



Independent Auditors' Report

**on the financial statements of
Charity foundation “Foodbank Rus”
for 2020**



Independent Auditors' Report

To the Members of the Managing Board of Charity foundation "Foodbank Rus"

Qualified opinion

We have audited the financial statements of the Charity foundation "Foodbank Rus" (the "Foundation"), which comprise the balance sheet as at 31 December 2020, the statements of financial results, usage of special purpose funds and cash flows for the year then ended and explanatory notes to the financial statements and Statement of usage of special purpose funds, which comprise the main provisions of the accounting policy and other explanatory information.

In our opinion except for the possible influence of the circumstances set out in the section "Basis for qualified opinion" the accompanying financial statements present fairly, in all material respects, the financial position of the Foundation as at 31 December 2020 and its financial performance and its cash flows for the year then ended in accordance with the Russian Accounting Standards (RAS).

Basis for qualified opinion

We did not observe the counting of inventories stated at RUB 109 862 thousand as at 31 December 2020, because we were appointed as auditors of the Fund only after that date. We were unable to satisfy ourselves as to those inventory quantities by alternative means. As a result, we were unable to determine whether adjustments might have been necessary in respect of inventories as at 31 December 2020 and the related elements making up the balance sheet, statements of financial results, usage of special purpose fund and cash flows as at and for the year then ended.

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 are independent of the Foundation in accordance with the independence requirements that are relevant to our audit of the financial statements in the Russian Federation and with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the requirements in the Russian Federation and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Audited entity: Charity foundation "Foodbank Rus"
Registration No. in the Unified State Register of Legal Entities
1127799022658.
Moscow, Russia.

Independent auditor: JSC "KPMG", a company incorporated under the Laws of the Russian Federation and a member firm of the KPMG global organization of independent member firms. For more detail about the structure of the KPMG global organization please visit home.kpmg/governance.

Registered in the Unified State Register of Legal Entities under No. 1027700125628.

Member of the Self-Regulatory Organization of Auditors Association "Sodruzhestvo" (SRO AAS). Principal Registration No. of the Entry in the Register of Auditors and Audit Organizations: №12006020351.



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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with RAS, 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 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 management either intends to liquidate the Foundation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are 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 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 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 fair presentation.

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.

The engagement partner on the audit resulting in this independent auditors’ report is:

Rogacheva E.M.

KPMG JSC
Moscow, Russia

24 December 2021

Appendix No.1 to the Order of the Ministry of Finance of the Russian Federation of 07 February 2010 No.66n (as amended by the Order of the Ministry of Finance of 05 October 2011 No.124n, of 06 April 2015 No. 57n, of 06 March 2018 No.41n, of 19 April 2019 No. 61n.

Balance Sheet
As at 31 December 2020

Organisation	Charity foundation «Foodbank Rus»	under OKPO	11628575		
Taxpayer identification number		TIN	7708240852		
Line of business	Social services without providing accommodation to aged and disabled people	under OKVED	88.10		
Form of incorporation / form of ownership	Foundation / Charity organization	under OKPOPF / OKFS	70401	50	
Unit of measurement:	'000 RUB	under OKEI	384		
Location (Address)	1rd Yamskogo Polya str., 15, bld.2, office 214B, Moscow, Russia				

Taxpayer identification number of the audit company/individual auditor

TIN 7702019950

Principal state registration number of audit organization/individual auditor

OGRN/OGRNIP 1027700125628

Notes	Item	Code	As at 31 December 2020	As at 31 December 2019	As at 31 December 2018
	ASSETS				
	I. NON-CURRENT ASSETS				
4.1	Intangible assets	1110	990	990	990
	Research and development costs	1120	-	-	-
	Intangible exploration and evaluation assets	1130	-	-	-
	Tangible exploration and evaluation assets	1140	-	-	-
4.2	Property, plant and equipment	1150	1 612	450	255
	Income - bearing investments in tangible assets	1160	-	-	-
	Financial investments	1170	10	-	-
	Deferred tax assets	1180	-	-	-
	Other non-current assets	1190	-	-	-
	Total for section I	1100	2 612	1 440	1 245
	II. CURRENT ASSETS				
4.3	Inventories	1210	109 862	4	4
	Value-added tax on acquired assets	1220	-	-	-
4.4	Receivables	1230	7 933	1 632	3 794
	Financial investments (excluding cash equivalents)	1240	-	-	-
4.5	Cash and cash equivalents	1250	68 733	22 943	20 331
	Other current assets	1260	-	-	-
	Total for section II	1200	186 528	24 579	24 129
	BALANCE	1600	189 140	26 019	25 374

