CHARITABLE FOUNDATION FOR CHILDREN "TOGETHER FOREVER" (FORMERLY CHARITABLE FOUNDATION FOR CHILDREN "TOGETHER FOREVER" LIMITED)

FINANCIAL STATEMENTS

For the year ended 31 December 2018

CHARITABLE FOUNDATION FOR CHILDREN "TOGETHER FOREVER" (FORMERLY CHARITABLE FOUNDATION FOR CHILDREN "TOGETHER FOREVER" LIMITED)

FINANCIAL STATEMENTS

For the year ended 31 December 2018

CONTENTS

CHARITABLE FOUNDATION FOR CHILDREN "TOGETHER FOREVER" (FORMERLY CHARITABLE FOUNDATION FOR CHILDREN "TOGETHER FOREVER" LIMITED)

OFFICERS AND PROFESSIONAL ADVISORS

Board of Directors	Elena Dushchenko
	Maria Rapoport (appointed on 19/10/2018)
	Ekaterina Mironova (appointed on 11/6/2018)
	Oxana Egorova (appointed on 23/3/2018)
	Elvira Filatova (appointed on 20/2/2017 and resigned on 19/10/2018)
	Marfa Shishkina (appointed on 9/8/2018)
	Tatiana Ivanova (resigned on 9/8/2018)
	Iren Ryabushkina (appointed on 20/2/2017 and resigned on 11/6/2018)
	Roman Novikov (appointed on 22/6/2017 and resigned on 23/3/2018)
Secretary	Wise Wolves Secretary Ltd (appointed on 2/8/2018)
	Elvira Filatova (appointed on 20/2/2017 and resigned on 2/8/2018)
Independent Auditors	KPMG Limited
Banker	Eurobank Cyprus Ltd
Registered Address	30B, Gladstonos 3041, Limassol Cyprus
Registration number	HE360750

KPMG Limited
Chartered Accountants
11, June 16th 1943 Street, 3022 Limassol, Cyprus
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INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF

CHARITABLE FOUNDATION FOR CHILDREN "TOGETHER FOREVER" (FORMERLY CHARITABLE FOUNDATION FOR CHILDREN "TOGETHER FOREVER" LIMITED)

Report on the audit of the financial statements

Opinion

We have audited the accompanying financial statements of Charitable Foundation for Children "Together Forever" (formely Charitable Foundation for Children "Together Forever" Limited) (the "Foundation"), which are presented on pages 5 to 22 and comprise the statement of financial position as at 31 December 2018, the statements of comprehensive income, changes in equity and 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 give a true and fair view of the financial position of the Foundation as at 31 December 2018, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union and the requirements of the Cyprus Companies Law, Cap. 113 as amended from time to time (the "Companies Law, Cap. 113").

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 *"Auditors' responsibilities for the audit of the financial statements"* section of our report. We remained independent of the Foundation throughout the period of our appointment in accordance with the International Code of Ethics for Professional Accountants of the International Ethics Standards Board for Accountants ("IESBA Code") and the ethical requirements in Cyprus that are relevant to our audit of the financial statements, 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.

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Responsibilities of the Board of Directors for the financial statements

The Board of Directors is responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the European Union and the requirements of the Cyprus Companies Law, Cap. 113 as amended from time to time (the "Companies Law, Cap. 113"), and for such internal control as the Board of Directors 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, the Board of Directors is responsible for assessing the Foundation'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 there is an intention to either liquidate the Foundation or to cease operations, or there is no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Foundation's financial reporting process.

Auditors' 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 auditors' 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 Foundation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' 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 Foundation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Foundation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.

We communicate with the Board of Directors 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.

Other matter

This report, including the opinion, has been prepared for and only for the Foundation's members as a body in accordance with Section 69 of the Auditors' Law of 2017, N.53(I), as amended from time to time and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whose knowledge this report may come to.

....

