AUDIT PROOF
BOOKKEEPING INC.

PUBLIC FOUNDATION
“HELPING IS EASY”

FINANCIAL STATEMENTS PREPARED IN ACCORDANCE WITH INTERNATIONAL FINANCIAL REPORTING STANDARDS

31 DECEMBER 2021
31 DECEMBER 2020

AND INDEPENDENT AUDITOR’S REPORT

Bishkek 2022

CONTENT

	Page
Independent Auditor's Report	**3**
Confirmation of the management's responsibilities for preparation and approval of the annual financial statement	**6**
Annual financial statement for the years ended on December 31, 2020 and on December 31, 2021	**7**
Statement of Comprehensive Income	7
Statement of Financial Position	8
Statement of Changes in Net Assets	9
Cash Flow Statement	10
Notes to the Annual Financial Statement	11

INDEPENDENT AUDITOR'S REPORT
"Audit Proof" LLC
On the financial statements of the
Public Foundation "Helping is easy"

Public Foundation "Helping is easy"

OPINION

We have audited the accompanying financial statements of the "Helping is easy" Public Foundation (hereinafter referred to as the Public Foundation), which includes the Statement of Financial Position at 31 December 2020, at 31 December 2021; The Statement of Total Annual Income, the Statement of Cash Flows, the Statement of Changes in Net Assets for the year ended 31 December 2020, 31 December 2021, 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 "Helping is easy" Public Foundation as of December 31, 2020, as of December 31, 2021 as well as its financial results and cash flows for the year then ended, in accordance with International Financial Reporting Standards (IFRS).

BASIS FOR EXPRESSING AN OPINION

We conducted our audit in accordance with International Standards on Auditing (ISA). Our responsibilities in accordance with these standards are described further in the section "Auditor's responsibility for the audit of financial statements" of our conclusion. We are independent of the Organization in accordance with the Code of International Ethic Standards Board for Accountants (the Code of the IESBA) and the ethical requirements applicable to our audit of financial statements in the Kyrgyz Republic, and we have fulfilled other ethical duties in accordance with these requirements and Code of the IESBA. We believe that the audit evidence that we have obtained is sufficient and appropriate to provide a basis for our opinion.

KEY ISSUES OF AUDIT

Key audit issues are issues that, according to our professional judgment, were the most significant for our audit of financial statements for the current period. These issues were considered in the context of our audit of the financial statements in general and in forming our opinion on this reporting, and we do not express a separate opinion on these matters.

Execution of the project budget and intended use of funds

Effective and intended use of funds of grantor is a key area for the management of the Public Foundation. Ineffective or inappropriate use of the fund's resources may lead to significant adverse consequences for the implementation of projects and the implementation of their budget, as well as in general in the financial and economic activities of the Public Foundation. For this reason, we identify as a significant risk non-intended and ineffective use of the funds of the foundation.

Our Measures
We conducted a substantive testing of the state of internal control over the coordination and implementation of payments, the order of distribution of responsibilities and liabilities.

We conducted the procedures for the inventory of funds in the Public Foundations, examined the internal rules and procedures related to the accounting and safety of funds.
We have checked and evaluated the internal control over the formation and availability of primary documentation confirming the fact and completeness of the receipt of goods, works and services provided to the Public Foundation.

RESPONSIBILITY OF MANAGEMENT FOR FINANCIAL STATEMENTS

The management of the Public Foundation "Helping is easy" is responsible for the preparation and fair presentation of these financial statements in accordance with IFRS and for the internal control system that management considers necessary for the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing financial statements, the management of the Public Foundation is responsible for assessing the ability of the foundation to continue its activity continuously, for disclosing, as appropriate, information relating to activity continuity and for reporting on the basis of the assumption of activity continuity, unless the management intends to liquidate the foundation , terminate its activities or when it lacks any other real alternative, except for the liquidation or termination of its activity.

