

# **“BLAGOMAY” Charity Fund**

**Annual Financial Statements  
and the Independent Auditor's Report  
for the year ended December 31, 2021**

Kyiv

**LEGAL DISCLAIMER ON RESPONSIBILITY OF THE MANAGEMENT FOR PREPARATION AND APPROVAL OF THE ANNUAL FINANCIAL STATEMENTS**

These Annual Financial Statements of the "BLAGOMAY" Charity Fund (Eng: Charitymay) for the year ended 31<sup>st</sup> of December, 2021 have been prepared in accordance with the National Financial Reporting Standards. The Fund's management is responsible for the accuracy, reliability and objectivity of the information reported in the Annual Financial Statements.

The preparation of the Annual Financial Statements is obligatory to involve the estimates based on management's judgment, especially in terms of transactions in the current reporting period that are still ongoing and it is not clear whether they will be completed before the onset of the future periods. The current Annual Financial Statements have been prepared with acceptable limits of materiality using information available through and including 31<sup>st</sup> of December, 2021.

Committing to the integrity of the Annual Financial Statements, the management maintains financial and managerial controls and practices designed to provide reasonable assurance that transactions are authorized, assets are properly stored and records are maintained.

The management of the "BLAGOMAY" Charity Fund reviewed the Annual Financial Statements before they were submitted for approval and making public on the 28<sup>nd</sup> of December, 2022.

Independent Limited Liability Company "Audit Firm "KEY SOLUTIONS"" (hereinafter referred to as LLC "AF KEY SOLUTIONS") has audited the Annual Financial Statements of the "BLAGOMAY" Charity Fund in accordance with International Standards on Auditing, and afterwards it expressed its legal opinion on reliability the statements in the audit report attached.

**Chairwoman of the Board of "BLAGOMAY" Charity Fund**



**К.Р. Syrotenko**

**28<sup>nd</sup> of December, 2022**

## MANAGEMENT REPORT

The management of the "BLAGOMAY" Charity Fund (hereinafter referred to as the Fund) provides this Report together with the audited Annual Financial Statements for the year ended December 31, 2021.

### Principal activity

The main activity of the Fund is to provide other types of social assistance without providing accommodation.

### Management of the Charity Fund

During the reporting period there were no changes in the management of the Fund.

### Events after the reporting date

No events after the reporting date that might have an impact on the interpreting of the Annual Financial Statements occurred.

### Independent auditor

Independent audit company AF "KEY SOLUTIONS", LLC has expressed its readiness to continue cooperation with the Fund.

Chairwoman of the Board of "BLAGOMAY" Charity Fund



K.P. Syrotenko

28<sup>nd</sup> of December, 2022





**Registration № FS 22-2812/21**  
December 28, 2022

## **INDEPENDENT AUDITOR'S REPORT**

**To the owners and management of the**  
**"BLAGOMAY" CHARITY FUND**

We conducted an audit of the financial statements of the "BLAGOMAY" Charity Fund (hereinafter the Fund), EDRPOU (Unified State Register of Enterprises and Organizations of Ukraine) code is 38010057, which consisted of the Balance Sheet as per Form №1 as of 31.12.2021 and the Income Statement (Statement of Financial Position) as per Form №2 for the year ended as of the specified date.

In our opinion, except for the possible impact of the issue described in the "Basis for qualified opinion" section of our report, the attached financial statements of the Fund as of December 31, 2021, are prepared in accordance with National Standards of Accounting and the Law Of Ukraine № 996-XIV dated 16.07.1999 "On Accounting and Financial Reporting in Ukraine" regarding the preparation of financial statements.

### **Basis for qualified opinion**

We did not conduct an inventory of the remaining goods and material assets of the Fund as of December 31, 2021, which consist of the Fund's fixed assets in the amount of UAH 105.4, which are not material to the balance sheet.

In the Balance Sheet No. 1 for 2021 identified discrepancies with the Fund's accounting data in section "II. Long-term obligations, targeted financing and provision" in the amount of UAH 123.5 thousand.

In the Report on the financial result for 2021, there are deviations from the accounting data on the turnover and balance information for other operating income in the amount of UAH 150.4 thousand, for other income in the amount of UAH 43.5 thousand, respectively, deviations by line 2290 "Financial result before taxation" amounted to UAH 104.2 thousand.

### **Management's responsibility for the financial statements**

Management is responsible for the preparation and fair presentation of financial statements that present fair and unbiased information in accordance with the National Standards of Accounting and the demands of the Law of Ukraine № 996-XIV as of 16.07.1999 "On Accounting and Financial Reporting in Ukraine" regarding preparation of statements. The Management is also responsible for determining and establishing the internal control system that is necessary to ensure that the financial statements being prepared are free from material misstatement, whether due to fraud or error.

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

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

### **Auditor's responsibility**

Our objectives are to obtain reasonable assurance that the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report containing our opinion. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISA will always reveal a significant misstatement, if there is any. Distortions may be the result of fraud or error. They are considered significant each individually or in combination if they are reasonably expected to affect or influence the economic decisions made by the users on the basis of these financial statements.



When an audit conducted in accordance with ISA, we use professional judgment and professional skepticism throughout the audit engagement.

