experience, we can support your business in Estonia with:

- Audit services
- Tax, financial and business advisory solutions
- Accounting, payroll and business support services
- Training and lecturer services

We have been delivering quality audit, business & financial advisory and business support services in Estonia since 1991.

600+ CLIENTS AND 50+ PROFESSIONALS as at 30 June 2016

Over the years, including 25 with the current service offering and 40 since the establishment of our firm, we have become one of the leading professional services firms in the Estonian market. We have over 600 clients including major local and international companies as well as public sector entities. BDO's Estonian offices with their more than 50 professionals provide quality sector-specific services that take into account both industry developments and the latest international trends.



14 Certified public accountants or internal auditors



10 Certified public sector auditors or internal auditors

290+  Audit services clients

BDO'S GLOBAL VISION IS TO BE THE LEADING PROVIDER OF EXCEPTIONAL CLIENT SERVICE.

STATEMENTS BY THE MANAGEMENT AND SUPERVISORY BOARDS

▶ BDO Eesti AS's (audit firm activity licence Δ 1) TRANSPARENCY REPORT 2016/2015 has been prepared in accordance with the requirements of section 158 of the Estonian Auditors Activities Act.

▶ An audit firm does not engage in activities other than the professional services and other business activities of a statutory auditor as defined in the Estonian Auditors Activities Act.

▶ BDO Eesti AS provides the services of an audit firm under activity licence no.1 granted by the Estonian Ministry of Finance on 8 March 2010.

▶ The management and supervisory boards of BDO Eesti AS believe that the risk management and quality assurance environment described in the following sections of this report meets all relevant regulatory requirements and provides a reasonable basis for assuming that the professional services of BDO Eesti AS comply, at all times, with all relevant quality standards.

▶ BDO Eesti AS's annual internal independence review was conducted in June-July 2016; the safeguards required for ensuring independence have been implemented and recorded in professional practice documents. Accordingly, BDO Eesti AS confirms that it has been independent in its professional activities.

▶ BDO Eesti AS also confirms that the information disclosed in this report is, in all material respects, correct as at the date of signature of this report (29 September 2016).

STATEMENTS BY THE FIRM'S MANAGEMENT AND SUPERVISORY BOARDS

The management board has prepared TRANSPARENCY REPORT 2016/2015 for the period 1 July 2015–30 June 2016.



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The supervisory board has reviewed and approved the report prepared by the management board.



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BDO EESTI AS'S LEGAL AND MANAGEMENT STRUCTURE AND OWNERS

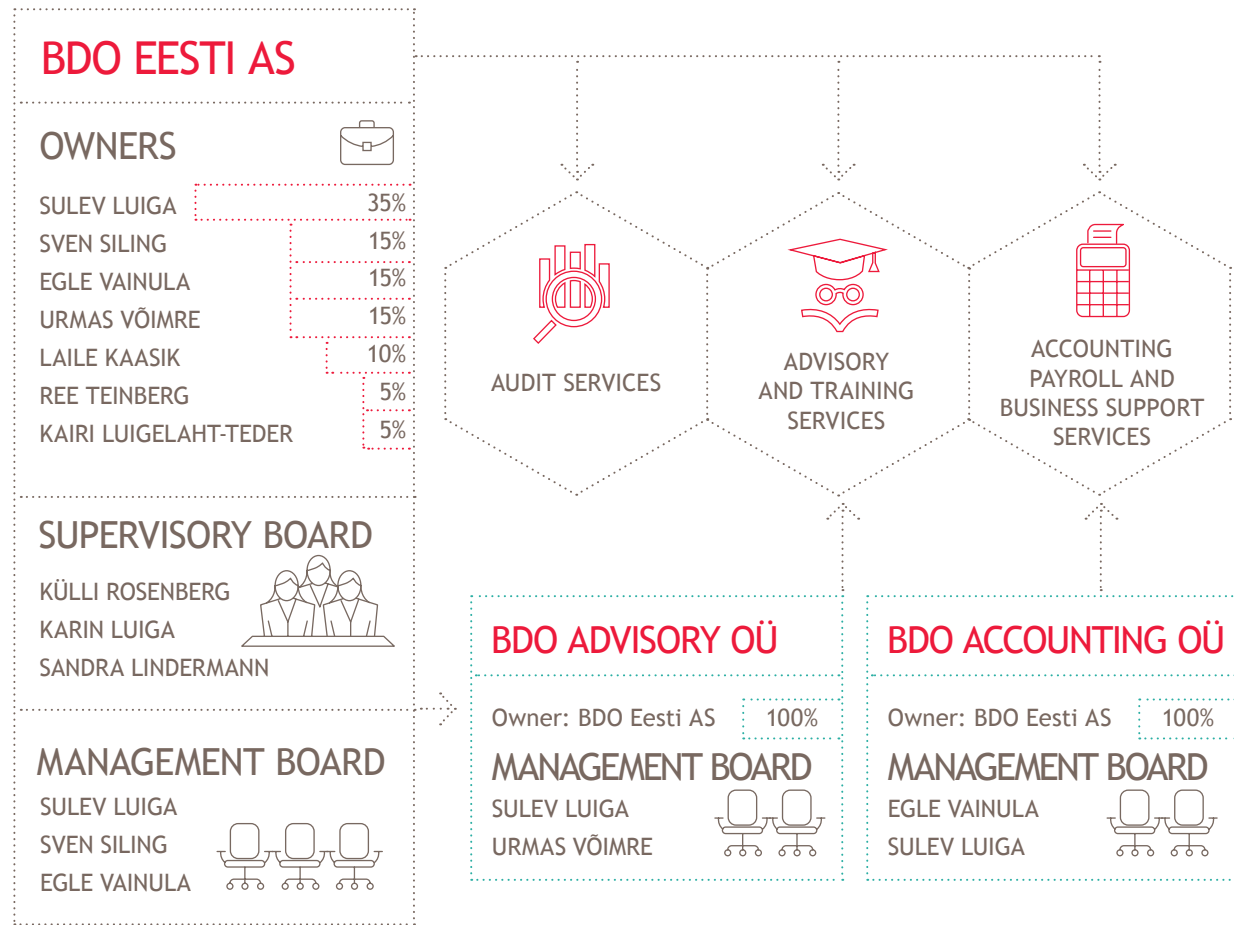
▶ BDO Eesti AS is registered in Estonia (registry number 10309827, audit firm Δ 1) and a parent of a group which at 30 June 2016 included two subsidiaries: BDO Advisory OÜ (registry number 12252563) engaged in the provision of advisory services and BDO Accounting OÜ (registry number 14031566) engaged in the provision of accounting services. BDO Advisory OÜ and BDO Accounting OÜ are not registered as audit firms as defined in the Estonian Auditors Activities Act.

▶ BDO Advisory OÜ is a limited company whose governing bodies are the general meeting (the sole shareholder is represented by the management board of BDO Eesti AS) and a two-member management board.

▶ BDO Accounting OÜ is a limited company whose governing bodies are the general meeting (the sole shareholder is represented by the management board of BDO Eesti AS) and a two-member management board.

▶ At 30 June 2016, the share capital of BDO Eesti AS amounted to 60,000 euros, consisting of 600 ordinary shares with equal rights and a par value of 100 euros each.

As at 30 June 2016



COMPLIANCE WITH REQUIREMENTS FOR AUDIT FIRMS

Requirement:
A majority (50%+) of the votes represented by shares in an audit firm have to be held by statutory auditors that have obtained their auditor's qualifications in an EEA contracting state or audit firms subject to the unrestricted oversight of a competent authority of an EEA contracting state.



Requirement:
Where an audit firm's management board has three members, at least two of them have to be statutory auditors that have obtained their auditor's qualifications in an EEA contracting state and are members of the Estonian Association of Auditors.



BDO EESTI AS'S CONSOLIDATED REVENUE

The financial year of the companies of BDO Eesti AS group covers the period 1 October–30 September. The statutory transparency reporting period of an audit firm covers the period 1 July–30 June.

700+

In the reporting period we performed:
360+ AUDIT SERVICES ENGAGEMENTS
200+ ACCOUNTING SERVICES ENGAGEMENTS
140+ ADVISORY AND TRAINING SERVICES ENGAGEMENTS

BDO Eesti AS's consolidated revenue 1 July–30 June (EUR)

AUDIT SERVICES



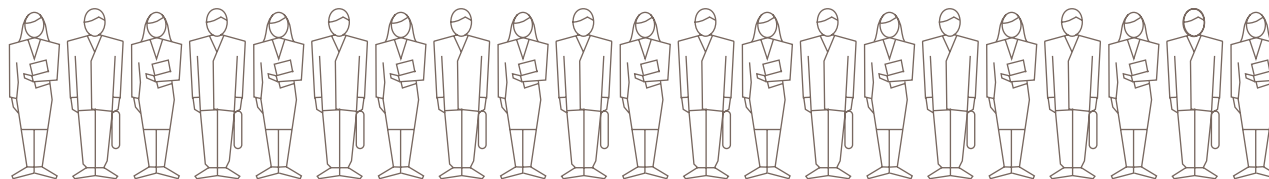
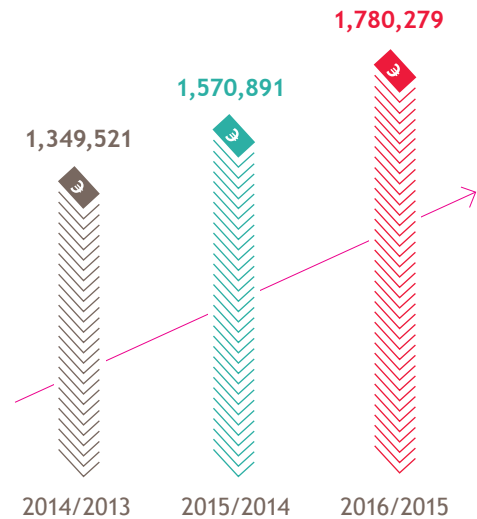
ACCOUNTING AND PAYROLL SERVICES



ADVISORY AND TRAINING SERVICES



TOTAL REVENUE:



Average number of BDO Eesti AS's partners and staff in the reporting period, converted to full-time equivalent:



LEGAL AND STRUCTURAL ARRANGEMENTS IN THE BDO INTERNATIONAL NETWORK

BDO SINCE 1963

BDO is an international network of public accounting and advisory firms that perform professional services under the name of BDO, which is a registered trademark of Stichting BDO. Founded in 1963, the network has a history of 50+ years. The BDO trademark is an acronym that stands for the names of the network's original members: Binder Hamlyn (United Kingdom), Dijker & Co (Netherlands) and Otte & Co (Germany).

