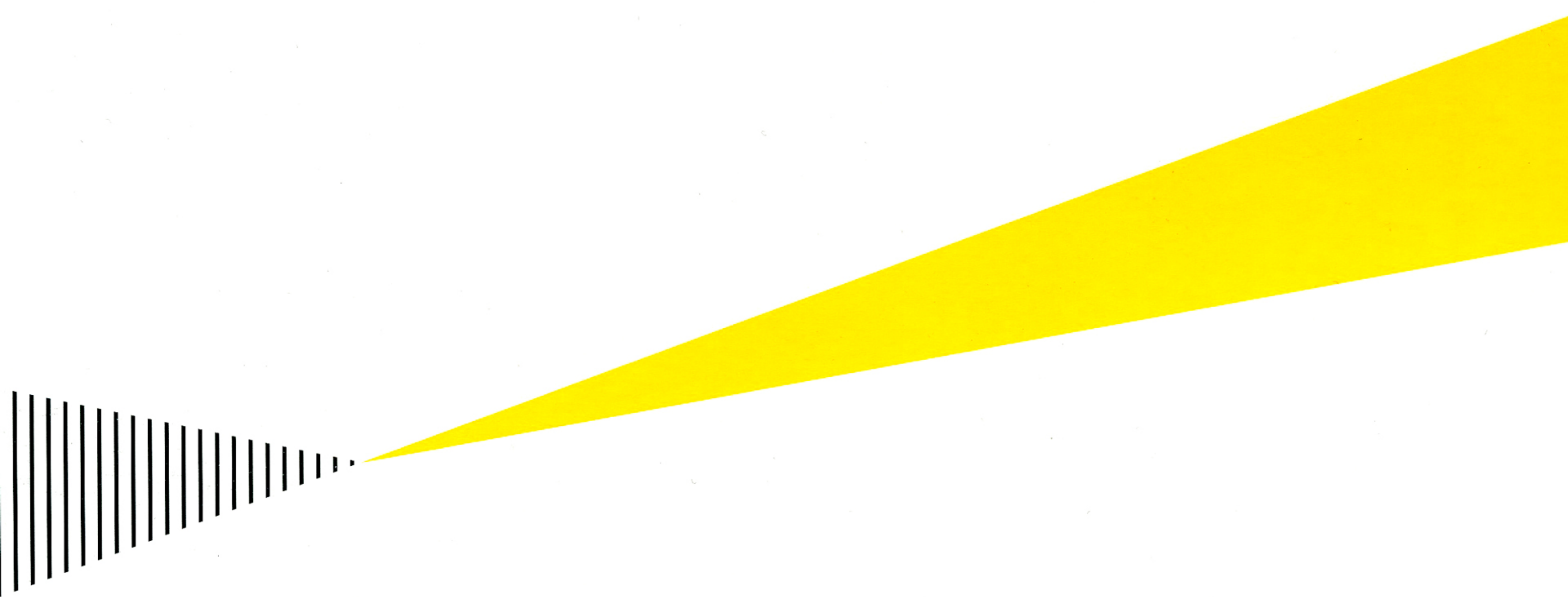


**Charitable organization “Foundation of Olena Pinchuk “ANTI AIDS”
“Elena Pinchuk Antiaids Foundation” (United Kingdom)**

Combined Statement of Cash Receipts and Disbursements

*For the year ended 31 December 2014 and
cumulative as at that date
with Independent Auditors’ Report*



**Building a better
working world**

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INDEPENDENT AUDITORS' REPORT

To Management and Founders of Charitable organization "Foundation of Olena Pinchuk "ANTIAIDS" and "Elena Pinchuk Antiaids Foundation" (United Kingdom)

We have audited the accompanying combined statement of cash receipts and disbursements of Charitable organization "Foundation of Olena Pinchuk "ANTIAIDS" and "Elena Pinchuk Antiaids Foundation" (United Kingdom), hereinafter collectively referred to as "the Foundations", for the year ended 31 December 2014 and cumulatively as at that date, and a summary of significant accounting policies and other explanatory information ("the Combined Statement"). The Combined Statement has been prepared by management of the Foundations using the cash receipts and disbursement basis of accounting described in Note 2.