George S. Prodromou, ACA
Certified Public Accountant and Registered Auditor
for and on behalf of

KPMG Limited
Certified Public Accountants and Registered Auditors

11, June 16th 1943 Street
3022 Limassol
Cyprus

31 October 2019

CHARITABLE FOUNDATION FOR CHILDREN "TOGETHER FOREVER" (FORMERLY CHARITABLE FOUNDATION FOR CHILDREN "TOGETHER FOREVER" LIMITED)

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2018

	Note	2018 €	2017 €
INCOME			
Income from donations	4	267.418	125.728
Total income		267.418	125.728
EXPENSES			
Medical treatment expenses		(247.674)	(136.295)
Net foreign exchange loss		(2.490)	(4.388)
Charitable events' expenses		(5.351)	(7.730)
Administrative expenses	5	(49.389)	(51.526)
Total expenses		(304.904)	(199.939)
Deficit for the year		(37.486)	(74.211)

The notes on pages 9 to 22 are an integral part of these financial statements.

CHARITABLE FOUNDATION FOR CHILDREN "TOGETHER FOREVER" (FORMERLY CHARITABLE FOUNDATION FOR CHILDREN "TOGETHER FOREVER" LIMITED)

STATEMENT OF FINANCIAL POSITION

As at 31 December 2018

	Note	2018 €	2017 €
Assets			
Property, plant and equipment	6	3.095	-
Total non-current assets		3.095	-
Current assets			
Trade and other receivables	7	1.507	-
Cash and cash equivalents	8	26.635	61.624
Total current assets		28.142	61.624
Total assets		31.237	61.624
Equity			
Retained earnings		4.198	41.684
Total equity		4.198	41.684
Liabilities			
Current liabilities			
Trade and other payables	9	27.039	19.940
Total current liabilities		27.039	19.940
Total equity and liabilities		31.237	61.624

On 31 October 2019 the Board of Directors approved and authorised these financial statements for issue.

....
Ekaterina Mironova
Director

....
Elena Dushchenko
Director

The notes on pages 9 to 22 are an integral part of these financial statements.

CHARITABLE FOUNDATION FOR CHILDREN "TOGETHER FOREVER" (FORMERLY CHARITABLE FOUNDATION FOR CHILDREN "TOGETHER FOREVER" LIMITED)

STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2018

	Retained earnings €	Total €
Balance at 1 January 2017	115.895	115.895
Deficit for the year	(74.211)	(74.211)
Balance at 31 December 2017	41.684	41.684
Balance at 1 January 2018	41.684	41.684
Deficit for the year	(37.486)	(37.486)
Balance at 31 December 2018	4.198	4.198

The notes on pages 9 to 22 are an integral part of these financial statements.

CHARITABLE FOUNDATION FOR CHILDREN "TOGETHER FOREVER" (FORMERLY CHARITABLE FOUNDATION FOR CHILDREN "TOGETHER FOREVER" LIMITED)

STATEMENT OF CASH FLOWS

For the year ended 31 December 2018

	2018 €	2017 €
Cash flows from charitable activities		
Loss for the year	(37.486)	(74.211)
Adjustments for:		
Depreciation of property, plant and equipment	344	-
Unrealised foreign exchange loss	2.102	4.388
Cash generated from charitable activities before working capital changes	(35.040)	(69.823)
Change in trade and other receivables	(1.507)	3.103
Change in trade and other payables	7.099	5.607
Net cash used for charitable activities	(29.448)	(61.113)
Cash flows from investing activities		
Payment for acquisition of property, plant and equipment	(3.439)	-
Net cash used in investing activities	(3.439)	-
Cash flows from financing activities		
Unrealised foreign exchange loss	(2.102)	(4.388)
Net cash used in financing activities	(2.102)	(4.388)
Net decrease in cash and cash equivalents	(34.989)	(65.501)
Cash and cash equivalents at beginning of the year	61.624	127.125
Cash and cash equivalents at end of the year	26.635	61.624

The notes on pages 9 to 22 are an integral part of these financial statements.

