UVM-audit

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№ 05-01/2
26/02/2025

AUDITOR'S REPORT

on the financial statements

NON-GOVERNMENTAL ORGANIZATION
"INDEPENDENT ANTI-CORRUPTION COMMISSION "
As of December 31, 2024

Opinion

We have audited the accompanying financial statements of non-governmental organization «INDEPENDENT ANTI-CORRUPTION COMMISSION» (hereinafter referred to as the Organization), which comprise the Balance Sheet as of 31 December 2024 (Form 1-m) and the Statement of Financial Results for 2024 (Form 2-m).

The financial statements were prepared by management personnel using a general-purpose conceptual framework based on the application of the requirements of the national accounting regulations (standards) of Ukraine NAR(S), which correspond to the chosen accounting policy of non-governmental organization «INDEPENDENT ANTI-CORRUPTION COMMISSION » and the requirements of regulatory acts of Ukraine regulating the procedure for maintaining accounting records and preparing financial statements.

In our opinion, the attached financial statements appear to reflect the financial condition of the Organization as of December 31, 2024, and its financial result ended on the specified date, in accordance with the national accounting regulations (standards) and complies with the requirements of the law of Ukraine "On accounting and financial reporting in Ukraine" No. 996-XIV regarding the preparation of financial statements.

Significant uncertainty regarding business continuity

The auditor has developed and conducted additional audit procedures to determine the risk of continuing the operation of the Organization in modern conditions. The Organization operates in a war environment, which is accompanied by the existence of factors that may affect the Organization 's activities, as further development, duration, and impact of the war cannot be predicted. Management personnel conducted a sensitivity analysis of several possible scenarios to determine whether there is significant uncertainty about the ability of the Organization to continue as a going concern. The auditors, using additional audit procedures, gathered sufficient audit evidence to assess the going concern and the measures taken by the Organization's management to ensure continuity, including updated forecasts and sensitivity analysis taking into account identified risk factors and various possible outcomes; review of projected compliance with contractual terms in various scenarios; changes in management's plans for future actions. The auditor is satisfied that management adequately discloses the Organization's prospects and how this may affect the users of the financial statements, given the current high degree of uncertainty. The auditor considered that forecasts can change significantly in a short period. The auditor applied professional judgment and skepticism. The auditor has been careful in assessing whether any forecasts adequately reflect the situation as of the date of signing this audit report. The auditor has collected sufficient evidence and conducted audit procedures to verify the above. The auditor has concluded that the risk of circumstances that may cast significant doubt on the Organization 's ability to continue as a going concern is minimal. The auditor has gathered sufficient audit evidence and is satisfied that management is prepared to respond promptly to prevent such a risk.

Our opinion on this issue has not been changed.

Going concern

The financial statements have been prepared on a going-concern basis. In preparing the financial statements, management is responsible for assessing the entity's ability to continue as a going concern. The use of this assumption as a basis of accounting is appropriate if management has no plans to liquidate the entity or cease operations, or has no realistic alternative but to do so.

During our audit of the financial statements, we have concluded that management's use of the going concern basis of accounting in preparing the Organization's financial statements is appropriate. Management has not identified any material uncertainty that may cast significant doubt on the entity's ability to continue as a going concern and, accordingly, no such uncertainty has been disclosed in the financial statements. In the course of our audit of the financial statements, we have not identified any such material uncertainties. However, neither management nor the auditor can assure the Organization's ability to continue as a going concern as future events or conditions may require the Organization to cease operations on a continuous basis; we have evaluated the overall presentation, structure, and content of the financial statements and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

The auditor cannot predict future events or conditions that may cause the Organization to cease to be a going concern. Accordingly, the absence of any mention of going concern uncertainties in the auditor's report cannot be regarded as a guarantee of the entity's ability to continue as a going concern.

Key audit matters

Key audit matters are matters that, in our professional judgment, were significant during our audit of the financial statements for the current period. These matters were considered in the context of the audit of the financial statements as a whole and were taken into account in forming an opinion on them, but we do not express a separate opinion on these matters.

The Parties agree that the audit of the financial statements being the subject of this agreement is not a statutory audit of the financial statements within the meaning of the Law of Ukraine "On the Audit of Financial Statements and Auditing Activities".