AUDITOR'S RESPONSIBILITY

Our purpose is to obtain reasonable assurance that the financial statements are free from material misstatement, whether due to fraud or error, and in the issuance of an audit conclusion containing our opinion. Reasonable confidence is a high degree of confidence, but it is not a guarantee that an audit conducted in accordance with International Standards on Auditing always identifies significant distortions if they exist. Distortions may result from fraud or error and are considered significant if it can reasonably be assumed that individually or collectively they may affect the economic decisions of users made on the basis of these financial statements.

As part of an audit conducted in accordance with International Standards on Auditing, we apply professional judgment and maintain professional skepticism throughout the audit. In addition, we perform the following:
- Identify and assess the risks of material misstatement of financial statements due to fraud or error; We develop and conduct audit procedures in response to these risks; we obtain audit evidence that is sufficient and appropriate to serve as a basis for expressing our opinion. The risk of not detecting a material misstatement as a result of unfair acts is higher than the risk of not detecting a significant distortion as a result of an error, since unfair acts may include collusion, fraud, intentional omission, misrepresentation or circumvention of the internal control system;
- we get an understanding of the internal control system that is relevant to the audit in order to develop audit procedures that are appropriate for the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control system of the Public Foundation;

- We assess the proper nature of the accounting policies applied and the reasonableness of accounting estimates and the corresponding disclosure of information prepared by management;
- We conclude that the management has accepted the assumption of continuity of activities, and on the basis of the audit evidence obtained, it is concluded whether there is a significant uncertainty in connection with events or conditions that may raise significant doubts about the ability of the Public Foundation to continue its activities. If we conclude that there is significant uncertainty, we must draw attention to our disclosure in the financial statements, or, if such disclosure is inappropriate, modify our opinion. Our conclusions are based on the audit evidence received before the date of our audit report. However, future events or conditions can lead to the fact that the Public Foundation will lose the ability to continue its continuous activity;
- We evaluate the presentation of the financial statements as a whole, its structure and content, including disclosure of information, as well as whether the financial statements present the underlying operations and events in a manner that ensures their reliable representation.

We inform the persons responsible for the activities of the Association of the planned scope and timing of the audit, as well as significant observations identified during the audit, including significant deficiencies in the internal control system.

AUDIT PROOF LLC
License registration No.160, issued by the Public Service of Regulation and Supervision over the Financial Market under the Government of the Kyrgyz Republic;
Registration certificate No 195729-3301-OOO issued by the Kyrgyz Republic Ministry of Justice dated February 24, 2021;
142,Yunusalieva str, Bishkek, the Kyrgyz Republic;



A.T. Tilemishov, auditor, Director
Qualified Auditor Certificate series AD №0022 dated 11 March 2008

April 21, 2022.

THE PUBLIC FOUNDATION "HELPING IS EASY"

MANAGEMENT'S STATEMENT ON RESPONSIBILITY

FOR PREPARATION AND APPROVAL OF FINANCIAL STATEMENT FOR THE YEARS ENDED ON DECEMBER 31, 2020 AND ON DECEMBER 31, 2021

The statement below, which should be considered together with the description of independent auditors' obligations, accompanied in the report of independent auditors, is prepared with the purpose to delimit auditors' and the management's obligations in regard to the financial statements of the Public Foundation "Helping is Easy" (hereinafter "Foundation"). The Management of the Foundation is responsible for preparing of financial statement that fairly reflects, in all material respects, financial position as of December 31, 2020 and as of December 31, 2021 results of activities, cash flows of the Foundation for the year ended in accordance with the International Financial Reporting Standards (IFRS).

During preparation of financial statements, the management is responsible for:

- selection of appropriate accounting principles and their consistent use;
- use of valid evaluation and estimation;
- compliance with the IFRS requirements, and disclosure of all discrepancies from IFRS in the comments to the financial statement;
- Preparation of the financial statements considering that the Public Foundation "Helping is easy" will continue its activities in the near future, except for cases when such assumption is illegitimate.
- Keeping the accounting in accordance with the current legislation of the Kyrgyz Republic and the IFRS.
- development, introduction and maintenance of effective and reliable system of the Foundation's internal control;
- maintenance of accounting system that permits in any given time with high level of accuracy, to provide information on financial position of the Foundation, and ensure the compliance of the financial statements with the IFRS requirements;
- taking measures within its confidence to secure the safety of the Foundation's assets;
- Identification and prevention of fraud and other abuses.