Management responsibility for the Combined Statement

Management is responsible for the preparation and fair presentation of this Combined Statement in accordance with the cash receipts and disbursements basis of accounting described in Note 2; this includes determining that the cash receipts and disbursements basis of accounting is an acceptable basis for the preparation of the Combined Statement in the circumstances, and for such internal control as management determines is necessary to enable the preparation of the Combined Statement that is free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on the Combined Statement based on our audit. We conducted our audit 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 about whether the Combined Statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Combined Statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Combined Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Foundations' preparation and fair presentation of the Combined Statement 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 Foundations' internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates, if any, made by management, as well as evaluating the overall presentation of the Combined Statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the Combined Statement presents fairly, in all material respects, the cash receipts and disbursements of the Foundations for the year ended 31 December 2014 in accordance with the cash receipts and disbursements basis of accounting described in Note 2.

Emphasis of matter

We draw attention to Note 5 to the Combined Statement, which describes the current political and economic situation in Ukraine. The circumstances referred to in Note 5 could continue to adversely



affect the Foundations' operations in a manner not currently determinable. Our opinion is not qualified in respect of this matter.

Basis of Accounting

Without modifying our opinion, we draw attention to Note 2 to the Combined Statement, which describes the basis of accounting. The Combined Statement is prepared to provide information to the founders and management of the Foundations. As a result, the Combined Statement may not be suitable for another purpose.

Ernst & Young Audit Services LLC

25 November 2015

Charitable organization "Foundation of Olena Pinchuk "ANTI AIDS"
 "Elena Pinchuk Antiaids Foundation" (United Kingdom)

Combined Statement of Cash Receipts and Disbursements
 For the year ended 31 December 2014 (in US dollars)

	Notes	2014	2013	Cumulative from commencement to 31 December 2014
Cash balance as at 1 January		44,769	194,957	-
Cash receipts collected:				
Contributions received from legal entities, including the founders' affiliates		1,531,069	1,471,829	17,253,575
Contributions received from the founders and other individuals		112,575	41,344	2,000,705
Founders' contributions to the Charter Fund		-	-	10,010
Bank interest		1,435	24	44,019
Total collected		1,645,079	1,513,197	19,308,309
Program disbursements made:				
Informational and educational campaigns on HIV/AIDS		(182,576)	(389,375)	(5,037,965)
Material aid paid to people with HIV/AIDS, medical establishments and orphanages		(354,366)	(341,368)	(4,198,750)
"Medsanbat" project	3	(50,072)	-	(50,072)
International co-operation	1	(685,333)	(697,440)	(7,741,937)
Total program disbursements		(1,272,347)	(1,428,183)	(17,028,724)
Administrative expenses	4	(225,692)	(257,988)	(1,975,544)
Total disbursements		(1,498,039)	(1,686,171)	(19,004,268)
Foreign exchange and translation differences		(35,318)	22,786	(147,550)
Cash balance as at 31 December		156,491	44,769	156,491

Signed and authorized for release on behalf of the Foundations on 25 November 2015:

Director

Olga Rudneva

Chief Accountant

Nataliia Kucherina



The accompanying notes are an integral part of this Combined Statement

**Charitable organization “Foundation of Olena Pinchuk “ANTI AIDS”
“Elena Pinchuk Antiaids Foundation” (United Kingdom)**

Notes to the Combined Statement of Cash Receipts and Disbursements
For the year ended 31 December 2014 (in US dollars)

1. General Information

The Charitable organization “Foundation of Olena Pinchuk “ANTI AIDS” (“the ANTI AIDS Foundation”) was founded by Mrs. Olena Pinchuk jointly with her spouse, Mr. Victor Pinchuk, both Ukrainian citizens, and another Ukrainian individual in September 2003. The registered office of the Foundation is located at 2, Mechnikova Street, Kyiv, Ukraine.

On 13 October 2010, the Companies House of England and Wales registered “Elena Pinchuk Antiaids Foundation” (“the UK Foundation”). The UK Foundation was established by Mrs. Olena Pinchuk with the aim to contribute to the achievement of the ANTI AIDS Foundation’s goals through international cooperation.

All the activities of the above foundations, hereinafter collectively referred to as “the Foundations”, are governed by the ANTI AIDS Foundation management appointed by and reporting to the founders. The governing power to the ANTI AIDS Foundation management is provided by virtue of the respective agreements between the ANTI AIDS Foundation and the UK Foundation.

The goals of the Foundations, as stated in the founding documents, are to combat the HIV/AIDS epidemic in Ukraine, to reduce its escalation, to support people living with HIV/AIDS by improving their quality of life, and to bring to Ukraine the best international experience in combating HIV/AIDS.