GOVERNING BODIES OF THE BDO INTERNATIONAL NETWORK

BDO International Council

BDO International Council comprises one representative from each voting member and represents the members of BDO International Limited in general meeting. The Council approves the annual budget and changes in the Articles and Regulations and appoints the Global Board.

BDO Global Board

The Global Board, which is the Board of Directors of BDO International Limited, currently comprises a representative of the network's seven largest member firms, whose appointment for a three-year term is approved by the Council. The Global Board meets at least four times a year and more frequently if required, oversees the work of the Global Leadership Team and sets policies and priorities for the network.

BDO Global Leadership Team

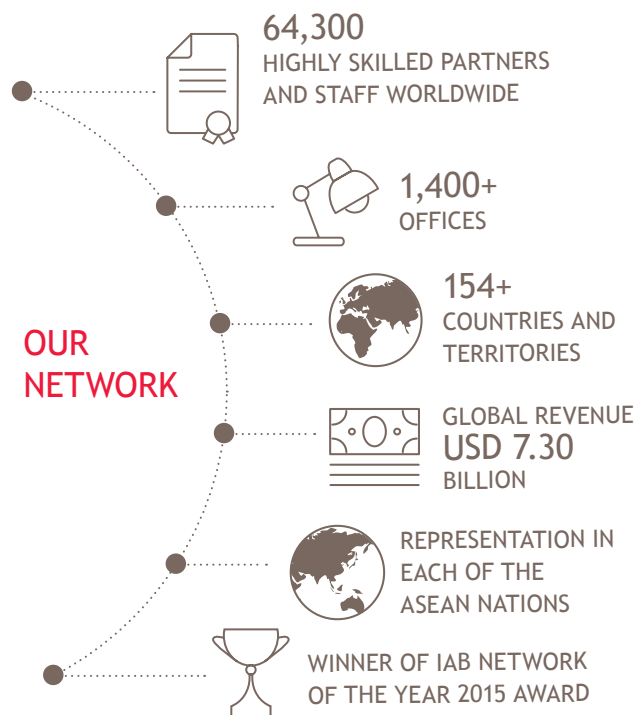
The Global Leadership Team carries out on a daily basis the decisions of the Global Board in the framework of the budget approved by the Council. The Team includes the global heads of audit and accounting, tax, HR development, client service, network development and the supporting services.



GLOBAL KNOWLEDGE-SHARING

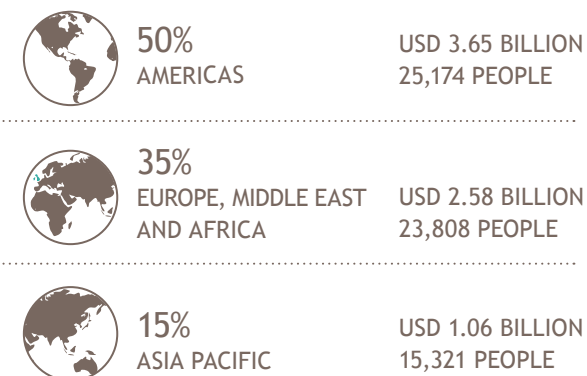
In addition to their own extensive knowledge, all our professionals can tap the expertise of the BDO international network whose highly recognised experts are just a phone call away. By sharing knowledge, we complement each other in order to:

- ▶ assist our clients;
- ▶ further improve our professional competence.



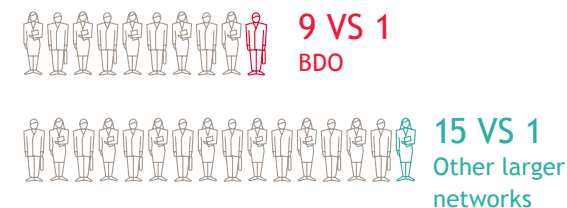
OUR REGIONS

2015 regional fee split



CLIENT SERVICE AT THE CORE

Global professional staff to partner ratio



As at 30 September 2015

LEGAL AND STRUCTURAL ARRANGEMENTS IN THE BDO INTERNATIONAL NETWORK

Membership of the BDO network is based on three core agreements.

Member firm network agreement

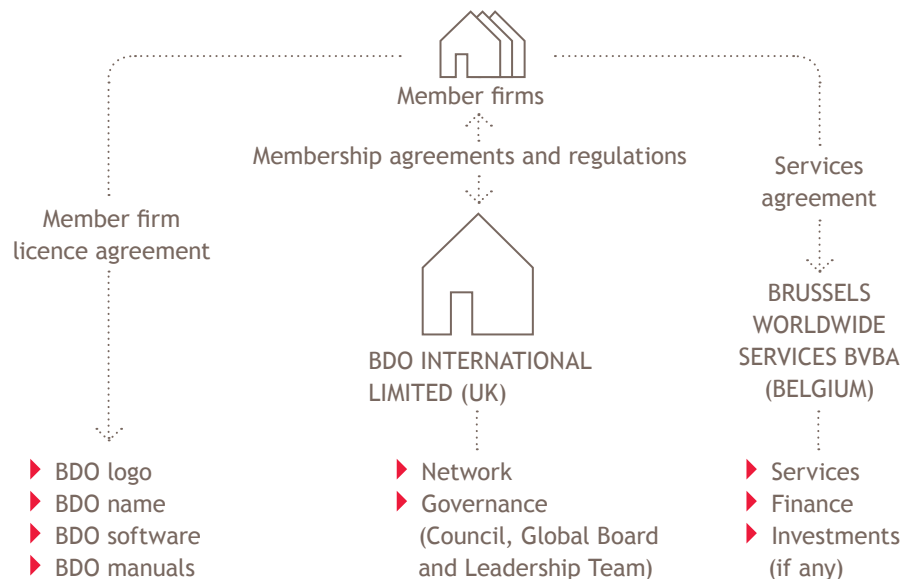
which sets forth requirements for members of the BDO network along with their rights and obligations.

Services agreement

which sets forth requirements for members of the BDO network along with their rights and obligations.

Member firm licence agreement

which confers the right and obligation to use the BDO intellectual property, name, logo, visual identity, software and manuals.



▶ To gain and maintain BDO membership, a firm must offer a minimum range of the core services (including audit, tax and advisory), have appropriate quality & risk management systems and professional liability insurance cover, and observe a high standard of professionalism and ethics.

▶ Provision of central services within the BDO network is coordinated by Brussels Worldwide Services BVBA, a limited liability company incorporated in Belgium whose statutory seat is in Brussels. BDO International Limited and Brussels Worldwide Services BVBA do not provide any professional services to clients. The member firms of the BDO network do not have any agency relationship or partnership agreement with BDO International Limited and Brussels Worldwide Services BVBA. Each of BDO International Limited, Brussels Worldwide Services BVBA and the member firms of the BDO network is a separate legal entity and has no liability for another such entity's acts or omissions.

▶ Through the obligations undertaken by BDO Eesti AS under the network agreements it has signed, the BDO network has significant influence over the operations and policies of BDO Eesti AS. However, in the opinion of the management board, BDO International Limited (or Brussels Worldwide Services BVBA or Stichting BDO) does not have control over BDO Eesti AS in a manner that would cast doubt on the independence of BDO Eesti AS as a provider of audit services.



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BDO'S CLIENT SERVICE PHILOSOPHY: WE ARE FOCUSED ON SOLUTIONS

BDO'S VISION IS TO BE THE LEADER IN EXCEPTIONAL CLIENT SERVICE

- ✓ We are committed to building strong and long-lasting relationships.
- ✓ We listen.
- ✓ We respond.
- ✓ We are proactive.
- ✓ We are dedicated to your business.

AS PROFESSIONALS, WE SEEK AND CREATE OPPORTUNITIES FOR SUCCESS

We appreciate and recognise the strengths of each individual. We assess people based on their performance and offer flexibility in the use of work time. We deliver on the promises made to colleagues and clients. We treat each other as equals and value mutual trust. We support and encourage independent thinking and self-development. We favour the preventive approach to problem-solving. We wish to be an example for others.

