

FINANCIAL REPORT of microenterprise

		Date (year, month, day)	CODES		
Enterprise	<u>Charitable Organization "Charitable Foundation "Patients of Ukraine"</u>		2020	01	01
Territory	<u>Kyiv</u>	EDRPOU	37724810		
Form of incorporation	<u>Charitable Organization</u>	KOATUU	8038500000		
Type of economic activity	<u>Providing other social support excluding accomodation</u>	KOPFG	845		
		KVED	88.99		
Average number of employees	<u>4</u>				
Measurement units: thousands UAH with one decimal place					
Address	office 14, 4/B, Yaroslavska street, Kyiv, Ukraine, postal code 04071			0508275605	

1. Balance Sheet Form No.1-mc DKUD Code 1801006
as of 31 December 2019

Assets	Row code	At the beginning of reporting period	At the end of reporting period
1	2	3	4
<i>I. Non-current assets</i>			
Fixed assets:	1010	327,9	221,6
initial value	1011	641,1	582,9
depreciation	1012	(313,2)	(361,3)
Other non-current assets	1090	-	-
Total for section I	1095	327,9	221,6
<i>II. Current assets</i>			
Inventories	1100	1 015,7	144,4
Current receivables	1155	58,0	86,3
Cash and cash equivalents	1165	831,5	199,9
Other current assets	1190	-	-
Total for section II	1195	1 905,2	430,6
Balance	1300	2 233,1	652,2

Liabilities	Row code	At the beginning of reporting period	At the end of reporting period
1	2	3	4
I. Owners' equity			
Capital	1400	-	-
Unappropriated income (uncovered loss)	1420	-	-
Total for section I	1495	-	-
II. Long-term liabilities, special purpose financing and provisions	1595	1 715,6	274,8
III. Current liabilities			
Short-term bank loans	1600	-	-
Current liabilities for :			
goods, works and services	1615	1,7	1,5
Settlements with the budget	1620	-	-
on insurance	1625	-	-
on labour remuneration	1630	-	-
Other current liabilities	1690	515,8	375,9
Total for section III	1695	517,5	377,4
Balance	1900	2 233,1	652,2

2. Profit and Loss Statement for the year 2019

Form No. 2-мс
DKUD Code

1801007

Budget item	Row code	For the Reporting period	For the Same Period of the Previous Year
1	2	3	4
Net profit from sale of products (goods, works services)	2000	-	-
Other incomes	2160	8 888,7	7 460,3
Total income (2000+2160)	2280	8 888,7	7 460,3
Costs of sales (goods, works, services)	2050	-	-
Other expenses	2165	(8 888,7)	(7 460,3)
Total expenditures (2050 + 2165)	2285	(8 888,7)	(7 460,3)
Financial result before tax (2280-2285)	2290	-	-
Income tax	2300	(-)	(-)
Expenses (incomes) which decrease (increase) financial result after tax	2310	-	-
Net income (loss) (2290 - 2300 - (+) 2310)	2350	-	-

Executive director _____

Inna Ivanenko

(signature)

Chief accountant _____

Anastasiya Nazarova

(signature)



**Notes to the financial statements
of CO «CF «Patients of Ukraine»
for year ended on December, 31st, 2019**

1. General information

Charitable Organization "Charitable Foundation «Patients of Ukraine" (hereinafter – the Organization) is a non-governmental non-profitable organization. The key aim of the Organization's activity is spreading methods of treatment in Ukraine and securing sustainable access to treating programs in the necessary volume.

2. Basis for preparation and presentation

Financial statements comprise:

- Financial report of microenterprise including Balance sheet (form № 1-ms) as at 31.12.2019 and Profit and Loss statement (form № 2-ms) for year ended on December, 31st, 2019, prepared in accordance with the rules of National accounting standards in Ukraine, namely NAS 25 "Simplified financial report". Financial report of microenterprise is prepared in accordance with the accruals principle and valuation at initial cost method;
- Notes to the financial statements.

According to the NAS 25 the Organization:

- accounts for non-current assets at the initial value without taking into account reduction of profitability and revaluation to fair value;
- does not create provision for future expenditures and payments (for payment of future vacations to employees, fulfillment of warranty obligations etc.) but recognizes the respective costs in the period of actual incurrence;
- includes current receivables to the balance sheet total at its actual amount.

Financial statements are presented in hryvnias and all the amounts are rounded to thousands with one decimal sign.

The financial statements were approved for issue on 01.12.2020.

3. Disclosure of information on separate indicators of financial statements

3.1. Article 1010 «Fixed assets» of the Balance Sheet includes the remaining value of fixed assets (office equipment, furniture, other objects).

