

INDEPENDENT AUDITOR'S REPORT

*To the users of the financial statements
of NGO «Docudays»*

Opinion

Under the Contract № 07-2023-A dated 13.03.2023 we, the independent audit firm LLC "Audit company "UHY PROSTIR LTD", have audited the financial statements of Non-Government Organization "Docudays" («the Organization»), which comprise the Balance Sheet as at December 31, 2022, the Profit and Loss Statement for the year then ended, and notes to the financial statements.

In our opinion, the accompanying financial statements of the Organization are prepared, in all material respects, in accordance with Ukrainian National Accounting Standards.

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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Organization in accordance with the ethical requirements that are relevant to our audit of the financial statements in Ukraine, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter – Influence of Russian Federation's Military Aggression against Ukraine

We draw your attention to the Note 7 «Going concern of the Organization», which describes the possible effect of full-scale invasion of the Russian Federation against Ukraine on the Organization's operational and financial performance, depending on future developments, including the duration, spread and intensity of the hostilities. Our opinion is not modified in respect of this matter.

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

Management is responsible for the preparation of the financial statements in accordance with Ukrainian 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.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will

always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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

Director
LLC "Audit company "UHY Prostor Ltd"



Safinskiy V.

28.04.2023

Office № 315, 14 Vasylkivska Str.
Kyiv, Ukraine, 03040

Register number 65

**NON-GOVERNMENTAL ORGANIZATION "DOCUDAYS"
FINANCIAL STATEMENTS AS OF 31.12.2022 AND FOR THE YEAR THEN ENDED**

Annex 1
to the National Accounting Standard 25
"Simplified Financial Reporting"
(section I, paragraph 5)

FINANCIAL REPORT OF A SMALL BUSINESS ENTITY

Enterprise Non-Governmental Organization "Docudays" Date (year, month, day) by
Territory Kyiv region EDRPOU
Legal form of organization – non-governmental organization by KOATUU
Type of economic activity: activities of other public organizations by KOPFG
The average number of employees, persons: 3 by KVED
Measuring unit: thousand hryvnias with one decimal sign
Address, phone number: 10/11 Mala Zhytomyrska Str., Kyiv, 01001, Ukraine.

CODES		
2023	01	01
30069171		
651010000		
815		
94.99		

1. Balance Sheet
as of December 31, 2022
Form No. 1-m

Code by DKUD 1801006

Asset	Line Code	Opening balance of the accounting year	Closing balance of the accounting period
1	2	3	4
I. Non-Current Assets			
Intangible assets	1000	22,2	21,3
Acquisition cost	1001	82,5	101,0
Accumulated depreciation	1002	(60,3)	(79,7)
Capital Investment in Progress	1005	-	-
Fixed Assets:	1010	681,0	664,0
acquisition cost	1011	5 308,0	3 568,6
depreciation	1012	(4 627,0)	(2 904,6)
Long-Term Biological Assets	1020	-	-
Long-Term Financial Investments	1030	-	-
Other Non-Current Assets	1090	-	-
TOTAL of Section I	1095	703,2	685,3
II. Current Assets			
Inventories:	1100	-	-
including finished products	1103	-	-
Current Biological Assets	1110	-	-
Accounts Receivable for Goods, Works, Services	1125	-	-

1	2	3	4
Accounts Receivable for Taxes, Levies and other Statutory Charges Paid	1135	5,5	7,0
including against income tax	1136	-	-
Other Current Receivables	1155	492,6	1 224,1
Current Financial Investments	1160	-	-
Cash and Cash Equivalents	1165	8 372,4	22 205,6
Deferred Cost	1170	-	18,2
Other Current Assets	1190	-	-
TOTAL of Section II	1195	8 870,5	23 454,9
III. Non-Current Assets Held for Sale and Disposal Group	1200	-	-
Result	1300	9 573,7	24 140,2
Liabilities	Line Code	Opening balance of the accounting year	Closing balance of the accounting period
1	2	3	4
I. Net Equity			
Registered (equity) capital	1400	-	-
Additional Capital	1410	-	-
Reserve Capital	1415	-	-
Retained Earning (Uncovered Loss)	1420	-	-
Unpaid Capital	1425	(-)	(-)
TOTAL of Section I	1495	-	-
II. Long-term Liabilities, Special-Purpose Funding and Provisions	1595	8 838,1	23 435,0
III. Current Liabilities			
Short-Term Loans from Banks	1600	-	-
Current Payables, including:			
Long Term Liabilities	1610		
goods, works, services	1615	33,9	1,7
budget settlements	1620	-	-
including against income tax	1621	-	-
insurance settlements	1625	-	-
payroll settlements	1630	-	-
Deferred Income	1665	701,7	703,5
Other Current Liabilities	1690	-	-
TOTAL of Section III	1695	735,6	705,2
IV. Liabilities Associated with Non-Current Assets held for sale and disposal groups	1700	-	-
Result	1900	9 573,7	24 140,2

