

**“Marsh Insurance  
and Reinsurance  
Brokers” Limited  
Liability Company**

**Financial statements**  
for the year ended December 31, 2016

# **“MARSH INSURANCE AND REINSURANCE BROKERS” LIMITED LIABILITY COMPANY**

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**“MARSH INSURANCE AND REINSURANCE BROKERS”  
LIMITED LIABILITY COMPANY**

**STATEMENT OF MANAGEMENT’S RESPONSIBILITIES FOR THE PREPARATION  
AND APPROVAL OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2016**

Management is responsible for the preparation of the financial statements that present fairly the financial position of “Marsh Insurance and Reinsurance Brokers” Limited Liability Company (“the Company”) as of December 31, 2016, and the results of its operations, cash flows and changes in equity for the year then ended in compliance with International Financial Reporting Standards (“IFRS”).

In preparing the financial statements, management is responsible for:

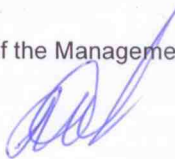
- Properly selecting and applying accounting policies;
- Presenting information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- Providing additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the Company’s financial position and financial performance;
- Making an assessment of the Company’s ability to continue as a going concern.

Management is also responsible for:

- Designing, implementing and maintaining an effective and sound system of internal controls, throughout the Company;
- Maintaining adequate accounting records that are sufficient to show and explain the Company’s transactions and disclose with reasonable accuracy at any time the financial position of the Company, and which enable them to ensure that the financial statements of the Company comply with IFRS;
- Maintaining statutory accounting records in compliance with legislation and accounting standards of the Republic of Azerbaijan;
- Taking such steps as are reasonably available to them to safeguard the assets of the Company; and
- Preventing and detecting fraud and other irregularities.

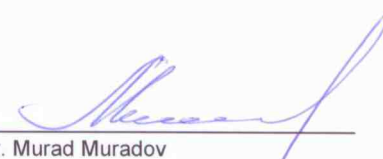
The financial statements for the year ended December 31, 2016 were approved by management on March 31, 2017.

On behalf of the Management of the Company:

  
Ms. Tamilla Asgarova  
Director

March 31, 2017  
Baku, the Republic of Azerbaijan



  
Mr. Murad Muradov  
Chief Financial Officer

March 31, 2017  
Baku, the Republic of Azerbaijan

## INDEPENDENT AUDITOR'S REPORT

To the Equity holder and Management of "Marsh Insurance and Reinsurance Brokers" Limited Liability Company:

### Opinion

We have audited the financial statements of "Marsh Insurance and Reinsurance Brokers" Limited Liability Company: (the "Company"), which comprise the statement of financial position as at December 31, 2016, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2016, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRSs").

### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* (the "IESBA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Azerbaijan, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance,