We have determined that there are no key audit matters that need to be further reported in our report. The results of the audit are not intended to be made public.

Other issues.

We have received assurances from the Organization's management that event after the reporting date in respect of:

- the introduction of martial law on 24 February 2022 for 30 days throughout Ukraine due to the military aggression of the Russian Federation against Ukraine based on the proposal of the National Security and Defence Council in accordance with Ukrainian legislation, introduced by the Decree of the President of Ukraine No. 64/2022 "On the introduction of martial law in Ukraine", which was approved by the Verkhovna Rada of Ukraine, does not require any adjustment or disclosure in the financial statements for the year ended on 31.12.2024.

- the announcement of the COVID-19 pandemic and the introduction of restrictive quarantine measures in this regard do not have a significant impact on the Organization's operations and development, do not cause any uncertainties regarding the Organization's going concern, and do not require adjustment or disclosure in the financial statements for the year ended on 31.12.2024.

Responsibility of management and those with the highest authority for financial reporting

The Organization's management is responsible for the preparation of these financial statements in accordance with the National 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.

Management's responsibility includes: designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; and selecting and applying appropriate accounting principles, policies, and estimates that are relevant to the circumstances.

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and *liabilities* and the reported amounts of revenues and expenses during the reporting period.

These financial statements and the opening balance sheet are the responsibility of the Organization's officers and are the responsibility of the Organization's management. Management is *responsible for ensuring that related party relationships* are *properly accounted for that all* transactions are recorded that all outstanding transactions are accounted for and that any material misstatements are not material, individually or in the aggregate, to the financial statements. Management is responsible for approving:

- that auditors are given access to all relevant information, all accounting registers and supporting documents, all minutes of meetings, etc.;
- that it does not have any plans or intentions that may significantly change the carrying amount or classification of assets and liabilities reflected in the financial statements;
- that the Organization has ownership of all its assets and information about restrictions on ownership rights is provided for verification;
- that all obligations are recorded and all guarantees provided to third parties are disclosed;
- that there are no events that occurred after the end of the period that require additional adjustment or disclosure in the financial statements or the notes thereto;
- that they have disclosed all information about the absence of cases of fraud committed or suspected.

In preparing the financial statements, management is responsible for evaluating the Organization's ability to continue operating continuously, disclosing, where applicable, matters related to operation continuously and using the operation continuously assumption as the basis for accounting, unless management either plans to liquidate the organization or cease operations or has no realistic alternatives to doing so. Those with the highest authority are responsible for overseeing the Organization's financial reporting process.

The auditor's responsibility for the audit of financial statements

The auditor's responsibility for the audit of the financial statements is to express an opinion on those financial statements based on their audit, which was conducted in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance that the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

In making those risk assessments, the auditor considered internal control relevant to the entity's preparation and fair presentation of the financial statements to design audit procedures that are appropriate in the circumstances, but not to express an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used, the reasonableness of accounting estimates made by management, and the overall presentation of the financial statements.

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 that is consistent with our opinion. Reasonable assurance is a high level of assurance, but it does not guarantee that an audit conducted in accordance with the ISA will always detect a material misstatement if it exists. Misstatements may result from fraud or error; they are considered material if, individually or in the aggregate, they are reasonably expected to influence the economic decisions of users made based on these financial statements.

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

In addition, we:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures in response to these risks, and obtain *audit evidence that is sufficient and appropriate to provide a basis for our audit. The risk of not* detecting material misstatement due to fraud is higher than for misstatement due to error, because fraud may include collusion, forgery, intentional omissions, incorrect statements, or neglect of internal controls;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, and not to express an opinion on the efficacy of the internal control system
- evaluate the appropriateness of accounting policies applied and the reasonableness of accounting estimates and related disclosures made by management personnel;
- conclude that management's use of the operation continuously assumption as the basis for accounting is appropriate and, based on the audit evidence obtained, determine whether there is material uncertainty about events or conditions that would cast significant doubt on the company's ability to continue the operation continuously. If we conclude that such material uncertainty exists, we should draw the auditor's attention in our 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 company to cease operations on a continuous basis;
- we evaluate the overall presentation, structure, and content of the financial statements, including the summary of financial information, and whether the financial statements show the transactions and events that form the basis for their preparation, to achieve a fair presentation.