1. INCORPORATION AND PRINCIPAL ACTIVITIES

Charitable Foundation for Children "Together Forever" (formely Charitable Foundation for Children "Together Forever" Limited) (the "Foundation") was incorporated in Cyprus on 4 October 2016 by Sergey and Anna Stopnevich, under the Cyprus Companies Law, Cap. 113, with a purpose to provide financial support and relief to persons in need, to provide support, education and assistance to children in need and to carry out all types of charitable, artistic and other activities, exhibitions, or other events for the purpose of promoting the well-being of people and children but not limited to adults and children who are living with illness. Its registered office is at 30B, Gladstonos, 3041, Limassol, Cyprus.

On 22 May 2017 the Foundation was approved by the Minister of Finance as a charitable fund for the purposes of Article 9(1)(f) of Income Tax Law N.118(I)/2002, as amended.

Change of Foundation name

On 16 January 2018, the Foundation changed its name from Charitable Foundation for Children "Together Forever" Limited to Charitable Foundation for Children "Together Forever".

2. BASIS OF PREPARATION

(a) Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union (EU).

(b) Basis of measurement

The financial statements have been prepared under the historical cost convention.

(c) Adoption of new and revised International Financial Reporting Standards and Interpretations as adopted by the European Union (EU)

During the current year the Foundation adopted all the changes to International Financial Reporting Standards (IFRS) that are relevant to its operations and are effective for accounting periods beginning on 1 January 2018. This adoption did not have a material effect on the accounting policies of the Foundation.

The adoption of IFRS 9 has not had a significant effect on the Company's accounting policies related to financial liabilities and derivative financial instruments. For an explanation of how the Company classifies and measures financial instruments and accounts for related gains and losses under IFRS9 the relevant accounting policy in note 2 provides detailed explanation.

The following table and the accompanying notes below explain the original measurement categories under IAS39 and the new measurement categories under IFRS9 for each class of the Company's financial assets and financial liabilities as at 1 January 2018.

CHARITABLE FOUNDATION FOR CHILDREN "TOGETHER FOREVER" (FORMERLY CHARITABLE FOUNDATION FOR CHILDREN "TOGETHER FOREVER" LIMITED)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2018

2. BASIS OF PREPARATION *(continued)*

(c) Adoption of new and revised International Financial Reporting Standards and Interpretations as adopted by the European Union (EU) (continued)

	Original Classification under IAS39	New classification under IFRS9	Original carrying amount under IAS39 €	New carrying amount under IFRS9 €
Financial assets				
Cash and cash equivalents	Loans and receivables	Amortised cost	61.624	61.624
Financial liabilities				
Trade and other payables	Other financial liability	Other financial liability	18.261	18.261
Amounts payables to related company	Other financial liabilit	Other financial liability	1.679	1.679

At the date of approval of these financial statements, Standards, Revised Standards and Interpretations were issued by the International Accounting Standards Board which were not yet effective. Some of them were adopted by the European Union and others not yet. The Board of Directors expects that the adoption of these financial reporting standards in future periods will not have a significant effect on the financial statements of the Foundation.

IFRS 9 'Financial Instruments

IFRS 9 sets out requirements for recognising and measuring financial assets, financial liabilities and some contracts to buy or sell non financial items. This standard replaces IAS 39 'Financial Instruments: Recognition and Measurement'. The Company has adopted consequential amendments to IFRS 7 'Financial Instruments: Disclosures' that are applied to disclosures about 2018 but have not been generally applied to comparative information.

Classification and measurement of financial assets and financial liabilities

IFRS 9 contains three principal classification categories for financial assets: measured at amortised cost, FVOCI and FVTPL. The classification of financial assets under IFRS 9 is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. IFRS 9 eliminates the previous IAS 39 categories of held to maturity, loans and receivables and available for sale.

Although the adoption of IFRS 9 applies retrospectively, the Company used an exemption not to restate comparative information for prior periods in respect to classification and measurement (including impairment) requirements. Differences in the carrying amounts of financial assets and financial liabilities, if any, resulting from the adoption of IFRS 9 are recognised in retained earnings and reserves as at 1 January 2018. Accordingly, the information presented for 2017 does not generally reflect the requirements of IFRS 9, but rather those of IAS 39.