Notes	Item	Code	As at 31 December 2020	As at 31 December 2019	As at 31 December 2018
	FUNDS AND LIABILITIES				
	III. SPECIAL-PURPOSE FINANCING				
	Charter capital	1310	-	-	-
	Special purpose capital	1320	-	-	-
	Special purpose funds	1350	181 657	23 239	22 498
	including:				
	unused special purpose funds intended to support the goals of a non-profit organization	1351	181 657	23 239	22 498
	net profit (loss) from the entrepreneurial activity of a non-profit organization intended for financial support of the statutory activities	1352	-	-	-
	Real estate and valuable movable property funds	1360	2 509	1 346	1 152
	Reserves and other special purpose funds	1370	-	-	-
	Total for section III	1300	184 166	24 585	23 650
	IV. NON-CURRENT LIABILITIES				
	Loans and borrowings	1410	-	-	-
	Deferred tax liabilities	1420	-	-	-
	Provisions	1430	-	-	-
	Other liabilities	1450	-	-	-
	Total for Section IV	1400	-	-	-
	V. CURRENT LIABILITIES				
	Loans and borrowings	1510	2 145	-	-
4.6	Payables	1520	2 829	1 434	1 724
	Deferred income	1530	-	-	-
	Provisions	1540	-	-	-
	Other liabilities	1550	-	-	-
	Total for section V	1500	4 974	1 434	1 724
	BALANCE	1700	189 140	26 019	25 374

President _____
(signature)

Nazarova Yulia Davidovna
(name)

20 December 2021

**Statement of usage of special purpose funds
for 2020**

		Codes		
	OKUD Form	0710003		
	Date (date, month, year)	31	12	2020
Organization Charity foundation «Foodbank Rus»	under OKPO	11628575		
Taxpayer identification number	TIN	7708240852		
Line of business Social services without providing accommodation to aged and disabled people	under OKVED	88.10		
Form of incorporation/form of ownership		70401	50	
Foundation / Charity organization	under OKOPF/OKFS			
Unit of measurement: '000 RUB	under OKEI	384		

Item	Code	For January - December 2020	For January - December 2019
Balance of special purpose funds at the beginning of the year	6100	23 239	22 498
Funds received			
Admission fees	6210	-	-
Membership fees	6215	-	-
Special purpose contributions	6220	-	-
Voluntary contributions and donations	6230	1 732 961	1 246 362
Profit from commercial activities	6240	-	-
Other	6250	1 342	865
Total funds received	6200	1 734 303	1 247 227
Funds used			
Expenditure on special purpose programs	6310	(1 564 751)	(1 242 388)
including:			
social assistance and charity	6311	(1 564 512)	(1 242 260)
conferences, meetings, seminars, etc.	6312	-	-
other events	6313	(239)	(128)
Administrative expenses	6320	(3 714)	(2 161)
including:			
salary expenses (including accruals)	6321	(3 573)	(2 051)
non-salary payments	6322	-	-
business trip expenses	6323	-	-
maintenance of buildings, premises, transport and other property (except for repairs)		(141)	(110)
fixed assets and other property repairs	6325	-	-
other	6326	-	-
Acquisition of fixed assets, inventory and other property	6330	(1 162)	(896)
Other	6350	(6 258)	(1 041)
Total funds used	6300	(1 575 885)	(1 246 486)
Balance of special purpose funds at the end of the year	6400	181 657	23 239

President _____ **Nazarova Yulia Davidovna**
(signature) (name)

20 December 2021

Appendix No.1 to the Order of the Ministry of Finance of the Russian Federation of 07 February 2010 No.66n (as amended by the Order of the Ministry of Finance of 05 October 2011 No.124n, of 06 April 2015 No. 57n, of 06 March 2018 No.41n, of 19 April 2019 No. 61n.