BDO'S DISTINCTIVE FEATURE IS A CLOSE AND PERSONAL RELATIONSHIP WITH THE CLIENT

We aim to understand people as well as business and to build lasting relationships, which are based on mutual respect and trust. We care about the success of our clients and are committed to delivering value. Our professional skills and knowledge ensure effective and smooth collaboration.

BDO Eesti AS's management behaves in a manner, which shows that investing in the goals and systems that ensure our service quality is in the best interests of the firm, the auditors and the clients.

SERVICES ENHANCED OVER TIME

We have been operating in the Estonian audit and advisory services market for around 25 years and have developed a client-focused approach to service offering. Consideration of the specific needs and values of each client allows us to build long-term client relationships. We offer our solutions in order to help clients focus on what is important, simplify issues that are complex, prevent and mitigate risks and, where necessary, outsource their business support services.



At BDO, we believe that the financial services of the future are characterised by:

- Clients' direct access and participation
- Growth in management accounting and reporting
- Paper-free communication
- Significant decrease in manual labour through inter-machine communication
- Reasonable price

BDO'S CLIENT SERVICE PHILOSOPHY: WE ARE FOCUSED ON SOLUTIONS

SYNERGY AND MUTUAL SUPPORT

We treat each other with consideration and respect. We stand up for each other and do not have a blame culture. We make time for any colleague who wants to talk through an issue and help each other out by freely giving advice and sharing workloads, ideas, opportunities, knowledge and resources. We ask for help when we need it and act as one firm.

ADDITIONAL ASSURANCE THROUGH HONESTY AND INTEGRITY

We consult and communicate in an open manner. This means we are trustworthy and straightforward in all of our activities and reasonable and prudent in our judgment. We give advice we believe in and behave ethically, stay true to our standards and avoid conflicts of interest.

WHAT MATTERS TO YOU, MATTERS TO US

BDO values each existing and prospective client. To ensure the best possible cooperation, we apply a personal approach and strive to adjust to the needs of the client. Be it a small everyday matter or a complex time-consuming process - our experience shows that collaboration produces the best outcome.

CLIENT-FOCUSED APPROACH

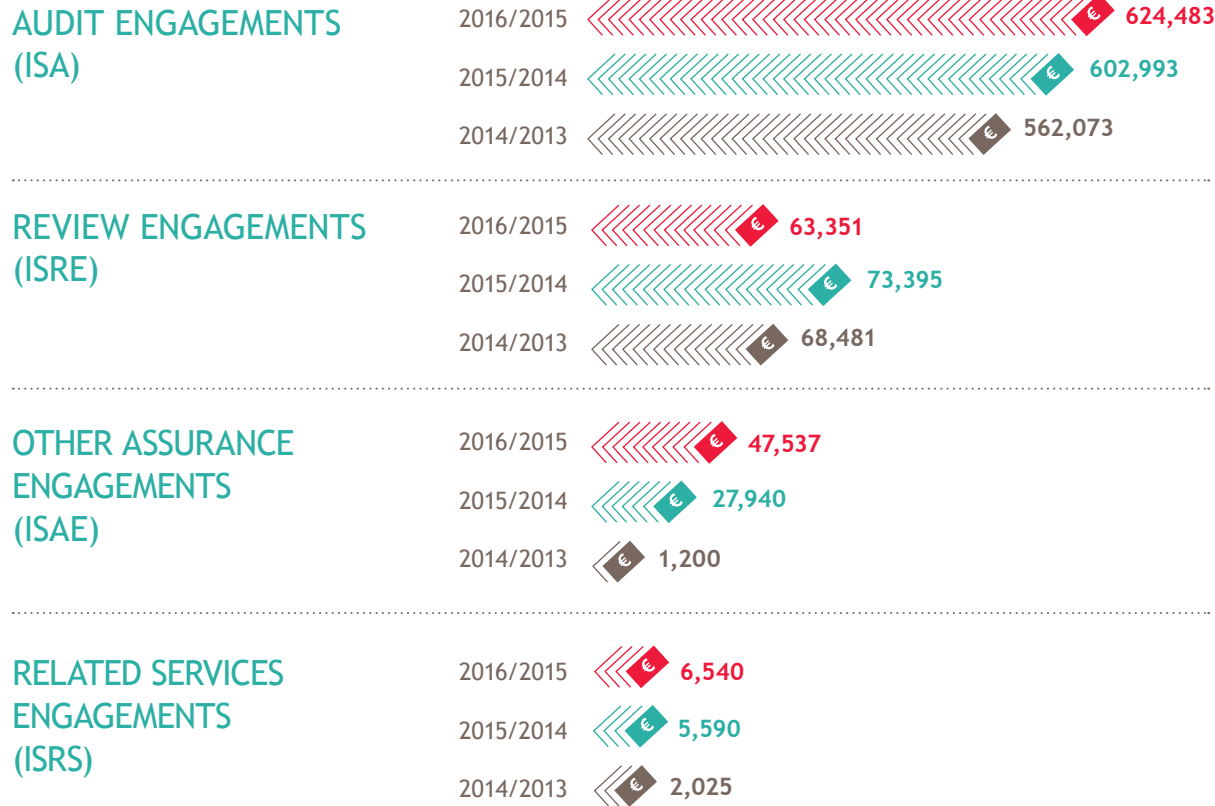
To make sure that our services are provided as smoothly as possible, at least two professionals are assigned to each client. One is the lead client relationship manager and the other a competent specialist whose role is to complement, assist or substitute. Such an arrangement ensures swift and smooth delivery of the services.



Photo: Gert Kelu

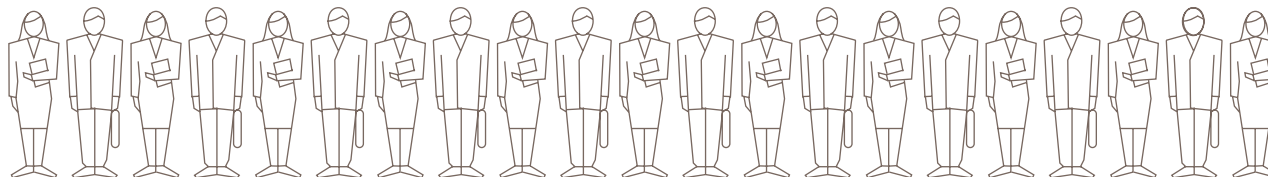
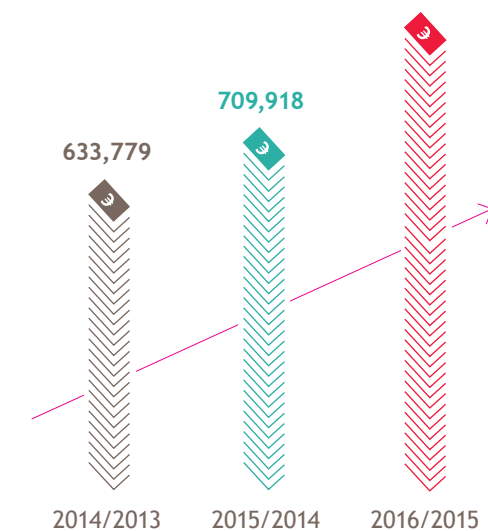
AUDIT SERVICES: AUDITORS' PROFESSIONAL ACTIVITIES

BDO Eesti AS's audit service revenue 1 July–30 June (EUR)



- 229 ISA ENGAGEMENTS
- 40 ISRE ENGAGEMENTS
- 35 ISAE ENGAGEMENTS
- 4 ISRS ENGAGEMENTS

TOTAL REVENUE FROM AUDIT SERVICES



Average number of partners and staff involved in the provision of audit services in the reporting period, converted to full-time equivalent:

2014/2013	2015/2014	2016/2015
18	17	21

RELIABILITY. ACCURACY. ASSURANCE

Examining financial performance with the help of an expert helps interpret results and plan and manage change. Financial reporting is like the calling card of the organization. The involvement of an experienced certified public accountant adds reliability to the financial statements.

Members of the BDO network have to comply with the independence standards and the Code of Ethics of the International Federation of Accountants (IFAC). BDO offers the following public accountants' services that are governed by the standards published by IFAC:

- ▶ audits and reviews of financial statements prepared in accordance with the Estonian generally accepted accounting principles (Estonian GAAP);
- ▶ audits and reviews of financial statements prepared in accordance with International Financial Reporting Standards (IFRS);
- ▶ special-purpose and other assurance engagements;
- ▶ assurance reporting on packaging reporting;
- ▶ related services.

The management of BDO Eesti AS is ready to enforce all reasonable measures to ensure that the firm consistently stands for quality, independence, objectivity and integrity. Management consistently reminds the partners of the importance of quality assurance. The same message is communicated to all staff on a regular basis.

All members of the BDO network conduct audit engagements using the same audit methodology and process, which ensures methodological uniformity and consistency. The methodology is consistently taught to all partners and staff that provide audit services.

Our methodology is sufficiently flexible, allowing the performance of additional procedures that may be required by local laws and regulations.

All staff that have been granted the right to sign auditor's reports on behalf of BDO Eesti AS must have the appropriate qualifications and the licence of a certified public accountant (CPA) or, where appropriate, the licence of a certified public sector auditor.

The CPA that leads an engagement:

- ▶ must be sufficiently competent to perform the engagement;
- ▶ composes the engagement team and is responsible for proper performance of the engagement;
- ▶ is responsible for instructing and supervising the work done by less experienced staff or external parties to whom work is delegated and determining the extent to which their work must be reviewed; an
- ▶ reports to the management board and/or Head of Audit Services in matters concerning the engagement.