3.2. Article 1100 «Inventories» of the Balance Sheet includes value of commodity-material items aimed for implementation of charitable projects:

	<u>01.01.2019</u>	<u>31.12.2019</u>
Equipment for creation of hardware-software complex of medical-informational system of Ukraine's Armed Forces "e-health"	884,1	73,6
Other materials	131,6	70,8
Total	<u>1 015,7</u>	<u>144,4</u>

3.3. Article 1155 «Current receivables» of the Balance Sheet includes:

	<u>01.01.2019</u>	<u>31.12.2019</u>
Settlements under advances paid	46,8	85,1
Overpayments of taxes and fees	11,1	-
Other current receivables	0,1	1,2
Total	<u>58,0</u>	<u>86,3</u>

Notes to the financial statements of CO «CF «Patients of Ukraine»
for year ended on December, 31st, 2019

3.4. Article 1165 «Cash and cash equivalents» of the Balance Sheet includes remaining money funds kept in current bank accounts, including the following split to currencies:

	01.01.2019	31.12.2019
Money funds in bank in UAH	657,8	182,3
Money funds in bank in USD	173,7	17,6
Total	831,5	199,9

3.5. In the article 1595 «Long-term liabilities, special purpose financing and provisions» of the Balance Sheet amounts of received and not spent special purpose funds are reflected, including the split to the donors:

	01.01.2019	31.12.2019
Equipment received with the aim of creation of hardware-software complex of medical-informational system of Ukraine's Armed Forces "e-health"	884,1	73,6
ICF " Renaissance"	480,2	234,7
PACT inc.	118,4	-
Aids Fonds	113,1	(35,3)*
Charitable organization "All-Ukrainian network of people living with HIV/AIDS"	9,4	-
Other special purpose funds	110,4	1,8
Total	1 715,6	274,8

* - negative figures show the amount of donor's liability in favor of Organization under costs incurred.

3.6. Article 1690 «Other current liabilities» of the Balance Sheet includes incomes of future periods, namely targeted finance used and which will be recognized as income in the future reporting periods:

	01.01.2019	31.12.2019
Remaining value of non-current assets	328,0	221,7
Inventories not used	131,5	70,7
Advance payments	58,0	85,1
Other	(1,7)	(1,6)
Total	515,8	375,9

3.7. Article 2160 «Other incomes» of the Profit and Loss Statement includes the following kinds of incomes:

	2019	2018
Income from utilization of targeted funding	8 772,3	7 370,3
Income in the amount of depreciation charges for non-current assets, purchased for funds of targeted funding	93,4	90,0
Income from selling of inventories	23,0	-
Total	8 888,7	7 460,3

3.8. Article 2165 «Other expenses» of the Profit and Loss Statement consists of:

Notes to the financial statements of CO «CF «Patients of Ukraine»
for year ended on December, 31st, 2019

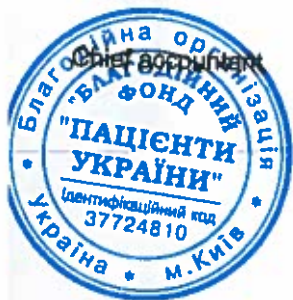
	2019	2018
Consultants, service providers under projects	4 282,4	3 425,8
Wages and salaries	1 681,4	1 747,0
Office rent, including utilities	800,0	685,8
IT-services under projects	393,3	379,7
Other services received	326,4	544,8
Taxes on wages and salaries and reward under civil law agreements	334,4	417,6
Materials	131,8	144,3
Costs on impairment and write-off of material assets in the result of damage	480,6	11,9
Free delivery of equipment for creation of hardware-software complex of medical-informational system of Ukraine's Armed Forces "e-health"	306,9	11,0
Depreciation of fixed assets	93,4	90,0
Cost of inventories sold	23,0	-
Other expenses	35,1	2,4
Total	8 888,7	7 460,3

Executive director




Inna Ivanenko

Anastasiya Nazarova



INDEPENDENT AUDITOR'S REPORT

*To the users of Financial Statements
of Charitable Organization
«Charitable Foundation «Patients of Ukraine»*

Qualified opinion

Under the Contract № 29-2020-A dated 30.09.2020 we, the independent audit firm LLC "Audit company "UHY PROSTIR LTD", have audited the financial statements of Charitable Organization «Charitable Foundation «Patients of Ukraine» («the Organization»), which comprise the Balance Sheet as at December 31, 2019, the Profit and Loss Statement for the year then ended, and notes to the financial statements.

In our opinion, except for the effects of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying financial statements of the Organization are prepared, in all material respects, in accordance with Ukrainian National Accounting Standards.

Basis for Qualified Opinion

Article «Inventories» of the Organization's Balance Sheet includes the value of equipment as at 01.01.2019 in the amount of 884,1 thousand UAH, which was received by the Organization free of charge as a charitable donation with the aim of creation of hardware-software complex of medical-informational system of Ukraine's Armed Forces "e-health" (hereinafter – MIS "e-health"). According to our evaluations Organization's transactions of impairment, selling and write off of such equipment, conducted in the reporting period, evidence the overestimation of articles «Inventories» and «Long-term liabilities, special purpose financing and provisions» of the Organization's Balance Sheet as at January, 01st, 2019 for amount of 453,2 thousand UAH, as well as respective overstatement of income and expenditures of the reporting period.

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 Organization in accordance with the ethical requirements that are relevant to our audit of the financial statements in Ukraine, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

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

Management is responsible for the preparation of the financial statements in accordance with Ukrainian Accounting Standards, 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 Organization'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 Organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Organization'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, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Organization's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence

obtained up to the date of our auditor's report. However, future events or conditions may cause the Organization to cease to continue as a going concern.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Director
LLC "Audit company "UHY Prostor Ltd"

03.12.2020

Register number 120



Safinskiy V.

Office № 315-14 Vasylykivska Str.
Kyiv, Ukraine, 03040