This financial statement for the years ended on December 31, 2020 and December 31, 2021 was approved by the Foundation's management on April 10, 2022.

Executive Director
Perevoznikova Elena Georgievna

April 10, 2022
Bishkek, Kyrgyz Republic

Statement of Comprehensive Income
For the years ended on December 31, 2020 and on December 31, 2021

	Notes	For the year ended on December 31, 2021	For the year ended on December 31, 2020
Income			
Income	5	4 379 225,32	1 268 750,19
Total income		**4 379 225,32**	**1 268 750,19**
Expenses	6	(4 379 225,32)	(1 268 750,19)
Total expenses		**(4 379 225,32)**	**(1 268 750,19)**
Profit/loss on foreign exchange differences		0	0
Financial results		-	-

Executive Director
E. Perevoznikova

Accountant
A. Zhantelieva

Statement of Financial Position
As of December 31, 2020 and as of December 31, 2021

	Notes	31.12.2021	31.12.2020
Assets			
Cash	7	2 243 095,99	2 601 530,15
Total assets		**2 243 095,99**	**2 601 530,15**
Liabilities and net assets			
Financing	8	2 242 095,99	2 600 530,15
Total liabilities		**2 242 095,99**	**2 600 530,15**
Net assets			
Net assets		1 000	1 000
Total liabilities and net assets		**2 243 095,99**	**2 601 530,15**

Executive Director
E. Perevoznikova

Accountant
A. Zhantelieva

Statement of Changes in Net Assets
For the years ended on December 31, 2020 and on December 31, 2021

Net assets on January 1, 2020	1 000
Financial results	0
Net assets on December 31, 2020	1 000
Net assets on January 1, 2021	1 000
Financial results	0
Net assets on December 31, 2021	1 000



Executive Director
E. Perevoznikova

Accountant
A. Zhantelieva

Cash Flow Statement
For the years ended on December 31, 2020 and on December 31, 2021

	For the year ended on December 31, 2021	For the year ended on December 31, 2020
Cash flow from operating activity		
Operating expenses	(4 379 225,32)	(1 268 750,19)
Financing	4 020 791,16	1 878 279,34
Net cash flow from operating activities	(358 434,16)	609 529,15
Net foreign exchange difference	-	-
Net change in cash	(358 434,16)	609 529,15
Cash and cash equivalents at the beginning of year	**2 601 530,15**	**1 992 001,00**
Cash and cash equivalents at the end of year	**2 243 095,99**	**2 601 530,15**

Executive Director
E. Perevoznikova

Accountant
A. Zhantelieva

Notes to the Financial Statements
For the years ended on December 31, 2020 and on December 31, 2021

1. Information about the company

The Public Foundation "Helping is Easy" was established in October 16, 2014 and registered in the Ministry of Justice of the Kyrgyz Republic

Registration number 141243-3301-OF, OKPO code 28972621, TIN 01610201410275
Legal address: Bishkek, 247 Manaschy Sagymbaya str. sq. 23

The Public Foundation "Helping is Easy" is a non-commercial legal entity, and according to the legislation of the Kyrgyz Republic, it carries out its activities in accordance with the Charter.

The Foundation pursues social, charitable, cultural, educational or other socially beneficial goals.

The subject of the Foundation's activities:

- Organization of assistance to sick children through the collection of funds for treatment;
- Carries out the organization of charitable and humanitarian activities, the provision of grants;
- Provides financial or technical assistance to individuals and legal entities, as well as conducts their training;
- Carries out interaction and cooperation with local communities, various public organizations, charitable foundations, international organizations, state, municipal and other bodies of the Kyrgyz Republic to achieve the statutory goals of the Fund;
- Provides financing for projects (programs) aimed at achieving the goals and objectives of the Fund;
- Carries out other activities related to or related to any activity not prohibited by the legislation of the Kyrgyz Republic;

As of December 31, 2021, the number of employees of the fund was 2 employees.