We communicate to those with the highest authority the planned scope and timing of the audit and significant audit results, including any significant deficiencies in internal control events we identified during the audit.

We also provide those with the highest authority with a statement that we have met the relevant ethical requirements for independence and inform them of all relationships and other matters that could reasonably be considered to affect our independence, as well as, where applicable, regarding appropriate security measures.

From the list of all issues on which information was provided to those with the highest authority, we identified those that were most important during the audit of the financial statements of the current period, that is, those that are key audit issues. We describe these issues in our auditor's report, unless a legislative or regulatory act prohibits the public disclosure of such an issue, or if in extremely exceptional circumstances we determine that such an issue should not be covered in our report, as the negative consequences of such coverage may predictably outweigh its usefulness to the public.

II. Report
on the requirements of other legislative and regulatory acts

non-governmental organization
«INDEPENDENT ANTI-CORRUPTION COMMISSION »

as of December 31, 2024

Accounting status of non-governmental organization «INDEPENDENT ANTI-CORRUPTION COMMISSION »

The Organization maintains accounting records of its business transactions in respect of property and results of its activities in physical units and generalized monetary terms using continuous documentary and interrelated recording. Business transactions are accounted for using the double-entry method by the chart of accounts in the relevant journal entries and analytical statements. During the review of the content of the submitted accounting reporting forms, the auditors found that the indicators in them are interrelated and identical to each other, generally correspond to the data in the accounting registers, and the Organization's financial statements reflect all indicators that have a material impact on the statements.

The audit reviewed the accounting principles used by the Organization's management to estimate certain balance sheet items and assessed the compliance of the principles applied with the regulatory requirements for the organization of accounting and reporting in Ukraine effective during the audit period.

The financial statements of the Organization have been prepared in accordance with the requirements of National Accounting Regulation (Standard) 25 "Simplified Financial Statements", approved by the Order of the Ministry of Finance of Ukraine No. 39 dated 25.02.2000.

Disclosure of information on accounting for non-current assets

As a result of the audit, the auditors found that as of 31 December 2024, the Organization's balance sheet includes intangible assets that correspond to the data in the primary documents and accounting registers.

The Organization's property, plant, and equipment are accounted for at historical cost in accordance with the principles of prudence and substance over form in accordance with Accounting Standard 7 "Property, Plant and Equipment", approved by Order of the Ministry of Finance of Ukraine No. 92 dated 27 April 2000 and registered with the Ministry of Justice of Ukraine on 18 May 2000 under No. 288/4509, as amended by orders of the Ministry of Finance of Ukraine.

By Order No. 31/12 dated 31.12.2024, an inventory of all assets and liabilities was carried out, with verification and documentary confirmation of their availability, condition, and compliance with the recognition and valuation criteria as of 31.12.2024:

Thousand UAH

indicator	Line code	31.12.2023	31.12.2024
Fixed assets	1010	**12,5**	**0**
original cost	1011	635,8	635,8
depreciation	1012	(623,3)	(635,8)

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Disclosure of information on the accounting of current assets

In 2024, the Organization applied the requirements of Accounting Regulation (Standard) 9 "Inventories", approved by Order of the Ministry of Finance of Ukraine No. 246 dated 20.10.1999 and registered with the Ministry of Justice of Ukraine on 2 November 1999 under No. 751/4044, as amended by orders of the Ministry of Finance of Ukraine, to keep records of raw materials, goods, materials, and other inventories. Inventory disposal is carried out using the FIFO method of the cost of the first ones at the time of receipt.

Disclosures on accounting for receivables

The Organization's current receivables for goods, works, services, and Other current receivables as of 31 December 2024 amount to:

	31.12.2023 р.	31.12.2024 *Thousand UAH.*
Current accounts receivable	**30,6**	**25,4**

Disclosures about cash accounting

Cash transactions are accounted for in accordance with the "Regulation on conducting cash transactions in the national currency in Ukraine", approved by the NBU Resolution No. 148 dated 29.12.2017, as amended.