**Statement of Financial Results
for 2020**

			Codes		
		OKUD form	0710002		
	Date (date, month, year)		31	12	2020
Organisation	Charity foundation «Foodbank Rus»	under OKPO	11628575		
Taxpayer identification number		TIN	7708240852		
Line of business	Social services without providing accomodation to aged and disabled people	under OKVED	88.10		
Form of incorporation/form of ownership			70401	50	
		under OKOPF / OKFS			
Foundation	/ Charity organization		384		
Unit of measurement:	'000 RUB	under OKEI			

Notes	Item	Code	For January - December 2020	For January - December 2019
	Revenue	2110	1	7
	Cost of sales	2120	-	-
	Gross profit (loss)	2100	1	7
	Commercial expenses	2210	-	-
	Administrative expenses	2220	-	-
	Profit (loss) from sales	2200	1	7
	Income from participation in other organizations	2310	-	-
	Interest income	2320	-	-
	Interest expense	2330	-	-
	Other income	2340	1 374	884
	Other expenses	2350	-	-
	Profit (loss) before income tax	2300	1 375	891
	Income tax	2410	-	-
	including constant tax liabilities (assets)	2421	-	-
	Deferred income tax liability	2430	-	-
	Deferred income tax asset	2450	-	-
	Other	2460	(33)	(26)
	Net profit (loss)	2400	1 342	865

Notes	Item	Code	For January - December 2020	For January - December 2019
	Revaluation of non-current assets not included in net profit (loss) for the period	2510	-	-
	Result of other transactions not included in net profit (loss) for the period	2520	-	-
	Comprehensive financial result for the period	2500	1 342	865
	FOR REFERENCE			
	Basic earnings (loss) per share	2900	-	-
	Diluted earnings (loss) per share	2910	-	-

President _____
(signature)

Nazarova Yulia Davidovna
(name)

20 December 2021

**Statement of cash flows
for 2020**

Organisation	Charity foundation «Foodbank Rus»	OKUD form	0710005		
Taxpayer identification number		Date (date, month, year)	31	12	2020
Line of business	Social services without providing accommodation to aged and disabled people	under OKPO	11628575		
Form of incorporation/form of ownership		TIN	7708240852		
		under OKVED	88.10		
		under OKOPF / OKFS	70401	50	
Foundation	/ Charity organization	under OKEI	384		
Unit of measurement:	'000 RUB				

Item	Code	For January -December 2020	For January -December 2019
Cash flows from operating activities			
Cash receipts – total	4110	158 772	51 605
including:			
from sale of products, goods, works and services	4111	1	7
lease payments, license payments, commissions and other similar payments	4112	-	-
resale of financial investments	4113	-	-
other receipts	4119	158 771	51 598
Cash payments – total	4120	(113 965)	(48 993)
including:			
to suppliers (contractors) for goods, works and services	4121	(82 204)	(30 912)
wages and salaries to employees	4122	(30 800)	(17 291)
interest on loans and borrowings	4123	-	-
income tax	4124	(33)	(28)
other payments	4129	(928)	(762)
Net cash flow from operating activities	4100	44 807	2 612
Cash flows from investing activities			
Cash receipts – total	4210	-	-
including:			
from sale of non-current assets (except for financial investments)	4211	-	-
from sale of shares in other entities	4212		
loan given repayments, proceeds from sale of debt securities (monetary claims)	4213	-	-
dividends and interest received	4214	-	-
other receipts	4219	-	-
Cash payments – total	4220	(1 162)	-
including:			
related to acquisition, construction, modernization of non-current assets and bringing them to a working condition	4221	(1 162)	-
acquisition of shares	4222	-	-
acquisition of debt securities (monetary claims), loans given to other entities	4223	-	-
interest, included in the cost of a qualifying asset	4224	-	-
other payments	4229	-	-
Net cash flow from investing activities	4200	(1 162)	-

Item	Code	For January - December 2020	For January - December 2019
Cash flows from financing activities			
Cash receipts – total	4310	2 145	-
including:			
proceeds from borrowings	4311	2 145	-
owner (shareholder) monetary contributions	4312	-	-
proceeds from issuing additional shares	4313	-	-
proceeds from issuing bonds, notes and other debt securities, etc.	4314	-	-
other receipts	4319	-	-
Cash payments – total	4320	-	-
including:			
to owners (shareholders) to redeem the entity's shares	4321	-	-
dividends and other profit distribution payments to owners (shareholders)	4322	-	-
repayment of loan and borrowings, redemption of notes, bonds and other debt securities	4323	-	-
other payments	4329	-	-
Net cash flow from financing activities	4300	2 145	-
Net cash flow for the reporting period	4400	45 790	2 612
Cash and cash equivalents at the beginning of the reporting period	4450	22 943	20 331
Cash and cash equivalents at the end of the reporting period	4500	68 733	22 943
Impact of changes in exchange rate of foreign currency to the rouble	4490	-	-

President _____
(signature)

Nazarova Yulia Davidovna
(name)

20 December 2021

**EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS
OF THE CHARITY FOUNDATION FOODBANK RUS
FOR 2020**

1. BACKGROUND INFORMATION

Charity foundation Foodbank Rus (hereinafter referred to as “Foundation”) was registered in the Unified State Register of Legal Entities by Moscow tax inspectorate under No. 1127799022658 on 25 October 2012, certificate series 77 No. 014327910.