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AUDIT SERVICES: AUDITORS' PROFESSIONAL ACTIVITIES

UNDER THEIR PROFESSIONAL STANDARDS, AUDITORS MAY PERFORM DIFFERENT ENGAGEMENTS

AUDITS

The objective of an audit is to enhance the degree of confidence in financial statements, which is achieved by the expression of a reasonable assurance opinion by the auditor on whether the financial statements are prepared, in all material respects, in accordance with the applicable financial reporting framework. Audit engagements are governed by International Standards on Auditing (ISA). For example, the audits of annual financial statements are performed in accordance with ISA (EE).

REVIEWS

The objective of a review engagement is to enable an auditor to state with moderate (limited) assurance whether, on the basis of procedures performed, anything has come to the practitioner's attention that causes the practitioner to believe that the financial statements are not prepared, in all material respects, in accordance with the applicable financial reporting framework. Moderate (limited) assurance is a lower level of assurance than reasonable assurance. Review engagements are governed by International Standards on Review Engagements (ISRE). For example, reviews of annual financial statements are performed in accordance with ISRE (EE).

OTHER ASSURANCE ENGAGEMENTS

The objective of other assurance engagements is to enable the auditor to express either a reasonable assurance conclusion or a moderate assurance conclusion (other assurance engagements are governed by International Standards on Assurance Engagements, ISAE). For example, the legal compliance of packaging reporting and transactions is verified in accordance with ISAE (EE). A sub-type of other assurance engagements is examination of prospective financial information, which entails performing procedures to examine best-estimate and hypothetical assumptions. Prospective financial information can be in the form of a forecast, a projection or a combination of both. Due to the uncertainty of the realization of future events, the auditor usually expresses a moderate (limited) assurance conclusion on whether the assumptions applied by management are reasonable.

RELATED SERVICES ENGAGEMENTS comprise engagements to perform agreed-upon procedures and compile financial information. These engagements are governed by International Standards on Related Services (ISRS). The objective of an engagement to perform agreed-upon procedures is for the auditor to carry out procedures of an audit nature and to report on factual findings so that the recipients of the report could draw their own conclusions from the auditor's work. The objective of a compilation engagement is to apply the auditor's accounting and financial reporting expertise to assist management in collecting, classifying and summarizing financial information. The procedures applied by the auditor in either engagement are not designed to express any assurance. However, users of the financial information will benefit from the involvement of the auditor because the service is provided with professional competence and due care.

GENERAL THRESHOLDS FOR STATUTORY AUDITS AND REVIEWS UNTIL 31 DECEMBER 2015

	Number of indicators exceeding the threshold	Revenue or income	Total assets at reporting date	Average number of employees
STATUTORY AUDIT	At least 1	€ 6,000,000	€ 3,000,000	90
	At least 2	€ 2,000,000	€ 1,000,000	30
STATUTORY REVIEW	At least 1	€ 3,000,000	€ 1,500,000	45
	At least 2	€ 1,000,000	€ 500,000	15

GENERAL THRESHOLDS FOR STATUTORY AUDITS AND REVIEWS FROM 1 JANUARY 2016

The revised thresholds are effective for financial statements covering annual periods beginning on or after 1 January 2016

STATUTORY AUDIT	At least 1	€ 12,000,000	€ 6,000,000	180
	At least 2	€ 4,000,000	€ 2,000,000	60
STATUTORY REVIEW	At least 1	€ 4,800,000	€ 2,400,000	72
	At least 2	€ 1,600,000	€ 800,000	24



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740,000+

RECORD REVENUE

Our audit services generated record-high revenue of 741,911 euros, 4.5% up on the prior financial year. In the same period the Estonian audit services market expanded by 3.7% to 26.2 million euros, according to the Estonian Association of Auditors.

10+ CERTIFIED PUBLIC ACCOUNTANTS

In 2016/2015, Liina Oolup and Betty Blös passed their CPA exams and CPA Karel Villak joined our audit team. At 30 June 2016, BDO Eesti AS had 12 certified public accountants (CPAs) and nine certified public sector auditors. In addition, we have two certified internal auditors and a certified public sector internal auditor.

CONTRIBUTION TO DEVELOPMENT OF THE PROFESSION

On 13 May 2016 the general meeting of the Estonian Association of Auditors (EAA) gave our Head of Audit and Training Services Sven Siling a strong mandate for continuing as a member of its management board.

In addition to continuing work on the board of EAA, our Head of Audit and Training Services Sven Siling will continue to lead the EAA Methodology Committee, which prepares and develops methodological audit tools and arranges further training for auditors.

RISE IN PROFESSIONALISM

A distinctive feature of our services is the speed at which we respond, our openness to change and our adaptability to the most complicated operating environments. In 2016/2015, our other assurance services (ISAE) segment grew rapidly, posting record revenues.

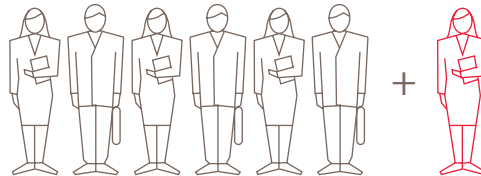
EXPANSION OF A STRONG CLIENT PORTFOLIO

In 2016/2015 our client portfolio was strengthened by six public interest entities: ABC Grupi AS, Estonian University of Life Sciences, Haapsalu City Government, Lemeks AS, Põlva Parish Government and Visional Invest OÜ. Recognition by clients is the best feedback for us.

In April 2016, we invited Ree Teinberg to become a shareholder. Ree has extensive experience in both accounting and auditing.

Her key competencies include:

- ▶ auditing public sector entities;
- ▶ auditing large companies;
- ▶ auditing projects funded by the EU;
- ▶ delivering lectures on a diverse range of subjects.



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AUDIT SERVICE AGREEMENTS WITH PUBLIC INTEREST ENTITIES (PIES)

The Estonian Auditors Activities Act defines a PIE as follows:

- ▶ a company whose securities are admitted to trading on a regulated securities market as defined in the Securities Market Act;
- ▶ a company, which is a credit institution as defined in the Credit Institutions Act;
- ▶ a company, which is an insurer as defined in the Insurance Activities Act;
- ▶ a local government in whose administrative territory there live over 10,000 people as at the reporting date or whose total assets in the separate or consolidated annual accounts exceed 20,000,000 euros as at the reporting date;
- ▶ a ministry as a government accounting entity as defined in the Accounting Act.

In addition, a legal person, excluding the state, is a PIE if according to its separate or consolidated financial statements at least two of the following indicators for the financial year exceed the following thresholds:

- ▶ revenue or income: 66,000,000 euros;
- ▶ total assets as at the reporting date: 33,000,000 euros;
- ▶ average number of employees: 1,000.

A company, foundation, non-profit association or other person where a public sector entity has a majority interest or control is a PIE if according to its separate or consolidated financial statements at least three of the following indicators for the financial year exceed the following thresholds:

- ▶ revenue or income: 14,000,000 euros;
- ▶ total assets as at the reporting date: 7,000,000 euros;
- ▶ average number of employees: 200;
- ▶ number of members of the supervisory board: 8.

PUBLIC INTEREST ENTITIES with whom BDO Eesti AS had an audit services agreement (including an agreement for the performance of a statutory audit) during the period 1 July 2015-30 June 2016

Client name	Registry no.	Total assets EUR	Revenue EUR
ABC Grupi AS	10419384	498,326,608	107,127,366
Estonian University of Life Sciences	74001086	76,172,209	32,303,510
Estonian Academy of Music and Theatre	74000547	9,591,085	7,654,849
Estonian Unemployment Insurance Fund	74000085	684,621,000	172,145,000
Enterprise Estonia Foundation	90006006	56,666,146	139,467,267
Haapsalu City Government	75012802	63,524,000	20,352,000
Defence League	74000725	40,710,000	35,195,000
Lemeks AS	10151071	89,510,244	107,110,282
Põlva Parish Government	75038581	51,024,000	18,048,000
State Forest Management Centre	70004459	3,696,362,000	161,890,000
Environmental Investment Centre Foundation	90005946	203,119,698	132,718,205
Skinest Grupp AS	11200831	189,398,334	71,241,371
Skinest Rail AS	10293440	180,582,514	71,138,217
University of Tartu	74001073	290,866,000	161,895,000
Viimsi Parish Government	75021250	102,397,700	40,918,400
Võru City Government	75019980	47,399,000	21,218,000
Visional Invest OÜ	11139681	90,272,014	107,110,282
Rakvere City Government	75025064	70,259,500	24,594,400



In the reporting period, the number of PIEs served increased by 6.

BDO METHODOLOGY: AUDITOR INDEPENDENCE AND SERVICE QUALITY

Implementation and maintenance of the risk management and internal & quality control system are the responsibilities of the firm's management board and Risk Management Partner. The firm assumes that if the rules established by the management board are observed, proper application of their requirements is effective. Information on policies and procedures as well as feedback on the results is communicated to the staff in writing and/or through training.

Our risk management and quality control system is in full compliance with the requirements established by the International Federation of Accountants (IFAC). The risk management and quality control system is an integral part of our day-to-day operations.