2. BASIS OF PREPARATION *(continued)*

(d) Use of estimates and judgments

The preparation of financial statements in accordance with IFRSs requires from Management the exercise of judgment, to make estimates and assumptions that influence the application of the Foundation's accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and underlying assumptions are based on historical experience and various other factors that are deemed to be reasonable based on knowledge available at that time. Actual results may deviate from such estimates.

The estimates and underlying assumptions are revised on a continuous basis. Revisions in accounting estimates are recognised in the period during which the estimate is revised, if the estimate affects only that period, or in the period of the revision and future periods, if the revision affects the present as well as future periods.

(e) Functional and presentation currency

The financial statements are presented in Euro (€) which is the functional currency of the Foundation.

3. SIGNIFICANT ACCOUNTING POLICIES

The following accounting policies have been applied consistently for all the years presented in these financial statements.

Income recognition
Income comprises the donations received and it is recognised in the period in which these are received.

Finance expenses
Finance expenses include foreign exchange loss, which is recognised in profit or loss in the period in which it is incurred. Bank charges are classified under administrative expenses and are also recognised in profit or loss in the period in which these are incurred.

Foreign currency translation

(i) Functional currency

Items included in the Foundation's financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency').

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the reporting date exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value is determined.

3. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses.

Depreciation is recognised in profit or loss on the straight-line method over the useful lives of each part of an item of property, plant and equipment. The annual depreciation rates used for the current and comparative periods are as follows:

	%
Furniture, fixtures and office equipment	10

Depreciation methods, useful lives and residual values are reassessed at each reporting date and adjusted if appropriate.

Where the carrying amount of an asset is greater than its estimated recoverable amount, the asset is written down immediately to its recoverable amount.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Financial instruments

Recognition and initial measurement

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. A financial asset (unless it is trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at fair value through profit or loss, transaction costs that are directly attributable to its acquisition or issue.

Classification and subsequent measurement

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

Financial assets are not reclassified subsequent to their initial recognition unless the Foundation changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

3. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Financial instruments (continued)

Financial assets - Business model assessment: Policy applicable from 1 January 2018

The Foundation makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Foundation's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated - e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Financial assets - Assessment whether contractual cash flows are solely payments of principal and interest: Policy applicable from 1 January 2018

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Foundation considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Foundation considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable-rate features;
- prepayment and extension features; and
- terms that limit the Foundation's claim to cash flows from specified assets (e.g. non-recourse features).

3. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Financial instruments (continued)

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Financial assets - Subsequent measurement and gains and losses: Policy applicable from 1 January 2018

Financial assets at amortised cost
These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss. This category includes trade and other receivables and cash and cash equivalents.

Financial liabilities – policy applicable from 1 January 2018

Other Liabilities
Other liabiltiies are initially recognized at fair value and are subsequently measured at amortised cost, using the effective interest rate method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss. This category includes trade and other payables.

Impairment of financial instruments

- Financial instruments and contract assets

The Foundation recognises loss allowances for ECLs on:

- financial assets measured at amortised cost;
- debt investments measured at FVOCI; and
- contract assets.

The Foundation measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables and contract assets are always measured at an amount equal to lifetime ECLs.

3. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Impairment of financial instruments (continued)

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Foundation considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Foundation's historical experience and informed credit assessment and including forward-looking information.

The Foundation assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Foundation considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Foundation in full, without recourse by the Foundation to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

The Foundation considers a debt security to have low credit risk when its credit risk rating is equivalent to the globally understood definition of 'investment grade'. The Foundation considers this to be Baa3 or higher per Moody's rating agency or BBB- or higher per Moody's Rating Agency.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Foundation is exposed to credit risk.

- Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Foundation expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

- Credit-impaired financial assets

At each reporting date, the Foundation assesses whether financial assets carried at amortised cost and debt securities at FVOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

3. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Impairment of financial instruments (continued)

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being more than 90 days past due;
- the restructuring of a loan or advance by the Foundation on terms that the Foundation would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

- Presentation of allowance for ECL in the statement of financial position

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets. For debt securities at FVOCI, the loss allowance is charged to profit or loss and is recognised in OCI.

- Write-off

The gross carrying amount of a financial asset is written off when the Foundation has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. For individual customers, the Foundation has a policy of writing off the gross carrying amount when the financial asset is 180 days past due based on historical experience of recoveries of similar assets. For corporate customers, the Foundation individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Foundation expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Foundation's procedures for recovery of amounts due.

Derecognition of financial assets and liabilities

Financial assets

The Foundation derecognises a financial asset (or, where applicable a part of a financial asset or part of a Foundation of similar financial assets) when:

- the contractual rights to receive cash flows from the asset have expired;
- the Foundation retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass through' arrangement; or
- the Foundation transfers the rights to receive the contractual cash flows from the asset and either (a) has transferred substantially all the risks and rewards of the asset, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Any interest in such derecognised financial assets that is created or retained by the Foundation is recognised as a separate asset or liability.

3. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Derecognition of financial assets and liabilities (continued)

Financial liabilities

The Foundation derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Foundation also derecognises a financial liability when it is replaced by another from the same lender on substantially different terms, or when the terms of the liability are substantially modified, and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position when, and only when, the Foundation has a currently enforceable legal right to offset the recognised amounts and it intends to settle them on a net basis, or to realise the asset and settle the liability simultaneously. This is not generally the case with master netting agreements, and the related assets and liabilities are presented gross in the statement of financial position.

Impairment of non-financial assets

Assets (other than biological assets, investment property, inventories and deferred tax assets) that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to depreciation or amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Goodwill is tested annually for impairment.

Provisions

Provisions are recognised when the Foundation has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made. Where the Foundation expects a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain.

Comparatives

Where necessary, comparative figures have been adjusted to conform to changes in presentation in the current year.

CHARITABLE FOUNDATION FOR CHILDREN "TOGETHER FOREVER" (FORMERLY CHARITABLE FOUNDATION FOR CHILDREN "TOGETHER FOREVER" LIMITED)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2018

4. INCOME FROM DONATIONS

	2018 €	2017 €
Donations collected from organised charitable events	55.126	18.001
Direct donations	212.292	107.727
	267.418	125.728

5. ADMINISTRATIVE EXPENSES

	2018 €	2017 €
Rent	-	18.750
Electricity	-	349
Telephone and postage	361	490
Stationery and printing	606	1.426
Office maintenance	-	5.315
Web hosting and domain expenses	-	1.499
Independent auditors' remuneration	2.737	3.332
Other professional fees	33.685	3.509
Travelling	8.562	12.821
Representation expenses	-	920
Promotion	299	-
Registrar annual fee	350	350
Bank charges	2.445	2.564
Sundry adiministrative expenses	-	201
Depreciation	344	-
	49.389	51.526

6. PROPERTY, PLANT AND EQUIPMENT

2018	Equipment €
Cost	
Additions	3.439
Balance at 31 December 2018	3.439
Depreciation	
Depreciation for the year	344
Balance at 31 December 2018	344
Carrying amounts	
Balance at 31 December 2018	3.095
Balance at 31 December 2017	-

Propery, plant and equipment represent an equipment which it was bought and made available to an independent specialist who operates a room for providing support to kids with disabilities. Ownership rights remain vested in the Foundation.

7. TRADE AND OTHER RECEIVABLES

	2018 €	2017 €
Deposits and prepayments	1.507	-
	1.507	-

The fair values of trade and other receivables due within one year approximate to their carrying amounts as presented above.

The exposure of the Foundation to credit risk and impairment losses in relation to trade and other receivables is reported in note 11 to the financial statements.