2. Profit and Loss Statement
for 2022

Form No.2-m
Code by DKUD

1801007

Item	Line Code	For accounting period	For similar period of previous year
1	2	3	4
Proceeds (net) from sales of goods, products, services	2000	-	-
Other Operating Income	2120	39 930.5	43 615,9
Other Income	2240	-	-
Total Income (2000 + 2120 + 2240)	2280	39 930.5	43 615,9
Cost of products sold (goods, works, services)	2050	(-)	(-)
Other Operating Costs	2180	(39 930.5)	(43 615,9)
Other costs	2270	(-)	(-)
Total Expenses (2050 + 2180 + 2270)	2285	(39 930.5)	(43 615,9)
Profit (Loss) Before Taxation (2280 – 2285)	2290	-	-
Income Tax	2300	-	-
Net Profit (Loss) (2290 – 2300)	2350	-	-

Executive Director

Smal Svitlana

Finance Director

Momotok Eduard



**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED ON DECEMBER 31, 2022**

1. Basis for Preparation and Presentation

These financial statements were prepared in accordance with the requirements of the National Accounting Regulations (Standards) in Ukraine and the Law of Ukraine "On Accounting and Financial Reporting" No. 996-XIV dated 16.07.1999.

The financial statements are prepared on the basis of the accrual method and historical cost.

The financial statements consist of:

- Financial statements of a small enterprise, including the Balance Sheet (form No.1-m) as of December 31, 2022 and the Profit and Loss Statement (Form No. 2-m) for the year ended December 31, 2022, which are prepared in accordance with the rules of the National Accounting Standards in Ukraine, in particular the National Accounting Standard 25 "Simplified Financial Reporting". Financial statements of a small enterprise are prepared under the historical cost basis;
- Notes to financial statements.

The financial statements were approved in 27.04.2023.

2. General Information

Non-Governmental Organization "Docudays" (hereinafter referred to as the Organization) is a voluntary non-profit public association based on individual membership, created on the basis of unity of interests for the joint implementation of the objective of the Organization's activities defined by the Charter.

The purpose of the Organization is to promote the observance and protection of human rights and fundamental freedoms, establish understanding of human dignity as the highest value, increase the level of civic activity in Ukraine, and promote the development of documentaries.

3. Functional and presentation currency

Financial statements are presented in Ukrainian hryvnia, which is the functional currency in Ukraine. All financial information presented in Ukrainian hryvnia is rounded up to the nearest thousand with one decimal sign, unless otherwise specified.

4. Disclosure of information on certain indicators of financial statements

4.1. Non-Current Assets

Item 1000 "Intangible Assets" of the Balance Sheet includes the residual value of the software. Intangible assets are recorded at the acquisition price less accumulated depreciation at the reporting date. Depreciation of intangible assets (except for the assets with an indefinite useful life) is calculated using a straight-line method.

	31.12.2021	31.12.2022
Software	22,2	21,3
Total:	22,2	21,3

Item 1010 "Fixed Assets" of the Balance Sheet includes the residual value of office and multimedia equipment, furniture, etc. Fixed assets are recorded at the acquisition price less depreciation at the reporting date. Depreciation of fixed assets (other than other non-current tangible assets) is calculated on a straight-line basis. Depreciation of non-current tangible assets of low cost is charged at the rate of 100% upon commissioning.

	31.12.2021	31.12.2022
Machinery and Equipment,	678,3	663,9
- including charging stations	-	384,6
Total:	681,0	664,0

4.2. Accounts receivable

Item 1135 "Due for taxes, levies and other statutory charges paid" of the Balance Sheet includes arrears on taxes and mandatory payments.

	31.12.2021	31.12.2022
Personal Income Tax	4,8	4,8
Unified Social Tax	0,7	2,2
Total:	5,5	7,0

Item 1155 "Other Current Receivables" includes :

	31.12.2021	31.12.2022
Outstanding Advances to Suppliers	492,6	1 126,7
Amounts owed by Donors on the projects implemented	-	97,4
Total:	492,6	1 224,1

4.3 Deferred Cost

Item 1170 «Deferred Cost» includes value of purchased license rights to use film for 5 years – from 18.11.2022 till 18.11.2027.