As a member of the BDO network, we have to observe the network's approved common risk management and quality control standards. These are complemented by local legal and regulatory requirements and, where appropriate and required by a specific engagement, the quality standards of a third country.

Methodology is updated according to need so that it meets the requirements of the changing environment.

We ensure service quality by the following measures:

- ▶ BDO's global audit software APT and the BDO Technical Manuals including the BDO Audit Manual, BDO A&A Policy Manual, BDO Risk Management Manual, etc.;
- ▶ regular intra-network Quality Assurance Reviews, which are conducted by professionals from other member firms at least once every three years;
- ▶ a member firm's annual accreditation process, which covers the following areas: audit and accounting services, tax services, advisory services, markets and clients, staff recruitment and development, risk management and governance.

The risk management and internal & quality control system of BDO Eesti AS comprises the following elements:

- ▶ key ethical requirements;
- ▶ terms and conditions for accepting and continuing client relationships and engagements;
- ▶ policies for ensuring an appropriate engagement team;
- ▶ quality assurance responsibilities;
- ▶ rules for proper performance of engagements;
- ▶ supervision and monitoring of client relationships and engagements.

The policies and procedures in place require all partners and staff to:

- ▶ take appropriate steps for ensuring full compliance with relevant quality, ethical and independence requirements or non-acceptance/withdrawal from the client relationship or engagement;
- ▶ notify the Risk Management Partner promptly of any breaches of quality, ethical and independence requirements;
- ▶ involve a competent person (member of the management board or another partner) in assessing the scope of a potential breach.

At least annually, all personnel required to be independent by ethical requirements has to provide a written confirmation of compliance with the firm's quality, ethics and independence policies and procedures. The latest internal independence review was carried out in June-July 2016.

To cover the risks of its professional activities, BDO Eesti AS has acquired appropriate professional liability insurance.

PARTNERS RESPONSIBLE FOR RISK AND QUALITY MANAGEMENT AT BDO EESTI AS



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BDO'S GLOBAL QUALITY & RISK MANAGEMENT DIRECTOR



ANDRE DE REGT

Global Quality & Risk Management Director
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BDO METHODOLOGY: AUDITOR INDEPENDENCE AND SERVICE QUALITY

In the firm, compliance with professional, risk management and quality standards is the responsibility of all partners and professional staff. All of them are expected to understand, apply and follow the firm's operating policies and relevant procedures.

As a rule, work quality is ensured with the so-called 'four-eye' principle whereby the work of each engagement team member is reviewed by another team member of at least the same level and competence. In the case of more complex, critical and significant engagements, the engagement partner and team members are entitled/obligated to involve in the work independent experts responsible for advising the team.

COMPENSATION

The partners (owners) and staff of BDO Eesti AS receive a fixed monthly salary and, where appropriate, additional remuneration or the remuneration of the member of the management board. Additional remuneration depends on the achievement of business, quality, development and other targets.

In addition, owners are entitled to dividends and other distributions of net assets in amounts proportionate to their ownership interest.

Remuneration is underpinned by the following principles:

- ▶ employees should consistently contribute to maintaining and enhancing their professional skills;
- ▶ the firm values the skills needed for delivering quality work and relevant professional and industry experience;
- ▶ there may be no interference in the professional work of an auditor that could jeopardise the independence of the auditor or the firm.

BDO Eesti AS supports the auditor responsible for an engagement in preparing appropriate reports and does so also in situations where this may lead to termination of a client relationship.

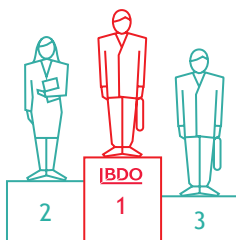
EXTERNAL APPRAISALS OF THE RISK MANAGEMENT AND INTERNAL & QUALITY CONTROL SYSTEM OF BDO EESTI AS

The most recent quality assurance review conducted at BDO Eesti AS by the BDO network took place in 2014.

The network's quality review covered:

- ▶ compliance of the quality control system with IFAC ISQC 1;
- ▶ compliance of the quality of auditors' professional services with the IFAC standards;
- ▶ compliance of the firm's management systems and policies.

BDO Eesti AS passed the quality assurance review with the highest rating on a three-grade scale: "Service quality meets requirements, improvements possible."

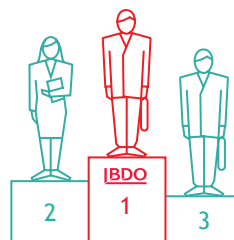


The Estonian Association of Auditors conducted a quality assurance review at BDO Eesti AS in 2014-2015 in respect of the periods 2011/2012, 2012/2013 and 2013/2014.

The external quality control review covered:

- ▶ compliance of the quality control system with IFAC ISQC 1 (EE)
- ▶ compliance of the quality of auditors' professional services with the IFAC (EE) standards.

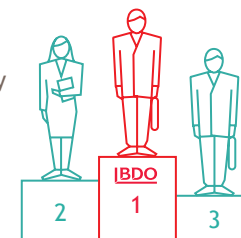
BDO Eesti AS passed the quality assurance review with the highest rating on a three-grade scale: "Service quality meets requirements, improvements possible."



Earlier BDO Eesti AS has passed:

- ▶ a routine quality assurance review conducted by the Estonian Association of Auditors in 2011, which awarded the firm the highest possible rating;
- ▶ a quality assurance review conducted by the BDO network in 2011, which awarded the firm the highest possible rating;
- ▶ an extraordinary quality assurance review conducted by the Estonian Association of Auditors in 2013, which awarded the firm the highest possible rating.

BDO Eesti AS passed the quality assurance reviews with the highest rating on a three-grade scale: "Service quality meets requirements, improvements possible."



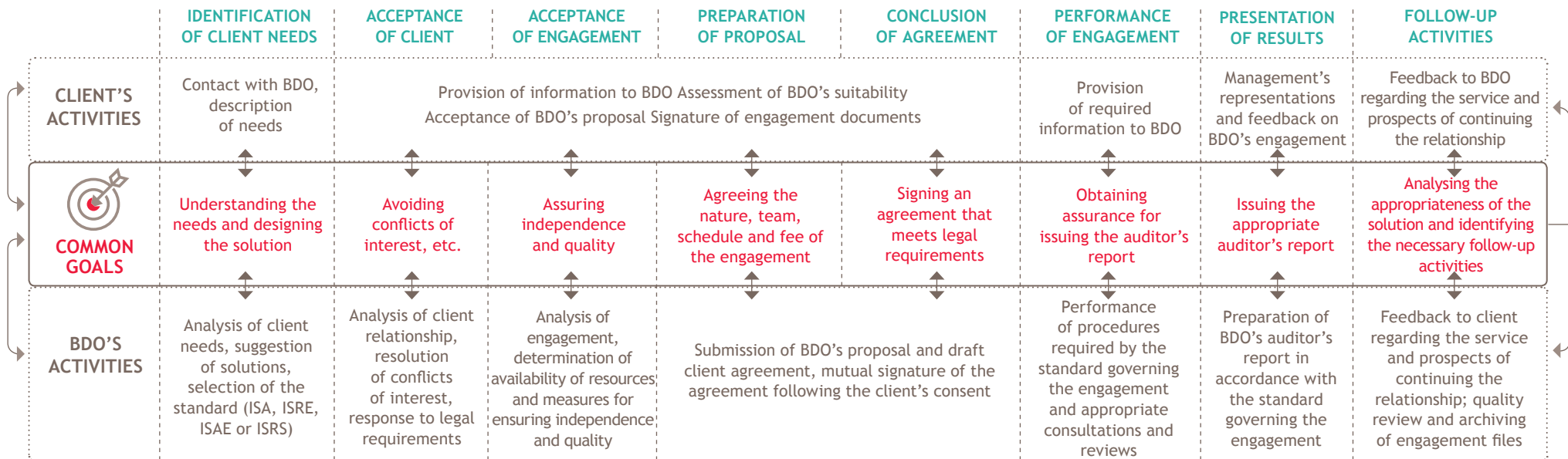
CLIENT JOURNEY IN THE AUDIT SERVICE PROCESS

BDO Eesti AS has established stringent guidelines and rules for accepting new and prospective clients and assessing the risk of engagements, which are designed to provide the firm with reasonable assurance that it will only undertake or continue relationships and engagements where the firm:

- ▶ is competent to perform the engagement and has the capabilities (including time and resources) to do so;
- ▶ can comply with relevant ethical requirements; and
- ▶ has considered the integrity of the client and has no basis for concluding that the client lacks integrity.

In BDO Eesti AS's client agreements (including agreements on audit services), the fee is agreed as a fixed amount, in the form of hourly rates, or as a combination of the two. The fee charged for audit services depends on the estimated time required for the performance of the engagement and the firm's hourly rates, which are based on the qualifications of the staff assigned to do the work. The time required depends on the specific nature of the engagement, the client's operations and the qualifications of the engagement team.

BDO'S AUDIT SERVICE CHART (BASED ON PROFESSIONAL STANDARDS)



ROLES OF ENGAGEMENT TEAM MEMBERS

Passing on skills, knowledge and experience from experienced professionals to less experienced staff is an important part of our work process and corporate culture, which supports self-improvement and development.

Consulting with parties in- and outside the engagement team is a key element of our engagements and the basis for our success. BDO’s audit methodology provides different opportunities for feedback and training throughout the engagement.

The main purpose of continuing education and training is provision of quality client service. Supervision of continuing staff training is an integral part of the annual accreditation process of all BDO member firms.