8. CASH AND CASH EQUIVALENTS

For the purposes of the statement of cash flows, the cash and cash equivalents include the following:

	2018 €	2017 €
Cash with payment service providers	1.653	5.049
Cash at bank	24.982	56.575
	26.635	61.624

The exposure of the Foundation to credit risk and impairment losses in relation to cash and cash equivalents is reported in note 11 to the financial statements.

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NOTES TO THE FINANCIAL STATEMENTS

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9. TRADE AND OTHER PAYABLES

	2018 €	2017 €
Accruals	2.739	3.332
Other creditors	428	14.929
Payables to related entities (note 10 (iii))	23.872	1.679
	27.039	19.940

The fair values of trade and other payables due within one year approximate to their carrying amounts as presented above.

The exposure of the Foundation to liquidity risk in relation to financial instruments is reported in note 11 to the financial statements.

10. RELATED PARTY TRANSACTIONS

The transactions and balances with related parties are as follows:

(i) Donations from related parties

	2018 €	2017 €
Sergey Stopnevich	26.413	6.071
Staya Limited	14.814	-
Wise Wolves Capital (EU) Limited	25.752	-
	66.979	6.071

(ii) Expenses

	Nature of transactions	2018 €	2017 €
Wise Wolves Capital (EU) Limited	Other professional fees	8.804	-
		8.804	-

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10. RELATED PARTY TRANSACTIONS *(continued)*

(iii) Payables to related entities (note 9)

Name	Nature of transactions	2018 €	2017 €
Wise Wolves Capital (EU) Limited	Expenses paid on behalf	23.872	1.679
		23.872	1.679

11. FINANCIAL INSTRUMENTS – FAIR VALUES AND RISK MANAGEMENT

Financial risk factors

The Foundation is exposed to the following risks from its use of financial instruments:
- Credit risk
- Liquidity risk

The Foundation does not have a formal risk management policy program. The exposure to the above risk is monitored by the Board of Directors as part of its daily management of the business.

(i) *Credit risk*
Credit risk arises when a failure by counter parties to discharge their obligations could reduce the amount of future cash inflows from financial assets on hand at the reporting date. The Foundation has no significant concentration of credit risk and it has policies to limit the amount of credit exposure to any financial institution in which cash balances are held.

Cash and cash equivalents

The table below shows an analysis of the Foundation's cash at bank by the credit rating of the bank in which they are held:

Bank group based on credit ratings by Moody's	No of banks	2018 €	2017 €
Ba2	1	24.982	-
Ba3	1	-	56.575
		24.982	56.575

(ii) *Liquidity risk*
Liquidity risk is the risk that arises when the maturity of assets and liabilities does not match. An unmatched position potentially enhances profitability, but can also increase the risk of losses. The Foundation has procedures with the object of minimising such losses such as maintaining sufficient cash.

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11. FINANCIAL INSTRUMENTS – FAIR VALUES AND RISK MANAGEMENT *(continued)*

(ii) Liquidity risk (continued)

The following are the contractual maturities of financial liabilities at the reporting date. The amounts are gross and are undiscounted, and include estimated interest payments:

31 December 2018	Carrying amounts €	Contractual cash flows €	Within 12 months €	Between 1-5 years €	More than 5 years €
Non-derivative financial liabilities					
Trade and other payables	3.167	3.167	3.167	-	-
Payables to related parties	23.872	23.872	23.872	-	-
	27.039	27.039	27.039	-	-

31 December 2017	Carrying amounts €	Contractual cash flows €	Within 12 months €	Between 1-5 years €	More than 5 years €
Non-derivative financial liabilities					
Trade and other payables	18.261	18.261	18.261	-	-
Payables to related parties	1.679	1.679	1.679	-	-
	19.940	19.940	19.940	-	-

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COMPUTATION OF CORPORATE TAX

For the year ended 31 December 2018

	€	€
Deficit for the period per statement of comprehensive income		(37.486)
Add:		
Depreciation	344	
Foreign exchange loss	2.490	
Registrar annual fee	350	
		3.184
		(34.302)
Less:		
Deficit for the period not subject to tax	(34.302)	
		34.302
Chargeable income for the year		-