Non-cash payments are made by the Organization in compliance with the requirements of the applicable law. Bank statements with annexes to them are available, and arranged in chronological order. As of 31.12.2024, the cash balance in the national currency amounted to UAH **3736,9** thousand.

Disclosure of information about the ultimate beneficial owner:

Information about the ownership structure of the legal entity Note that the ownership structure was signed: None

Date of the ownership structure: None

Number of the ownership structure: None

Name of the person who signed the ownership structure: None

Targeted funding and target revenues – 3587,3 thousand UAH.

Accounts payable

The Organization's liabilities are accounted for and measured in accordance with the requirements of Accounting Regulation (Standard) 11 "Liabilities", approved by Order of the Ministry of Finance of Ukraine No. 20 dated 11.02.2000 and registered with the Ministry of Justice of Ukraine No. 85/4306 on 11 February 2000, as amended by the Order of the Ministry of Finance of Ukraine.

Availability and status of accounts payable *Thousand UAH*

Current liabilities	Balance on 31.12.2023	Balance on 31.12.2024
Current debt for:		
goods, works, services	87,8	160,4
payments to the budget	-	2,0
insurance calculations	-	12,6
Deferred income (Other current commitments)	54,8	7,9
Total	**142,6**	**182,9**

Events after the reporting date

As of the date of approval of the annual financial statements by the management, there were no transactions with a significant impact on the Organization's operations.

Going concern

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During our audit of the financial statements, we have concluded that management's use of the going concern basis of accounting in preparing the Organization's financial statements is appropriate. Management has not identified a material uncertainty that may cast significant doubt on the entity's ability to continue as a going concern and, accordingly, no such uncertainty has been disclosed in the Organization's financial statements. When auditing the financial statements, we also did not identify such significant uncertainty. However, neither management nor the auditor can assure the Organization's ability to continue as a going concern as future events or conditions may require the Organization to cease operations on a continuous basis; we have evaluated the overall presentation, structure, and content of the

financial statements and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

The auditor cannot predict future events or conditions that may cause the Company to cease to be a going concern. Accordingly, the absence of any mention of going concern uncertainties in the auditor's report cannot be regarded as a guarantee of the entity's ability to continue as a going concern.

LLC «UVM – audit»

Full name: Limited Liability Company «UVM – audit».

Short name: "UVM-Audit" LLC. Legal entity identification code: 20587317.

Certificate of inclusion in the Register of Audit firms and auditors who provide audit services alone, № 2488, the decision of the Audit Chamber of Ukraine № 98 as of 26.01.2001., the decision of the Audit Chamber of Ukraine № 158 as of 26.01.2006., the decision of the Audit Chamber of Ukraine №224/3 as of 23.12.2010p. and decision of the Audit Chamber of Ukraine № 317/4 as of 26.11.2015p.

Information about the LIMITED LIABILITY COMPANY «UVM-audit» was included in the register of auditors and auditing entities in the section "AUDIT ENTITIES".

Director of Audit Firm UVM-Audit LLC Mykhailo Kuzub

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Basic information about the terms of the audit contract

The audit of the annual financial statements of the NGO "INDEPENDENT ANTI-CORRUPTION COMMISSION" as part of the Balance Sheet as of December 31, 2024 (Form 1-m) and the Statement of Financial Performance for 2024 (Form 2-m) was conducted under the Audit Services Agreement concluded by the NGO under the Agreement on the provision of audit services AGREEMENT No. 5-01.

The period for which the inspection was carried out - 01.01.2024 - 31.12.2024.

The date of the start of the inspection is January 21, 2025.

The end date of the inspection is February 26, 2025.

Director of
LLC "Audit firm "UVM-audit" /Mykhailo Kuzub/

УКРАЇНА * КИЇВСЬКА ОБЛ. * БРОВАРИ * ТОВАРИСТВО З ОБМЕЖЕНОЮ ВІДПОВІДАЛЬНІСТЮ "ЮВМ-аудит" СВІДОЦТВО №20587317

Date of the Independent Auditor's Report: ***February 26, 2025***