Annual training plans and programs are prepared and executed by taking into account the employees’ individual training needs as well as regulatory training requirements.

In the case of every engagement, the management of the client entity is notified of the lead auditor responsible for the engagement as well as other key members of the team and their roles. Engagement performance efficiency is achieved mainly by assigning more complicated procedures to resources that have the best price-quality ratio. The work of less experienced staff is reviewed by more experienced team members. In assigning tasks, the firm takes into account the skills and professional and industry experience required for achieving quality results.

As a rule, an engagement team for the provision of audit services includes one or several professionals from each of the following levels:

- ▶ lead auditor (certified public accountant);
- ▶ project manager (certified public accountant if necessary);
- ▶ audit assistants;
- ▶ expert(s) involved.

An engagement team is composed, taking into account the size, nature and specific features of the activities of the client entity. Experienced team members’ instruction and supervision of the less experienced staff includes:

- ▶ coordinating, instructing and guiding;
- ▶ notifying of important matters;
- ▶ reviewing and approving work done and reaching agreement on conclusions.

All specialists involved in an audit engagement are appraised based on their contribution, the quality of documenting their work and the results recorded in the summaries included in the reports prepared by the certified public accountant.

In the case of certain engagements, we may apply additional quality assurance measures. For example, where necessary, we may assign an engagement team an independent Engagement Quality Control Reviewer that will support and supervise the team. In such a case, the engagement has to pass a mandatory review before the final report is issued. The conclusion of the engagement and discussions with the independent reviewer will be documented.

THE GOAL IS TO GROW THE MARKET VALUE OF THE STAFF



BDO'S OTHER BUSINESS

BDO Eesti AS's other business revenue 1 July –30 June (EUR)

ACCOUNTING, PAYROLL AND BUSINESS SUPPORT SERVICES



FINANCIAL, RISK AND BUSINESS ADVISORY SERVICES



TAX ADVISORY SERVICES



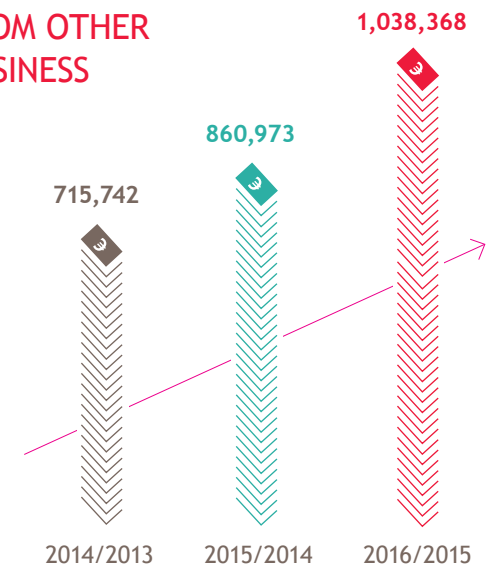
TRAINING SERVICES



In addition to audit services BDO Eesti AS offers:

- ▶ Accounting, payroll and business support services
- ▶ Tax advisory services, tax audits and reviews
- ▶ Financial and business advisory services
- ▶ Liquidation and bankruptcy trustee services
- ▶ Risk advisory and internal audit services
- ▶ Training and lecturer services

TOTAL REVENUE FROM OTHER BUSINESS



Average number of partners and staff involved in other business, converted to full-time equivalent:



ACCOUNTING, PAYROLL AND BUSINESS SUPPORT SERVICES

COMPLIANCE WITH REQUIREMENTS. CONFORMITY WITH DEADLINES. PEACE OF MIND

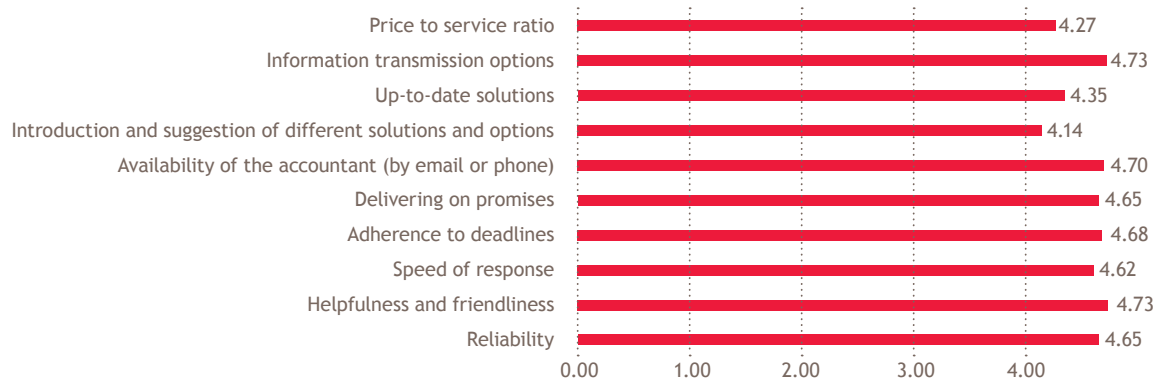
BDO's accounting, payroll and business support services are designed for both major multinational and smaller local companies. Our specialists' dedication and experience will let you focus on your core business and be assured that your finances are in professional hands. We tailor our solutions to the needs and profile of each specific client.

BDO'S PORTFOLIO OF SOLUTIONS COMPRISES:

- ▶ Financial and tax accounting & reporting services in accordance with the Estonian GAAP or IFRS
- ▶ Payroll accounting and reporting services – (monthly) computation and disbursement of salaries, preparation and submission of tax returns
- ▶ Design and implementation of organisation-specific accounting & reporting systems, management & cost accounting/reporting, agreed-upon/selected accounting and reporting services
- ▶ Intra-group accounting and similar services
- ▶ Other business support services (including business address service).

OUR CLIENTS APPRECIATE US

In a client survey conducted in spring 2016, our accounting services clients gave the highest ratings to the helpfulness and friendliness of our people as well as our information transmission options.



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ACCOUNTING, PAYROLL AND BUSINESS SUPPORT SERVICE HIGHLIGHTS IN 2016/2015

735,000+

RECORD REVENUE

Our accounting and payroll services generated record-high revenue of 736,373 euros, 15% up on the previous financial year. Growth was achieved mainly through the win of several new service contracts, particularly with larger than average companies.



PAYROLL WORLD AWARDS WINNER 2015

BDO network won the International Payroll Award at the 2015 Payroll World Awards ceremony in London.



RECOGNITION FOR OUTSTANDING CONTRIBUTION TO THE DEVELOPMENT OF THE PROFESSION

BDO Eesti Partner and Head of Accounting Services Egle Vainula was elected to the Council of the Association of Estonian Accountants. Previously, she was a member of the Association's Qualifications Committee.

ACCOUNTANT OF THE YEAR 2015

A member of our team, Maris Männik-Gaite Cruz, is Estonia's Accountant of the Year 2015. The title is awarded by conference centre Eesti Koolitus- ja Konverentsikeskus, accounting and tax portal rmp.ee and the Association of Estonian Accountants.



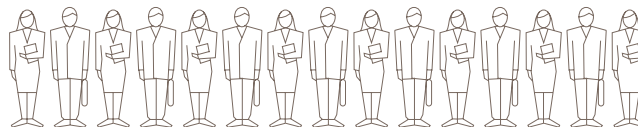
160+ EXPANSION OF A STRONG CLIENT PORTFOLIO

BDO Eesti offers accounting, payroll and other business support services to more than 160 companies. Most of them have been our clients for over three years and 40% for over seven years. What matters to you, matters to us.

15 CERTIFIED ACCOUNTANTS

In 2016/2015, Olga Chirkova, Helen Aariste, Külli Rosenberg and Kristiina Malm passed the examination of a senior accountant (Level 6). Aleksandra Generalova, Raili Suuder And Gerli Otto passed the examination of an accountant (Level 5).

At 30 June 2016, we had 15 certified accountants.



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Certified Accountant



MARIS MÄNNIK-GAITE CRUZ
Accountant Consultant
Certified Accountant
Accountant of the Year 2015

TAX, FINANCIAL AND BUSINESS ADVISORY SERVICES

23

RESULT. GROWTH IN VALUE. PRAGMATIC APPROACH

The most successful transactions are generally attributable to excellent coordination of knowledge, needs and opportunities. To implement change successfully, it is critically important to be prepared and have expert support. Tested cross-service skills will help you maintain focus on growing value and managing risks within a tight timeframe.