2. PRINCIPLES OF PREPARATION OF THE FINANCIAL STATEMENTS

Present financial statements of the Foundation has been prepared from January 01, 2020 to December 31, 2020 fiscal year and from January 01, 2021 to December 31, 2021 fiscal year in accordance with the International Financial Reporting Standards (IFRS).

This financial reporting has been prepared in accordance with the principle of initial cost evaluation.

3. BASIC ACCOUNTING ASPECTS OF ACCOUNTING POLICY

Functional and presentation currency of the reporting

The articles of financial reporting of the Foundation are evaluated in the main currency of the Kyrgyz Republic (“functional currency”). The functional currency of the Foundation is the national currency of the Kyrgyz Republic – som. The currency of the Foundation’s reporting presentation is som. All amounts of the financial reporting are presented in soms.

Monetary assets and liabilities expressed in foreign currencies are converted to the currency exchange rate of the reporting date, fixed by the National Bank of the Kyrgyz Republic. Exchange rate difference, resulting from the recalculation, is reflected on the Statement of Comprehensive Income.
Non-monetary items, which are evaluated at fair value in foreign currency, are recalculated at effective rates at the date of measured fair cost.

The following table shows the rates of foreign currencies relative to som, established by the National Bank of the Kyrgyz Republic for accounting purpose:

	December 31, 2021	December 31, 2020
USD	84.7586	82.6498
Euro	95.7857	101.3204

Fixed assets

Recognition and measurement
Fixed assets, received on a free-of-charge basis, are reflected in the financial reporting at their transfer costs minus accumulated depreciation and impairment losses.

Purchased items of fixed assets are reflected in the financial reporting at their actual costs minus accumulated depreciation and impairment losses. The actual cost includes all costs directly related to the acquisition of the relevant asset.

The amount of profit or loss on disposal of an item of fixed assets is determined by comparing the proceeds from its disposal with its carrying amount and is recognized as net value within “other income” or “other expenses” lines in profit or loss of the period.

Subsequent expenses
Expenses of the current repair and maintenance of fixed assets are recognized as income or loss of the period as incurred.

Depreciation
Depreciation is calculated based on the actual value of the asset less its residual value.

The expected useful lives of fixed assets in the reporting and comparative periods were as follows:

Fixed assets groups	Useful life
Buildings	50 years
Transport vehicles	10 years
Office equipment	4 years
Furniture and equipment	4 years

Depreciation methods, expected periods of useful life and residual costs of fixed assets are analyzed at each end date of the financial year, and adjusted if necessary.

Write-off of fixed assets occurs on their disposal or if there are expected any future economic benefits from its use or disposal. The income or expense arising from the asset writing-off (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of comprehensive income for the year in which the asset was written-off.

Cash and cash equivalents
Cash and cash equivalents include cash on hand and funds on accounts in banks.

Employee benefits
In measuring the amount of liabilities on short-term remunerations paid to employees, discounting is not applied, and corresponding expenses are recognized as employees perform their work duties. In respect of amounts expected to be paid under short-term cash bonus or profit sharing, the liability is recognized if the Fund has a valid legal or constructive obligation to pay this amount resulting from the employee's past performance, and the obligation that can be estimated reliably.

Pension plans
Obligations for the implementation of contributions to the funds, through which the pension plans with the fixed fees are realized, including the State Pension Fund of the Kyrgyz Republic, are recognized as employee benefits in profit or loss for the periods in which the employees provided corresponding services within the frameworks of their labor contracts. Contributions paid in advance are recognized as an asset in cases when the Foundation is entitled to reimbursement of contributions paid to them or to reduce future payments of contributions. When a staff member retires, all pension payments are made by the abovementioned pension funds.

Deferred income
Revenues include funding received from donors. The financing is recognized as deferred revenue upon receipt of the bank transfer.