The Foundations’ projects implemented during 2003-2014 were mainly focused on the following areas:

- Informational and educational campaigns;
- Support to people with HIV/AIDS, medical establishments and orphanages;
- “Medsanbat” project (Note 3);
- International co-operation.

International co-operation mainly related to the Foundations’ participation in the joint project with the Clinton Foundation and the joint project of the UK Foundation with the Elton John AIDS Foundation.

The aim of the joint project with the Clinton Foundation, initiated in 2007, is to expand an access to HIV/AIDS treatment in Ukraine, to reduce the risk of HIV transmission among non-injecting drug users, and, finally, to cut down the number of AIDS related deaths. Main directions of the project are: HIV/AIDS testing and identifying new cases of HIV infection; training, mentoring, consulting and support for health care providers of various qualification levels; comprehensive drug treatment and substitution therapy for injecting drug users; improvement of the existing drug procurement system.

Cooperation with the Elton John AIDS Foundation (“the EJAF”) started in 2007. The first 5 year project was focused on children infected and affected by AIDS epidemic. The main goals of the project were to raise awareness about HIV/AIDS amongst school teachers, find families for HIV-positive orphans, retain kids in biological families and train specialists about main principles of status disclosure. In 2009 the new project targeted at homeless girls vulnerable to HIV/AIDS was launched. In 2012, on the eve of EURO 2012 Championship final, Sir Elton John performed charitable concert aimed at raising awareness of Ukrainians about HIV/AIDS and reducing stigma and discrimination of people with HIV/AIDS. During 2014 no program disbursement was made under the project with the EJAF.

During 2014 no cash receipts and disbursements were made through the UK Foundation’s bank accounts, except bank fees for the account administration (2013: cash receipts amounted to USD 175,195 and cash disbursements amounted to USD 175,400).

2. Summary of Significant Accounting Policies

Basis of accounting

The Foundations’ Combined Statement of cash receipts and disbursements (the “Combined Statement”) is prepared on the cash receipts and disbursements basis, which represents other comprehensive basis of accounting, and is not intended to be a presentation in conformity with International Financial Reporting Standards or any other generally accepted accounting principles in other countries, including Ukraine and the UK, where the entities of the Foundations are registered. On this basis, donations and other cash collections are recognised when received, and expenses are recognized when paid rather than when incurred.

The Foundations prepare and file Statements for the tax and other statutory reporting purposes on the basis of the statutory accounting records maintained by the Foundations.

**Charitable organization “Foundation of Olena Pinchuk “ANTI AIDS”
“Elena Pinchuk Antiaids Foundation” (United Kingdom)**

Notes to the Combined Statement of Cash Receipts and Disbursements
For the year ended 31 December 2014 (in US dollars)

2. Summary of Significant Accounting Policies (continued)

Basis of combination

The Combined Statement of cash receipts and disbursements of the Foundations is presented on a combined basis, which management considered appropriate for entities under its control exercised as described above in the Note 1. The Combined Statement comprises individual statements of the Foundations for the year ended and cumulatively through 31 December 2014. The separate statements of the Foundations are prepared as of the same reporting date, using consistent accounting policies. There were no cash receipts and disbursements between the Foundations in 2014 (in 2013 all cash receipts and disbursements between the Foundations have been eliminated in full).

Foreign Currencies

The United States dollar (“US dollar”) has been elected as the presentation currency of this Combined Statement. The functional currency of the Ukrainian Foundation is the national currency of Ukraine, the Hryvnia (“UAH”). The functional currency of the UK Foundation is US dollar. Accordingly, transactions which were not initially denominated in US dollars, for the purpose of presentation in the Combined Statement have been translated into US dollars using the official exchange rate established by the National Bank of Ukraine (“the NBU”) as of the transaction date. The remaining cash balance as at the reporting date is translated into the presentation currency using the closing exchange rate at that date (UAH 15.768556 for 1 US dollar as at 31 December 2014 (2013: UAH 7.993 for 1 US dollar)).

Differences between the contractual exchange rate of a transaction in a foreign currency and the NBU exchange rate on the date of the transaction are also included in gains/losses from foreign currencies.