In addition, we:

- identify and assess the risks of material misstatement in the financial statements in a result of fraud or error, develop and perform audit procedures in response to those risks, and obtain audit evidence that is sufficient and reasonable to use them as a basis for our opinion. The risk of not detecting material misstatement due to fraud is higher than for misstatement due to error, as fraud may include conspiracy, forgery, willful misconduct, misrepresentation or neglect of internal control measures;
- gain an understanding of internal control measures related to the audit, in order to develop audit procedures that would meet the circumstances (be appropriate), and not to express an opinion on the effectiveness of the internal control system;
- assess the acceptability of the applied accounting policies and the validity of accounting estimates and relevant disclosures made by management;
- make conclusions on acceptability of management's use of the going concern assumption as the basis for accounting and, based on the audit evidence obtained, conclude whether there is significant uncertainty about events or conditions that may cast doubt on the Fund's ability to continue as a going concern basis. If we conclude that there is such material uncertainty, we should draw attention in our auditor's report to the relevant disclosures in the financial statements or, if such disclosures are inappropriate, modify our opinion. Our conclusions are based on audit evidence obtained before the date of our auditor's report. However, future events or conditions may cause the Fund to cease operations on an going concern basis;
- assess the overall presentation, structure and content of the financial statements, including disclosures, and whether the financial statements show the transactions and events underlying its preparation so as to achieve a reliable presentation of the statements.

Along with other matters, we disclose to those charged with governance all information about the planned scope and timing of the scheduled audit, as well as significant audit results, including any significant deficiencies (material weaknesses) in internal control measures that were identified by us in course of the audit.

We also acknowledge to those charged with governance that we have complied with the relevant ethical requirements of independence, and inform them of all affiliates and other matters that may reasonably be considered to have affect upon our independence. In cases where it was applicable, we provided the lists of appropriate precautions to be taken.

From the list of all issues provided to those charged with governance, we have identified those that were deemed to be most significant during the audit of the financial statements for the reporting period, i.e. those that were named key audit issues. We describe these matters in our auditor's report, unless a law or regulation prohibits the public disclosure of such an issue, or when, in extremely exceptional circumstances, we determine that such an issue should not be covered in our report because the adverse effects of such disclosure may outweigh its usefulness to the public interest..

**Rostyslav Vynogradnyi**

Director  
AF "KEY SOLUTIONS", LLC  
(Certificate A № 006742 as of 23.12.2010)  
Register №4669 as of 26.05.2016.

December 28, 2022





**Balance Sheet**  
**as of December 31, 2021**

Thousands  
of UAH

Assets	Line code	At the beginning of the reporting period	At the end of the reporting period
1	2	3	4
<b>I. Non-current assets</b>			
Intangible assets	1000		
Initial value	1001		
Accumulated depreciation	1002		
Capital work in progress	1005		
Fixed assets	1010		
Initial value	1011	105,4	105,4
Amortization	1012	105,4	105,4
Long-term biological assets	1020		
Long-term financial investments	1030		
Other current assets	1090		
<b>Total equity and liabilities</b>	<b>1095</b>		
<b>II. Current assets</b>			
Inventories	1100		
including finished goods	1103		
Current biological assets	1110		
Accounts receivable for goods, works and services	1125	50,8	9,4
Accounts receivable due from budget	1135		
including income tax	1136		
Other current accounts receivable	1155	0,2	0,2
Long-term financial investments	1160		
Cash and cash equivalents	1165	753,6	3838,2
Prepaid (deferred) expense	1170		
Other current assets	1190		
<b>Total current assets</b>	<b>1195</b>	<b>804,6</b>	<b>3847,8</b>
<b>III. Non-current assets held for sale or disposal group</b>	<b>1200</b>		
<b>Total assets</b>	<b>1300</b>	<b>804,6</b>	<b>3847,8</b>

Equity and liabilities	Line code	At the beginning of the reporting period	At the end of the reporting period
1	2	3	4
<b>I. Equity</b>			
Registered share capital	1400		
Additional paid-in capital	1410		
Capital reserves	1415		
Retained earnings (uncovered loss)	1420		
Unpaid capital	1425		
<b>Total equity</b>	<b>1495</b>		
<b>II. Long-term liabilities, targeted financing and provisions</b>	<b>1595</b>	<b>798,9</b>	<b>3829,7</b>
<b>III. Current liabilities</b>			
Short-term bank loans	1600		



Equity and liabilities	Line code	At the beginning of the reporting period	At the end of the reporting period
1	2	3	4
Current accounts payable:			
current portion of long-term liabilities	1610		
Goods, works and services	1615	5,7	18,1
due to budget	1620		
including income tax	1621		
insurance	1625		
salaries payable	1630		
Prepaid income	1665		
Other current liabilities	1690		
	1695	5,7	18,1
<b>Total current liabilities and provisions</b>			
<b>IV. Liabilities associated with non-current assets held for sale or disposal groups</b>	1700		
	1900	804,6	3847,8
<b>Total equity and liabilities</b>			

**Statement of Financial Position  
for the year 2021**

Thousands  
of UAH

Item	Line code	For the reporting period	For the year ended December 31, 2019
1	2	3	4
Revenue from sales of products (goods, works, services)	2000	14849,4	17879,5
Other operating income	2120	161,4	378,7
Other incomes	2240	15010,8	18258,2
<b>Total revenue (2000 + 2120 + 2240)</b>	<b>2280</b>		
Cost of goods, works, services sold	2050		
Other operating expenses	2180	14861,7	18072,4
Other expenses	2270		
<b>Total expenses (2050 + 2180 + 2270)</b>	<b>2285</b>	14861,7	18072,4
Financial result before taxes (2280 - 2285)	2290	149,1	185,8
Income tax expense	2300		
<b>Net income (loss) (2290 - 2300)</b>	<b>2350</b>	149,1	185,8

Chairwoman of the Board of "BLAGOMAY" Charity Fund

K.P. Syrotenko

December 28, 2022