Recognition of current income
Current income is the amount of funding from donors, in the amount corresponding to the costs that it is intended to compensate.

Income from non-monetary financing, related to assets
Financing from donors, related to depreciable assets, are recognized as income over the periods and in the proportion in which the amortization of these assets are accrued.

Reserves
Reserves are recognized if the Foundation, resulting from the past events, has a legal or sequential from the current practice liabilities, for the settlement of which requires an outflow of resources, the amount of which can be reliably measured. The reserves are not recognized for future operating losses.

4. TRANSITION TO NEW OR REVISED STANDARDS AND INTERPRETATIONS, AND RECLASSIFICATIONS

The following amendments to standards and interpretations became applicable to the Company beginning from January 1, 2021, but did not have a significant impact on the Company, unless otherwise indicated:

- **"Requirements for Disclosure of Accounting Policies"** In February 2021, the IASB issued **amendments to IAS 1 "Presentation of Financial Statements",** in which it provides guidance and examples to help entities form materiality judgments when disclosing information about accounting policies. Due to the absence of a definition of the term "significant" in IFRS the Board decided to replace it with "material" in the context of disclosing information about accounting policies.

The amended standard emphasizes that in general cases it is **more useful to provide information that reflects the entity's own specific circumstances rather than simply repeating what is required by the applicable IFRS.**

The Board also issued amendments to the Practice Statement (IFRS PS) 2 "Making Materiality Judgments" in support of amendments to IAS 1, with explanations and demonstration of the application of ***the "four-step materiality determination process"*** to the disclosure of accounting policies.

Amendments to IAS 1 will apply to reporting periods beginning on or after **January 1, 2023**. Earlier application is allowed when this fact is disclosed. The Company analyzes the impact of applying these amendments.

Notes to the Financial Statements
For the years ended on December 31, 2020 and on December 31, 2021

- **Amendments to IAS 1**: Classification of Liabilities as Current or Long-term (issued on July 15, 2020 and effective for annual periods beginning on or after January 1, 2023).
- **Amendments to IAS 8 Definition of accounting estimates -** According to the new definition**, accounting estimates** *are "monetary amounts in financial statements that are subject to measurement uncertainty).*

The IASB explains that a change in an accounting estimate as a result of **new** information or developments is not a correction of an error. The amendments are effective for annual periods beginning on or after **January 1, 2023**, with respect to changes in accounting policies and changes in accounting estimates that occur on or after that date. Early application is allowed. The Company analyzes the impact of applying these amendments.

- **Amendments to IAS 16 "Property, Plant and Equipment – Proceeds before Intended Use" -** Issued in 2020 and are mandatory for annual reporting periods beginning on January 1, 2022 (early application is permitted).

The amendments prohibit deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognizes the proceeds from selling such items, and the cost of producing those items, in profit or loss.

- **Amendments to IAS 37 "Onerous Contracts – Cost of Fulfilling a Contract".** The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract).
  General and administrative expenses that are not directly related to the contract are excluded, if they do not explicitly refer to the counterparty under the contract.

Amendments are issued in 2020 and mandatory for use for annual reporting periods beginning on January 1, 2022 (early application is permitted).

- **Amendments to IFRS 3 "Definition of a Business" -** The amendments include explanations that will help determine when there is an input and a process, including for companies at an early stage of functioning that are not yet giving returns**.**

The transaction will be considered as an acquisition of assets (i.e. not a business) if the entire potentially significant fair value of the acquired assets is concentrated in one identifiable asset or in groups with similar identifiable assets

- **Amendments to IAS 41 "Agriculture" Taxation in Fair Value Measurements -** The amendment to IAS 41 removed the requirement of IAS 41:22 to exclude tax-related cash flows that are not included in the calculation of the fair value of biological assets.

The amendment results in compliance with IAS 41 and IFRS 13.
This amendment should ensure compliance with the requirement contained in the standard for discounting post-tax cash flows.
The amendment applies to the fair value measurement from the beginning or after the beginning of the first annual reporting period beginning on or after January 1, 2022. Early application is permitted.