Form of incorporation / form of ownership of the Charity foundation “Foodbank Rus”: Charity funds / Property of charitable organizations.

Location (legal address) of the Charity foundation “Foodbank Rus”: 119620, Moscow, Bogdanova str., 50, room I

The main activity of the Foundation is charity. Entrepreneurial activity is conducted in very small amounts in accordance with the Charter (advertising campaigns).

In 2020 the Foundation carried out two main charitable activities:

- 1) *Collection and distribution on a charitable basis of food, personal care products, household chemicals and other necessary goods to socially unprotected categories of population.*

Major donors of stock are Wimm Bill Dann JSC, Mondelis Rus LLC, Mars LLC, Unilever RUS LLC, Coca-Cola HBC Eurasia LLC, Kellogg Rus LLC, PepsiCo Holdings LLC, Perekrestok TD JSC, Procter and Gamble LLC, Frito Lay LLC, PPK Heinz, Campina LLC, Monex Trading LLC, Jacobs Rus LLC, Bonduelle-Kuban LLC, Krafthaints Vostok LLC, Nestle-Russia LLC, Tander JSC, Haribo Konfety LLC, ORIMI Trade LLC, Otisifarm JSC, PRIMESTAR Restaurants Group LLC, AVON BEAUTY PRODUCTS COMPANY LLC, Hasbro Russia LLC, Danone Trade LLC.

Donations are distributed through 3259 non-profit organizations in 57 regions of Russia, which have successfully passed the procedure of legal verification, as well as through social services and parishes of the Russian Orthodox Church.

The activity is carried out on a regular basis under Donation Agreements concluded with donors and beneficiaries (non-profit organizations).

- 2) *Purchase, packing and distribution of food products (“packing meals”).*

“Packing meal” is a project of Foodbank and the project objective is constant providing food sets, consisting of high-quality natural products, to socially vulnerable groups of population.

The project has started in 2013 in Moscow on the territory of Marfo-Mariinskaya Obitel’ miloserdiya.

“Packing meal” consists of 4 kinds of cereals, 1 bottle of sunflower oil and 1 pack of pasta.

In the framework of the project, the Foundation purchases foodstuffs and delivers them to warehouses, where volunteers pack the sets of products.

The “Packing meals” formed by volunteers are donated to Programme recipients through the NPO partner network or by themselves.

In 2020 the project was implemented in 5 Russian cities: Moscow, Amursk, Kazan, Sergiev Posad, Udomlya. Packaging took place in 6 workshops.

In 2019 and 2020 the Foundation also collected and distributed money to charitable foundations on a charitable basis.

In 2020 the average annual number of employees of the Foundation was 26 (in 2019 - 17 employees).

Members of executive and controlling bodies of Foodbank

The supreme managing body of Foodbank is the Managing Board.

Members of the Managing Board of Foodbank as at 31 December 2020:

Malofeev Kirill Konstantinovich
Romanov Georgy Mikhailovich
Nazarova Yulia Davidovna
Rudov Sergey Yurievich

As at 31 December 2020 the President of the Foundation is Yulia Davidovna Nazarova.

The body overseeing the activities of the Fund is the Board of Trustees of the Foundation.

Members of the Board of Trustees of Foodbank as at 31 December 2020:

Bruce Lerner
Waydaraman Jayaraman
Stefan Ducharm
Rogachevskiy Kirill

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Foodbank has complied with the following regulations for the purpose of its accounting and financial reporting: Federal Law No. 402-FZ On Accounting dated 6 December 2011, Federal Law No. 135-FZ On charity activities and charity organizations dated 11 August 1995, Regulations on Accounting and Financial Reporting in the Russian Federation approved by the Russian Ministry of Finance Order No. 34n dated 29 July 1998, the information of the Ministry of Finance "On special aspects of financial statements preparation for non-profit organizations" (PZ-1/2011), other applicable regulations included in the system of Russian legislation for accounting and financial reporting.

The Foundation's financial statements are prepared in accordance with Russian accounting and financial reporting principles.

