

Information on the candidate for the Auditor of OJSC «Oil Company «Rosneft»

In accordance with paragraph 2 of article 13 of the Federal Law «On business accounting» and articles 86, 87 of the Federal Law «On Joint Stock Companies», the annual accounting reports of OJSC «Oil Company «Rosneft» are subject to a mandatory annual audit to confirm the accuracy of data contained in annual accounting reports.

Therefore, pursuant to the Federal Law «On audit activity» and the Decree of the Government of the Russian Federation dated 30.11.05, No 706 «On mandatory audit measures» a tender for the election of a single auditor of the Company (OJSC «Oil Company «Rosneft» and subsidiary companies) was carried out in order to audit accounting reports for 2007. OJSC «Oil Company «Rosneft» had sent invitation letters for participation in the tender to 9 top-position Russian auditing firms.

Having considered the offers received and assessed and having compared the applications for participation in the tender as per criteria and the procedure specified in the Information Note on the tender and the tender documents and also, taking into account the technical assessment of the project and the cost of services to be performed, the Tender Committee has proposed to approve the auditing firm CJSC «Audit-Consulting Group «Development of Business-Systems» (hereinafter referred to as CJSC «AKG «RBS»») as the auditor of OJSC «Oil Company «Rosneft».

CJSC «AKG «RBS» entered the market of auditing and consulting services in July 2001 and has the following licenses:

- For the general audit, audit of extra-budget funds and investment institutes dated June 25, 2002, No E 000440;
- For performance of works related to state secret information dated September 05, 2005, No B 331556;
- For assessment activity dated November 29, 2002, No 005460.

Professional activity of CJSC «AKG «RBS» specialists for 2007 was insured in the amount of 2 500 000 (two million five hundred thousand) USD.

Within a period of its activity CJSC «AKG «RBS» has attracted a number of clients and partners, the majority of whom are:

- State agencies;
- Oil and gas complex enterprises;
- Electric power companies;
- Machine-building enterprises;
- Telecommunication companies, communication companies;
- Multi-industry holdings;
- International companies;
- Credit organizations.

They include: Administration of the President of the Russian Federation, Ministry of Finance of the Russian Federation, Gazprom, ITERA, Transneft, Yuganskneftegaz, Gazpromneft, Tomskneft, TNK-BP, AG Electrolux, Bank of Moscow, Renaissance Capital, etc.

Within 2006, the client base grew by 37.9 % in comparison with 2005. At present, CJSC «AKG «RBS» is an official auditor of over 200 organizations of various types of activity.

Specialists of the firm have implemented a number of large consulting projects within the framework of reorganization and standardization of the accounting and taxation systems in the largest enterprises and organizations of the Russian Federation.

In audit of accounting reports the firm uses its own methods. The basic elements of them are as follows:

- concentration upon the important objects of accounting and risk areas;

- system approach;
- analysis of enterprises internal reserves;
- legal assessment of business operations.

A package of services includes the free consulting support to the clients in the Question - Answer mode on the issues of accounting methodology and taxation being a subject of an audit inspection and also the express diagnostics of the financial state of enterprises.

Over several years the auditing firm has actively participated in the work of legislative and executive authorities, development of documents of the system for normative regulation of economic activity. Its employees are members of the working group of the Expert Board for Natural Monopolies of the Federation Council of the Russian Federation; Committee for Management Accounting of the Ministry of Economic Development and Trade of the Russian Federation; Committee for International Standards of Financial Accounting of the Institute of Professional Accountants of Russia. They perform energetic tutorage activity, are authors of monographs and guidance manuals in the sphere of business accounting and audit.

CJSC «AKG «RBS» has the following corporate structure:

Subsidiary companies:

CJSC «KhETCH-RBS» - a share of CJSC «AKG «RBS» in the authorized capital is 50%;

RBS –IT LLC - a share of CJSC «AKG «RBS» in the authorized capital is 100%.

Subsidiary production units:

Non-commercial partnership «International Center for Management and Professional Re-training of Personnel» (NP MTsMPPK).

The auditing firm CJSC «AKG «RBS» is a member of professional auditing associations:

- Institute of Professional Accountants and Auditors of Russia;
- Auditing Chamber of Russia (ACR);
- Non-commercial partnership «Institute of Professional Auditors» (IPAR).

Membership in these organizations ensures that services rendered comply with international and Russian standards. The system quality management of CJSC «AKG «RBS» is certified in accordance with the international standard ISO-9001-2000.

CJSC «AKG «RBS» renders a complete range of auditing services:

- General audit of federal state unitary enterprises and enterprises with a share of state property exceeding 25%;
- General audit of industrial enterprises and power industry enterprises, organizations of transport, communication and wholesale trade;
- Audit of credit organizations, investment institutions and funds;
- Audit according to international standards;
- Services for accounting and accountancy in accordance with US GAAP and IFRS;
- Accounting and tax consulting;
- Improvement of accounting systems of enterprises, including introduction of automated accounting systems;
- Holding of seminars, evaluation and testing of clients' specialists.