- **Amendments to IFRS 9 "Financial Instruments" - Commission fee included in the "10%" test upon derecognition of financial liabilities.**

The amendments specify which costs are taken into account when assessing whether the terms of a new or modified financial liability differ significantly from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by the borrower or lender on behalf of another person.
The Company analyzes the impact of applying these amendments.

- **Amendments to IFRS 13 "Fair Value Measurement".** The Council proposes to replace the existing disclosure requirements in IFRS 13 with a new section on disclosure of information containing the following **general and specific disclosure objectives**.

Assets and liabilities measured at fair value after initial recognition.

As of the date of approval of these financial statements, the Company has not applied the following new and revised IFRS Standards, which have been issued but have not yet entered into force:

- **IFRS 17 "Insurance Contracts"** (issued on May 18, 2017 and effective for annual periods beginning on or after January 1, 2023).

Amendments to IFRS 17 and amendments to IFRS 4 (issued on June 25, 2020 and effective for annual periods beginning on or after January 1, 2023).

• IFRS (IAS) 12 "Income Taxes" - IAS 12 describes the accounting of deferred tax assets and liabilities – monetary amounts to be reimbursed or paid in future periods. However, in certain circumstances, entities may be exempt from the need to recognize deferred taxes in their financial statements if assets or liabilities are recognized for the first time. However, there was uncertainty whether this exception was applicable in transactions such as leasing and decommissioning of facilities, because what distinguishes them is that organizations recognize both assets and liabilities. The IASB has indicated that the exception is not applicable in such cases, and that entities need to recognize deferred taxes. The changes are final and come into force from the reporting periods beginning from January 1, 2023, with the possibility of early application.

- **Amendments to IAS 12 –** An entity that applies IFRS (IFRS) 16 "Lease" recognizes an asset in the form of a right of use and a lease obligation at the start date of the lease.

Upon initial recognition, the entity must assess the tax value of the asset and lease liabilities by determining the amounts that are recognized for tax purposes.
In a jurisdiction where an entity can make tax deductions when it makes lease payments, it makes a judgment on whether such deductions are recognized for tax purposes in respect of:
Lease asset (and interest expense) because these deductions are related to expenses*;*
Lease liability (and interest expense) because these deductions are related to the repayment of lease liability and interest.
If tax deductions are associated with a lease asset, the tax value of the asset and the lease liability is equal to their carrying amount, and temporary differences do not arise at initial recognition.
However, if the tax deductions are related to the lease liability, the tax value of the asset and the lease liability is zero, which leads to taxable and deductible temporary differences in respect of the asset and liability, respectively.
If the gross value of these temporary differences is equal, the amendments require the recognition of a deferred tax liability and a deferred tax asset.

• The Company will have to make a judgment on tax deductions by considering the applicable tax legislation.

5. INCOME

The item reflects the income on financing, received from Donors for operating activities and implementation of Projects, recognized in the reporting period. The income in the context of Projects and sources of financing are presented in the following table:

Source of financing	For the year ended on December 31, 2021	For the year ended on December 31, 2020
"Caring school" for children with cancer in Osh region	555 597,36	716 372,70
"Caring school" for children with cancer in Bishkek	827 532,00	0
Donations from individuals and legal entities	2 996 095,96	552 377,49
Total	**4 379 225,32**	**1 268 750,19**

6. EXPENSES

The item includes expenses incurred within the frameworks of the Project implementation and administrative costs of the Foundation, not related to the Projects.