4.4. Cash and Cash Equivalents

Item 1165 "Cash and Cash Equivalents" of the Balance Sheet includes the amount of funds in bank accounts:

	31.12.2021	31.12.2022
Cash in the bank in UAH	2 790,2	4 054,2
Cash in the bank in euro	4 482,8	16 323,0
Cash in the bank in US dollars	1 099,4	1 828,4
Total:	8 372,4	22 205,6

Foreign currency balances are presented in Hryvnia equivalent at the NBU exchange rates shown in the table below:

	31.12.2021	31.12.2022
Euro exchange rate	30.9226	38.9510
US dollar exchange rate	27.2782	36,5686

4.5. Long-term liabilities, special-purpose funding and provisions

Item 1595 "Long-term liabilities, special-purpose funding and provisions" of the Balance Sheet reflects the amounts of targeted funding and own funds used for conducting the Organization's statutory activities, including in the context of donors.

	31.12.2021	31.12.2022
Swedish International Development Cooperation Agency (SIDA)	4 815,3	15 960,9
Pact Inc	1 239,8	1 507,3
National Endowment for Democracy	971,3	1 302,6
Fondation de France	-	1 043,1
Razom, Inc	-	993,5
Embassy of Canada in Ukraine	-	785,1
Prague Civil Society Centre	-	612,7
Embassy of Switzerland in Ukraine	-	36,3
European Commission	345,6	-
Own funds	1 466,1	1 193,5
Total:	8 838,1	23 435,0

4.6. Current Accounts Payable

Item 1615 "Current Accounts Payable for Goods, Work, Services" refers to the amount owed to suppliers and contractors for material values, work performed and services received.

4.7. Deferred income

Item 1665 «Deferred Income» of the Balance Sheet includes targeted funding that was used for the acquisition of non-current assets, deferred cost, and which will be recognized as income during the periods of use of the relevant assets, including in the amount of accrued depreciation.

4.8. Other operating income

Item 2120 "Other Operating Income" of the Profit and Loss Statement includes the following types of income:

	31.12.2022	31.12.2021
Income from the use of targeted funding	34 886,1	40 451,8
Income from foreign exchange differences and the positive result from buying / selling foreign currency	4 477,0	2 610,3
Income in the amount of depreciation charges for non-current assets acquired with targeted funding	567,4	553,0
Bank interest received	-	0,8
Total:	39 930,5	43 615,9

4.9. Other operating expenses

Item 2180 "Other Operating Expenses" of the Profit and Loss Statement includes the following types of expenses:

	31.12.2022	31.12.2021
Services received	30 732,0	35 558,2
losses from foreign exchange differences and negative result from buying / selling foreign currency	4 477,0	843,7
Salary expenses, payments under civil law agreements	2 367,8	2 781,4
Depreciation of fixed assets	567,4	745,1
Charitable assistance (including a financial aid)	562,7	-
Taxes on payroll and civil law contracts remuneration	492,8	603,1
Royalties and prize payments	288,5	329,0
Material costs	275,9	947,9
Bank fees	151,0	1 878,3
Other costs	15,4	29,2

Total:	39 930,5	43 615,9
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5. Legal issues

As of 31.12.2022, the Organization is not involved in litigation or other claims.

6. Employee salaries

For the year ended on December 31, 2022, wages and other employee benefits are as follows:

	2022	2021
Salary	2 367,8	2 320,7
Social payments (unified social tax)	492,8	603,1
Financial aid	236,9	-
Total:	3 097,5	2 923,8

7. Going concern of the Organization

These financial statements are based on the going concern principle of the Organization, which provides for the realization of assets and fulfillment of obligations in the normal course of the Organization's activities. However, there are the following events and circumstances that required the management's careful assessment of the Organization's ability to continue operations on a going concern basis and took measures to ensure that the Organization had adequate funding. These events and circumstances are detailed below.

On February 24, 2022 the Russian Federation carried out a full-scale invasion of Ukraine. On the same day, in connection with the military aggression of the Russian Federation against Ukraine (hereinafter - military aggression) by Decree of the President of Ukraine № 64/2022 on our territory martial law was imposed from 05 hours 30 minutes on February 24, 2022, which is valid repeatedly continued and which is currently in force.

At the date of approval of this financial statement the Organization operates in an unstable economic environment caused by Russian military aggression. Improvement of the economic situation in the country depends on future developments, including the duration, spread and intensity of the warfare, all of which are uncertain and difficult to predict considering the rapidly evolving situation. Due to the uncertainty of the timing and directions of the intense hostilities it is not possible to reliably estimate the impact of it on the financial results and liquidity of the Organization, the stability and structure of its operations with counterparties.

These financial statements have been prepared on a going concern assumption of the Organization, which provides for the realization of assets and settlement of liabilities in the normal course of its activities. The financial statements do not include any adjustments to reflect the possible future effects of compensation and classification of reported assets or the amounts and classification of liabilities that may arise from such uncertainty.

8. Events after the balance sheet date

After the reporting date, there were no significant events that require disclosure and affect the understanding of the presented financial statements.

Executive Director

Smal Svitlana

Finance Director

Momotok Eduard