SOLUTIONS FOR DAY-TO-DAY TAX ISSUES

- ▶ Submission of refund claims, completion of tax returns, etc.
- ▶ Preparing inquiries for submission to the tax authorities, Ministry of Finance or Chancellor of Justice
- ▶ Representing the client in tax audits and tax disputes
- ▶ Handling registration (VAT payer, non-resident employer, permanent establishment)
- ▶ Providing international tax advice (including transfer pricing and labour mobility)
- ▶ Representing non-residents in tax matters, performing tax audits and reviews

SOLUTIONS COVERING THE ENTIRE LIFE CYCLE OF AN ORGANISATION

- ▶ Business and investment valuation
- ▶ Financial position analysis and business plan preparation
- ▶ Due diligence and deal advisory services
- ▶ Establishment, mergers and acquisitions, de-mergers, dissolutions and sales of legal entities, business performance analysis, client's representation and advice in M&A processes
- ▶ Advice on matters pertaining to commercial law, tax laws, law of obligations and other business-related issues
- ▶ Preparation of expert's opinions for negotiations and disputes
- ▶ Advice on corporate rehabilitation, reorganisation and bankruptcy proceedings including representation of creditor's/debtor's interests, preparation of rehabilitation/reorganisation plans, etc.
- ▶ Services of a trustee in bankruptcy

RISK ASSESSMENT AND MANAGEMENT SERVICES AIMED AT ENSURING PREPAREDNESS

- ▶ Internal audits (including compliance, performance, and follow-up audits)
- ▶ Internal control system assessment and enhancement services (processes, procedures, controls, information exchange, reporting, compliance, etc.)
- ▶ Forensic services including identification of fraud risks, advising on prevention of conflicts of interest, etc.
- ▶ Audits of EU projects
- ▶ Audits of the management and control systems of organisations implementing EU funds



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Financial Modelling*

TAX, FINANCIAL AND BUSINESS ADVISORY SERVICE HIGHLIGHTS IN 2016/2015

300,000+ RECORD REVENUE

Tax, financial and business advisory services generated record-high revenue of 301,995 euros.



INTERNATIONAL TAXATION VIGOROUS CROSS-BORDER ACTIVITY

- ▶ BDO Eesti carried out tax due diligence at an international company engaged in the sale of fuel cards and vehicle rental.
- ▶ BDO Eesti advised an electronics company on the tax aspects of purchase and sales transactions.
- ▶ BDO Eesti advised and supported companies expanding outside Estonia in arranging financial, tax and legal due diligence in the Scandinavian countries.

VALUATION OF INTANGIBLE ASSETS, TRADEMARKS, COPYRIGHTS

We conducted a valuation of a trademark in a tax dispute (public judicial decision no 3-11-261/147). The court considered the valuation performed by BDO Advisory OÜ reliable and objective. In addition to submitting an expert's opinion, our professionals explained the methodology selected and the outcomes reached during the proceedings.

VALUATION OF LOSS OF INCOME ACTING AS EXPERTS IN DISPUTES

- ▶ At the request of Tallinn Administrative Court, BDO Eesti carried out a valuation of direct financial loss and loss of income caused by early termination of a contract between the Ministry of Economic Affairs and Communications and Edelarauttee AS in administrative matter 3-13-481.
- ▶ BDO Eesti participated in an advisory capacity in the creation of several special-purpose audit checklists and valuation of losses caused to owners.

CERTIFIED ADVISORS AND EXPERTS, BANKRUPTCY AND LIQUIDATION ASSISTANCE



In addition to being an experienced certified financial forensics expert, Urmas Võimre has passed the examination of a trustee in bankruptcy and offers the services of a bankruptcy trustee.

GROWTH IN SPECIALISATION AND INTERNATIONAL REACH



- ▶ We carried out several joint projects with other members of the BDO network, for example BDO firms from Scandinavia, the Baltics, Israel and elsewhere.
- ▶ We responded actively to the cooperation proposals of international financial institutions.



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TRAINING AND LECTURER SERVICES

EXPERTISE. COMPETITIVE EDGE. APPLICABILITY

We provide training in a diversity of subjects ranging from taxes to the Estonian GAAP and IFRS.

BDO's training concept is to provide the audience with knowledge and skills in topical areas by giving real-life examples along with alternative approaches. Consistent self-improvement improves your competitiveness and, thus, helps increase your market value.

In addition, we offer bespoke training courses tailored to your specific needs and interests. Our lecturers can be seen and heard at professional conferences, seminars and workshops and we also offer conference moderation and organization services.

For further information on our past and upcoming training events, see our training calendar on our website.

<http://www.bdo.ee/en-gb/events>

EXTERNAL TRAINING PROVIDED



2016/2015



2015/2014



2014/2013

POPULAR TRAINING COURSES:

PREPARATION OF FINANCIAL
STATEMENTS OF CASH FLOWS CARS AND TAXES
EQUITY TRANSACTIONS **INVENTORY COUNTS**
PUBLIC SECTOR AND LOCAL GOVERNMENT ACCOUNTING
IFRS BUSINESS COMBINATIONS AND CONSOLIDATED ACCOUNTS
ACCOUNTING FOR BIOLOGICAL ASSETS
ASSURANCE REPORTING ON PACKAGING REPORTING
FINANCIAL MATHEMATICS

CLIENTS' FEEDBACK ON BDO'S TRAINING COURSES

"The training was very informative and exciting. The lecturers were experienced and could provide specific examples." *Mergers & acquisitions and business valuations*

"Very relevant information. Presentation was explicit, to the point and clear. All questions were answered. Concise and pertinent. Made you think." *Faster and more effectively: Tax implications of the sale and lease of real estate*

"Answered all the questions that used to bother me in connection with the subject." *How to implement packaging reporting and have it successfully checked by auditors?*



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TRAINING AND LECTURER SERVICE HIGHLIGHTS IN 2016/2015

45+

In 2016/2015, we arranged a record number of training courses.

DEDICATED LEADER

To achieve our targets, we strengthened our team with Training and Development Coordinator Sandra Lindermann.

Sandra graduated from Tallinn University in 2012 with an MA (cum laude) in Andragogy. Before joining BDO, she was Chief Staff Development Specialist at Tallinn City Office.

TRAINING PROVIDED TO EXPERTS

Our specialists shared their knowledge at training courses arranged by the Estonian Association of Auditors:

- ▶ Consolidation Workshop
- ▶ Auditor's Report: Causes Consequences, Solutions
- ▶ Special-Purpose Engagements
- ▶ Auditor's Image Review Workshop

OPINION LEADERS AT PROFESSIONAL CONFERENCES

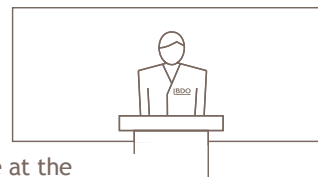
- ▶ Sulev Luiga, Sven Siling, Laile Kaasik, Karin Luiga, Barbara Asu and Ree Teinberg spoke at the Pärnu Accounting Conference "Report - the Story Behind the Numbers".
- ▶ Barbara Asu and Urmas Võimre spoke at the Estonian Association of Appraisers International Annual Conference 2015.
- ▶ Sven Siling and Ree Teinberg spoke at the Internal Audit Annual Conference 2015 "My People - Inspiration and Fear".
- ▶ Sven Siling spoke at the Chamber of Commerce and Industry seminars "Accounting Update 2016 and Preparation of Financial Statements for 2015" in Tallinn and Tartu.
- ▶ Urmas Võimre spoke at a tax conference.
- ▶ Karin Luiga spoke at the Accountants' Development Day TASE 2016 on "How to Move to the Next Level? Reporting as Communication".
- ▶ Sven Siling ja Ree Teinberg participated in the Estonian Accountants Conference: Spring Mission 2016 with the presentation "Accounting Update 2016".

GROWTH AND DEVELOPMENT OF PARTNERSHIPS

BDO Eesti cooperates with many training companies and organisations:

- ▶ Addenda
- ▶ Estonian Association of Auditors
- ▶ EBS Executive Training Centre
- ▶ Estonian Chamber of Commerce and Industry
- ▶ Association of Estonian Accountants
- ▶ Tallinna Konverentsid
- ▶ Tallinn University of Technology
- ▶ Tallinn University
- ▶ Tartu City Government
- ▶ Version Koolitus
- ▶ Äripäev, and others

TRAINING PROVIDED TO FUTURE SPECIALISTS



BDO provides valuable advice at the career seminars of Tallinn University of Technology.

- ▶ "Accounting Basics for Starting Entrepreneurs", Ree Teinberg and Ave Rego
- ▶ "Growing Market Value Through Personal Branding", Karin Luiga;
- ▶ "Who Will Gain the Upper Hand - You or Time? Time Management ABC", Sandra Lindermann;
- ▶ "Accounting - Dusty Spreadsheets or Exciting Brainwork?", Kristiina Malm and Aleksandra Generalova;
- ▶ "Start from Audit - a Great Opportunity to Start Your Career in Finance", Ree Teinberg;
- ▶ "Special Features of Public Sector Accounting", Laile Kaasik.

Many of the topics were in the career seminars calendar both during the autumn and the spring term.