For the purpose of annual financial statements preparation Foodbank has used templates of balance sheet, statement of financial performance, statement of cash flow and statement of usage of special purpose funds recommended by the Ministry of Finance of Russia (according to the Order No. 66n dated 2 July 2010).

Accounting and preparation of financial statements is performed by the Chief Accountant of the Foundation. Financial statements are approved by the President of the Foundation (or acting President based on the power of attorney).

The data in the financial statements is presented in thousands of Russian roubles (RUB).

2.1 Intangible assets

Intangible assets are accounted for by the Foundation in accordance with the Accounting Regulations "Accounting for Intangible Assets" (PBU 14/2007, approved by Order No. 153n of the RF Ministry of Finance of 27 December 2007).

2.1.1 Definition of an inventory item accounted for in intangible assets

An accounting unit for intangible assets is an inventory item. The accounting unit for intangible assets is the aggregate of rights arising out of a patent, license or agreement on the alienation of an exclusive right to intellectual property or a brand intended for the performance of specific independent functions.

2.1.2 Measurement of intangible assets when booking to accounts

Intangible assets are booked to accounts at the actual (historical) cost as determined on the date of recognizing the above for accounting purposes.

2.2 Property, plant and equipment

Items of property, plant and equipment are accounted for in accordance with the Accounting Regulations "Accounting for Property, Plant and Equipment" (PBU 6/01 approved by Order No.26n of the RF Ministry of Finance of 30 March 2001) and Methodological Guidelines on Accounting for Property, Plant and Equipment approved by Order No. 91n of the RF Ministry of Finance of 13 October 2003.

2.2.1 Determination of a maximum value of property, plant and equipment included in inventories

The limit on the value of fixed assets accounted within inventories is RUB 40 000.

2.2.2 Definition of an inventory item

An accounting unit for property, plant and equipment is an inventory item. An inventory item of property, plant and equipment is defined as an item with all its fixtures and fittings.

2.2.3 Measurement of property, plant and equipment when booking to accounts

Items of property, plant and equipment are recognized in accounting at their historical cost.

2.2.4 Depreciation of property, plant and equipment.

Property, plant and equipment are depreciated on a monthly basis using the straight-line method with depreciation charged to off-balance-sheet account 010 'Depreciation of Property, plant and equipment.' based on the established useful lives.

2.3 Inventories

Inventories are accounted for in accordance with the Accounting Regulations "Accounting for Inventories" (PBU 05/01 approved by Order No. 44n of the RF Ministry of Finance of 09 June 2001 and Methodological Guidelines on Accounting for Inventories approved by Order No. 119n of the RF Ministry of Finance of 28 December 2001).

Unit of accounting for donations in kind (stock) is a batch. The unit of accounting for the "packing meal" is a homogeneous group. Inventories are recognized in accounting at their actual cost. Inventories are written-off/ disposed of at actual cost of each item of inventories.

Donations in kind (stock) are recognized in accounting at value determined by donor in the acts of acceptance of products, or at value determined based on current market prices.

Valuation of donations in kind (stock) based on current market prices is performed by Foodbank in those cases when cost of donations received in kind (stock) is not specified by donors in acts of acceptance.

2.4 Special purpose funds

Special-purpose funds are accounted for separately by each source of donation (a contract or a supplementary agreement thereto).

Foodbank has an organized budgeting system. Forecasts are prepared and approved on a monthly and yearly basis for donations received under donation contracts for the purpose of maintaining charter activities of Foodbank, including salary payment to Foodbank's employees.

Other special purpose donations from individuals and legal entities received during the reporting period are spent strictly in accordance with the purposes specified in donations contract or public offer. Those donations are accounted for each contract (offer).

Donations in kind (stock) received by Foodbank under donation contracts are recognized in accounting at value specified by donors in acts of acceptance of food products, personal care products, household chemicals and other products. Cash donations and donations in kind (stock) are accounted for in line 6230 "Voluntary contributions and donations" of the statement of usage of special-purpose funds.

To ensure compliance with the requirements of Article 16 of Federal Law No. 135-FZ of 11 August 1995 "On Charitable Activity and Charitable Organizations", the Foundation may spend no more than 20% of funds used during a financial year to effect salary payments to its administrative and management personnel. This restriction does not apply to remuneration of personnel involved in organizations and implementation of charity programmes. This legal requirement was met by the Foundation in the reporting period.