Below are disclosed expenses on the project and general administrative costs for 2020 and 2021:

Item	For the year ended on December 31, 2021	For the year ended on December 31, 2020
Assistance in paying for diagnostics and other medical services, payment for medicines in pharmacies	773 463,00	608 466,00
Payments under the project "Caring School" (Czech Republic)	827 532,00	-
Payments under the Caring School project for children with cancer in Osh region	887 778,26	384 191,80
Payments under the project "Caring School" Bishkek	428 815,06	101 434,89
Bank commission	22 303,00	13 268,10
Translation and professional services	125 253,00	31 487,00
Emoluments for labor	675 529,00	69 902,40
Rent	90 500,00	60 000,00
Camp expenses	242 914,00	608 466,00
Expenses for the award named after S. Samatova	34 429,00	-
Transport costs	18 159,00	-
Communication cost	13 950,00	-
Conference cost	34 250,00	-
Travel expenses (also teachers under the "Caring School" project)	117 480,00	-
Other costs	86 870,00	-
Total	**4 379 225,32**	**1 268 750,19**

7. CASH ASSETS

Cash assets consist of available cash on bank accounts of "Demir Kyrgyz International Bank", CJSC Kyrgyz Investment and Credit Bank in the national and foreign currencies:

Account number	Currency	on December 31, 2021 Equivalent in national currency	on December 31, 2020 Equivalent in national currency
1030120000542727	KGZ	107 980,46	41 439,16
1030120000580719	KGZ	-	351 791,84
1180000058976715	KGZ	47 429,63	33 347,80
1280016031437410	KGZ	22 477,06	41 538,80
1116001200894934	KGZ	1 131,03	10 355,03
1180000074129024	KGZ	1 611 618,44	1 749 108,44
1091607475150125	KGZ	42 121,78	-
1030120000542727	EUR	-	27 356,51
1180000058976810	EUR	239 464,25	170 920,42
1180000074129120	USD	170 873,34	166 622,00
1180000058976816	USD	-	9 050,15
Total:		**2 243 095,99**	**2 601 530,15**

8. FINANCING

The article takes into account the Foundation's obligations to the donors for received financing. This obligation means that the Foundation is under an obligation to forward the received funds on the implementation of projects in line with the budgets approved by grant agreements.

Movement during the reporting period is presented as follows:

Item	For the year ended on December 31, 2021	For the year ended on December 31, 2020
Balance of liabilities at the beginning	2 600 530,15	1 992 001.00
Receipt of financing	4 020 791,16	1 877 279,34
Recognised as income	(4 379 225,32)	(1 268 750,19)
Balance of liabilities at the end	**2 242 095,99**	**2 600 530,15**

9. CONTINGENT AND POSSIBLE LIABILITIES AND OPERATING RISKS

Political and Economic Conditions in the Kyrgyz Republic

The economy of the Kyrgyz Republic manifests characteristics peculiar for developing countries. Among them, in particular, the nonconvertability of its national currency is observed beyond the Kyrgyz Republic and a low level of liquidity debt and equity securities in markets.

The future economic development and financial status of the Foundation might deteriorate resulting from continuing economic problems inherent for a developing country. The management of the Foundation is

not able to predict neither a degree nor duration of economic difficulties or evaluate their impact, if any, on the financial reporting.

Taxation Legislation

The taxation in the Kyrgyz Republic is subject to changes, inconsistent application, various interpretations, and enforcement. Non-observance of the Kyrgyz legislation and regulatory acts, as the authorities interpret them, can lead to the accruals of additional taxes, penalties and fines.

The Kyrgyz tax legislation and practices are undergoing frequent changes, therefore are subject to various interpretations that can have the retrospective impact.

The management of the Foundation believes that the appropriate provisions of the legislation were correctly interpreted, and that the position of the Foundation, occupied in a part of tax, currency and customs legislation, will be successfully defended in case of any disputes. According to the management, the Foundation will not incur material losses on current or potential tax cases, exceeding their provisions, formed in this financial reporting.

Legal proceedings

In the course of performing its routine economic activities, the Foundation can be sued by the judiciary. The management of the Foundation believes that liabilities on such claims and actions, if any, cannot negatively affect the financial position or outcomes of the Foundation's future activities.

10. EVENTS AFTER REPORTING DATE

There were no events after reporting date and before the date of approval of financial statements that could affect the amounts in presented financial statements.

Executive Director **Accountant**
E. Perevoznikova **A. Zhantelieva**