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BDO PEOPLE: TEAM DEVELOPMENT AND PROFESSIONALISM

EMPLOYEES ARE BDO'S MOST IMPORTANT ASSETS

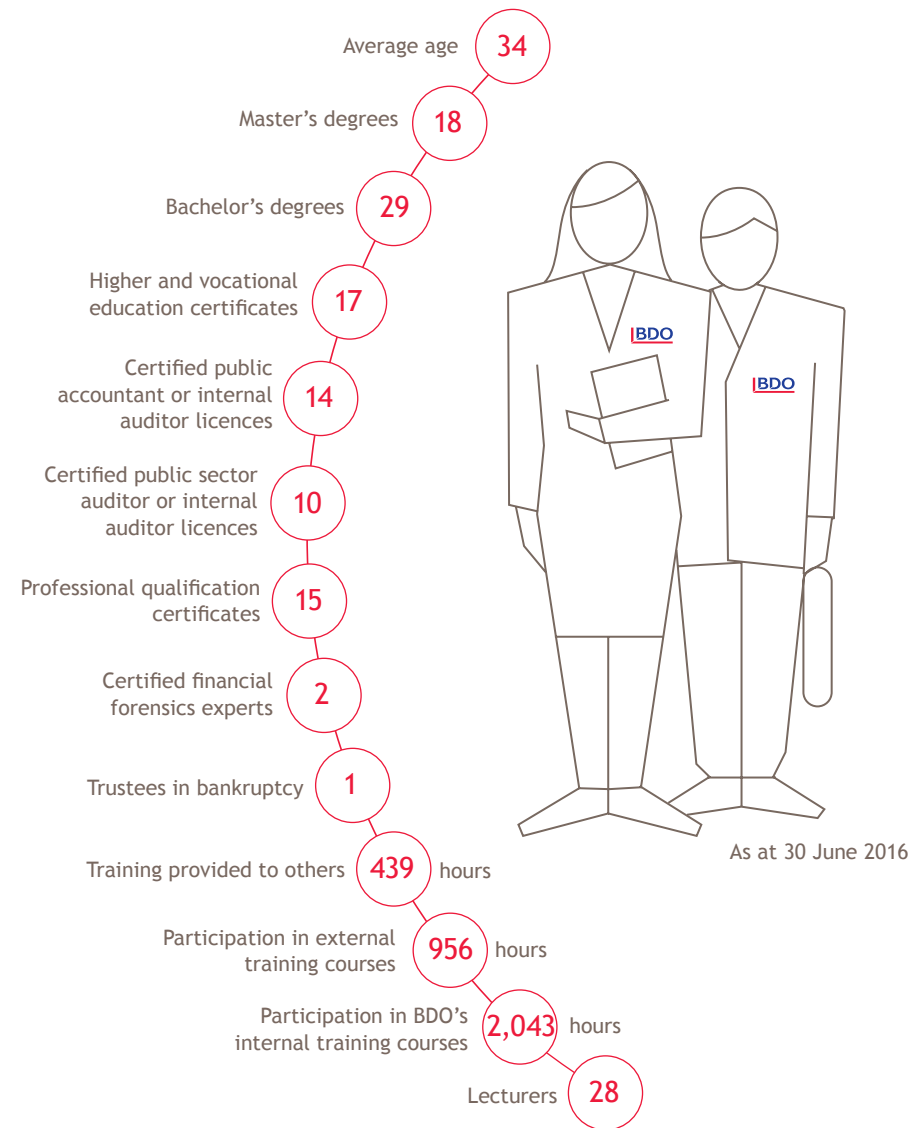
We appreciate the skills, dedication and enthusiasm of our employees because these are a driving force not only for the staff but also the firm. Hence, BDO invests in a supportive work environment that encourages accomplishment, competitive remuneration, and a diverse range of training options. In addition to professional achievement and development, we value good relations between colleagues and arrange events that allow the staff to spend time together outside the office.

BDO's reputation and success depend on the professionalism and integrity of each partner and staff member. Thus, we have implemented measures designed to provide assurance about the adequacy, competence and integrity of the staff required to:

- ▶ perform engagements in accordance with relevant professional standards and legal and regulatory requirements;
- ▶ issue appropriate reports.

BDO Eesti AS recruits both the best experienced financial specialists and young people interested in gaining experience in finance and becoming certified public accountants, business advisers or (chief) accountants. To be recruited, a candidate must pass an interview, professional and language tests, problem-solving tasks and written presentations.

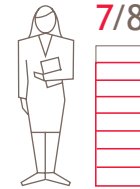
The objective of the firm's professional development strategy is to help the staff maintain and improve their professional skills and grow their market value. Employees are encouraged to make sure that their professional development and qualifications comply with their role, responsibilities and professional requirements. Besides development through practice, BDO offers a continuing education programme in previously mapped professional and related areas that the staff may supplement with external training courses.



BDO PEOPLE: TEAM DEVELOPMENT AND PROFESSIONALISM

In staff development, we apply the 70/20/10 model according to which 70% of the job is learned through work, 20% through relationships with colleagues and only 10% through formal training such as coursework and seminars. We plan and review our activities in order to support our staff in all three categories.

In addition to 12 certified public accountants (CPAs), nine of whom are also certified public sector auditors, one employee has passed seven of the eight modules of the CPA examination.



In 2016/2015 Olga Chirkova, Helen Aariste, Külli Rosenberg and Kristiina Malm obtained the qualification of a certified senior accountant (Level 6).

Aleksandra Generalova, Raili Suuder and Gerli Otto obtained the qualification of a certified accountant (Level 5). At 30 June 2016, BDO Eesti AS had 15 certified accountants.

OUR PROMISE TO CONTRIBUTE TO INCREASING THE MARKET VALUE OF OUR STAFF IS YIELDING MEASURABLE RESULTS

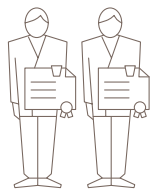


Within three years participation in both internal and external training courses has grown several times.



Photo: Gert Kelu

We consistently invest in the development of our leadership pipeline by providing our managers and leaders with regular training. Our people have learned from the best trainers of Invicta, Äripäev, University of Tartu, DVSP Consulting and other training providers.



In addition to Urmas Võimre, who is already an experienced certified financial forensics expert, in 2016/2015 Laurits Randmann became a certified expert in the valuation of loss of income, valuation of damages, identification of the causes and time of occurrence of insolvency, and valuation of shares, trademarks, corporate liquidity and additional capital needs.

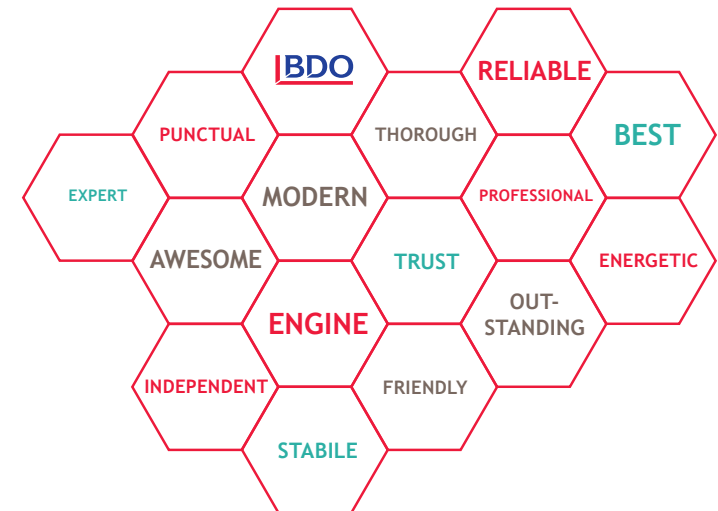
PARTICIPATION IN EXTERNAL TRAINING COURSES (HOURS)



PARTICIPATION IN INTERNAL TRAINING COURSES (HOURS)



We prioritise language skills in the recruitment process and enhance our people's language skills through regular in-house language training.



BDO'S CONTRIBUTION TO DEVELOPMENT OF THE ESTONIAN ACCOUNTANCY INDUSTRY

FOR THE BEST RESULT

BDO is committed to being socially responsible, both in its daily operations and advising the clients and helping them develop their business. In addition to our specialists' personal involvement in their communities and society as a whole, BDO as a firm has chosen areas where it wishes to contribute, through systematic and carefully considered work, to the development of the industry, both locally and globally. We help increase the competitiveness of the Estonian economy by participating in professional organisations that bring together audit and advisory firms.



Under the leadership of editor in chief Egle Vainula, BDO's specialists compile the accountancy handbook, which is among the most popular handbooks published by business paper Äripäev, and reply to the subscribers' questions in an online forum.

MEMBERSHIP AND ACTIVE PARTICIPATION IN THE WORK OF PROFESSIONAL BODIES

- ▶ Egle Vainula - Council of the Estonian Association of Accountants
- ▶ Sven Siling - Management Board and Methodology Committee of the Estonian Association of Auditors
- ▶ Laile Kaasik - Auditors' Examination Committee and Financial Reporting Taxonomy Working Group



CONTRIBUTION TO SERVICE DESIGN

BDO has been a lead sponsor of the Estonian Design Awards competition in the category of Service Design since 2012.

In 2012, BDO Eesti AS recognised OÜ Transferwise in the category of Service Design with BDO's Special Best Financial Service Design Award.

In 2014, BDO's Special Award went to Fits.me.

In 2016, we recognised funeral home Memories with BDO's Special Award for Thought-Altering Innovative Service.



BDO Eesti's Annual Statement 2014/2013 was unique, distinctive and innovative among the management reports of Estonian audit and accounting firms.



BDO Eesti Transparency Report 2015/2014 continued the trend with a similar communication style, standing out, in a positive way, among the reporting of other Estonian audit and advisory firms.

See the report at:
<http://www.bdo.ee/en-gb/about/about-bdo-estonia/transparency-report>



In 2016, we took an important step in our financial reporting by being the first audit and advisory firm in Estonia to adopt IFRS. We did this to set a good example in a sector whose representatives have been expressing opinions on other entities' financial statements for 25 years already but have been preparing their own financial statements in accordance with the bare minimum of the Estonian GAAP. On preparing our full-scope IFRS financial statements, we focused on the outcome and our message, aimed particularly at the Scandinavian markets, was that top-level advising and auditing must be supported by an unquestionably professional ability to execute.

See the report at:
<http://www.bdo.ee/en-gb/about/about-bdo-estonia/annual-reports>



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