3. “Medsanbat” project

On 10 September 2014 Victor and Olena Pinchuk announced the launch of the project of training for military medics who served in combat units in the areas of armed confrontations in certain parts of the Donetsk and Lugansk regions as described in Note 5 to this Combined Statement. Starting from October 2014 the special tactical medical training courses are provided within the project and organized according to the NATO standards (“TCCC” and “ATLS”) and are supervised by American and Ukrainian instructors, each of whom has considerable experience in medical practice in special forces’ units engaged in combat operations. These trainings aimed to improve survival and reduce the percentage of disabilities and amputations in the combat zone. In addition, some combat medics were supported with medical backpacks, after completion of the full courses. These backpacks were fully equipped with drugs and medical tools in accordance with the NATO standards to provide first aid in combat situations. Furthermore replenishment of medical supplies for these backpacks is provided within the project.

4. Administrative Expenses

Administrative expenses represent cash disbursements related to general management of the projects and arrangement of the Foundations’ activities and primarily comprise the Foundations’ employees’ salaries and related taxes as well as office rental expenses.

5. Operating Environment and Economic Conditions

The core operations of the Foundations are conducted in Ukraine. The Ukrainian economy while deemed to be of market status continues to display certain characteristics consistent with that of an economy in transition. These characteristics include, but are not limited to, low levels of liquidity in the capital markets, high inflation, and significant imbalances in the public finance and foreign trade.

In 2014, Ukrainian political and economic situation deteriorated significantly. The political and social unrest combined with regional tensions has led to the secession of the Autonomous Republic of Crimea to the Russian Federation, full-fledged armed confrontations with separatists in certain parts of the Donetsk and Lugansk regions and, ultimately, to the significant deterioration of the political and economic relations of Ukraine with the Russian Federation. These factors have contributed to the decline of key economic indices, increase of the state budget deficit, depletion of the NBU’s foreign currency reserves and, as the result, further downgrading of the Ukrainian sovereign debt credit ratings.

From 1 January 2014 and up to the date of the issuance of this Combined Statement, UAH depreciated against major foreign currencies by approximately 200% calculated based on the NBU exchange rate of UAH to US Dollar. The NBU imposed certain restrictions on purchase of foreign currencies, cross border settlements, and also mandated obligatory conversion of foreign currency proceeds into UAH.

The known and estimable effects of the above events on the Foundations’ operations in the reporting period have been taken into account in preparing this Combined Statement.

5. Operating Environment and Economic Conditions (continued)

The Government has committed to direct its policy towards the association with the European Union, to implement a set of reforms aiming at the removal of the existing imbalances in the economy, public finance and public governance, and the improvement of the investment climate. Stabilisation of the Ukrainian economy in the foreseeable future depends on the success of the actions undertaken by the Government and securing continued financial support of Ukraine by international donors and international financial institutions.

Management is monitoring the developments in the current environment and taking actions, where appropriate, to minimize any negative effects to the extent possible. Further adverse developments in the political, macroeconomic and/or international trade conditions may further adversely affect the Foundations' operations in a manner not currently determinable.

6. Tax and Regulatory Compliance

The Foundations have the status of non-for-profit organizations and are generally exempt from income tax and other taxes, which would otherwise be applicable to their activity, including passive income earned, subject to their continued compliance with this status.

Management believes that its interpretation of the relevant applicable legislation is appropriate and that the Foundations have complied with all regulations and continues to maintain their non-for-profit status. All due statutory taxes and withholdings, including employment related, have been paid timely and properly. At the same time it is possible that transactions and interpretations those have not been challenged in the past may be challenged by the authorities in the future, although this risk significantly diminishes with passage of time. It is not practical to determine the amount of unasserted claims that may manifest, if any, or the likelihood of any unfavourable outcome.

7. Other Commitments and Contingencies

Legal

In the ordinary course of activities, the Foundations may become subject to legal actions and complaints. Management believes that the ultimate liability, if any, arising from such actions or complaints would not have a material adverse effect on the financial condition or the future operations of the Foundations.

Appropriation of donations

Prior to entering into the projects, management evaluates the compliance of the proposed project activities with the statutory goals of the Foundations as well as with the statutory requirements for the charitable and non-for-profit activities. Further, in course of the projects' implementation, management monitors, to the extent practical and possible, their alignment with the declared goals based on the reports and other documentation provided by the participants of the projects and donation recipients as well as selective inspections.

However, because of the inherently limited ability of the Foundations' management to assess and monitor eligibility and actual appropriation of the funding by the other project participants and the donation recipients, misappropriation of the funds extended to the projects by the Foundations may take place and not be detected. As with other contingencies, management believes that the ultimate liability of the Foundations arising from such cases, if any, will not have a material adverse effect on the financial condition or the future operations of the Foundations.