If donor or charity programme do not specify otherwise, not less than 80% of charity donations in cash form must be used for charity purposes within a year of receipt of this charity donations. Charity donations in kind (stock) are used for charity purposes within one year from the date of receipt, unless otherwise stipulated by donor or charity programme (budget). This legal requirement was met by the Foundation in the reporting period.

3 CHANGES IN THE ACCOUNTING POLICIES IN 2020

No changes were introduced to the Accounting Policies of the Foundation in 2020.

4 DISCLOSURES OF INFORMATION ON SEPARATE ITEMS OF THE FINANCIAL STATEMENTS FOR 2020

4.1 Intangible assets

Intangible assets in the amount of RUB 990 thousand as at 31 December 2020 (RUB 990 thousand as at 31 December 2019) are represented by the development costs for websites www.foodbankrus.ru и www.obedibednym.ru, www.продуктыВПомощьМаме.ру and trademarks.

4.2 Property, plant and equipment

Property, plant and equipment in the amount of RUB 1 612 thousand as at 31 December 2020 (RUB 450 thousand as at 31 December 2019) consist of office equipment (server devices and laptops), with value of more than RUB 40 thousand.

4.3 Inventories

The Foundation rents warehouses for storage and distribution of stocks in the form of donations in kind. Donations in kind (stock) are immediately distributed to other non-profit organizations upon their receipt from donors.

4.4 Accounts receivable

Accounts receivable (line 1230) include the following:

(RUB '000)

Type of receivables	31 December 2020	31 December 2019
Receivables under donation contracts	3 750	403
Settlements on advances issued	2 381	578
Other receivables	1 802	651
<i>Receivables to the Social Insurance Fund on sick leave</i>	<i>831</i>	<i>501</i>
<i>Receivables on settlements with personnel (advance reports)</i>	<i>565</i>	<i>-</i>
<i>Other receivables</i>	<i>406</i>	<i>150</i>
Total	7 933	1 632

In accordance with contractual terms, receivables under donation contracts in the amount of RUB 3 750 thousand outstanding as at 31 December 2020, were repaid during 2021.

4.5 Cash and cash equivalents

Cash and cash equivalents in the amount of RUB 68 733 thousand as at 31 December 2020 (RUB 22 943 thousand as at 31 December 2019) are represented by cash at current bank accounts of RUB 1 505 thousand as at 31 December 2020 (RUB 185 thousand as at 31 December 2019) at VTB bank, RUB 1 058 thousand as at 31 December 2020 (RUB 756 thousand as at 31 December 2019) at SBERBANK, RUB 34 thousand as at 31 December 2020 (RUB 1 thousand as at 31 December 2019) at Alfa Bank, RUB 136 thousand as at 31 December 2020 at PJSC "CHELYABINSK INVESTMENT BANK" (RUB 0 thousand as at 31 December 2019) and by cash equivalents at deposit bank accounts at VTB bank in amount of RUB 66 000 thousand as at 31 December 2020 (RUB 22 000 thousand as at 31 December 2019).

Deposits recorded as at 31 December 2020 are short-term deposits which are included in cash equivalents based on the following terms:

Deposit contract dated 25 December 2020 for placement of RUB 26 000 thousand at 2.92 % rate for 17 days;

Deposit contract dated 14 December 2020 for placement of RUB 20 000 thousand at 3.1% rate for 63 days;

Deposit contract dated 24 December 2020 for placement of RUB 20 000 thousand at 3.11% rate for 66 days;

In 2020 the total amount of interest accrued on short-term bank deposits is RUB 1 374 thousand (in 2019 - RUB 884 thousand).

In 2019 and 2018 interest on balance of cash held on current bank accounts was not accrued. In 2020 interest on balance of cash held on current bank accounts is RUB 68.51 on the settlement account in the bank of "CHELYABINSK Investment Bank" PJSC.

4.6 Accounts payable

(RUB '000)

Type of payables	31 December 2020	31 December 2019
Payables to suppliers and contractors	1 081	1 124
Other payables	1 748	310
<i>Payables of a wrongly transferred donation</i>	1 100	-
<i>Payables of taxes and fees</i>	512	216
<i>Other payables</i>	136	94
Total	2 829	1 434

Accounts payable to suppliers and contractors in the amount of RUB 1 081 thousand as at 31 December 2020 (RUB 1 124 thousand as at 31 December 2019) are mainly represented by payables to logistics companies for services of delivery of donations in kind (stock) to non-profit organizations engaged in the distribution process of such donations.

4.7 Disclosure of items of the Statement of cash flows

4.7.1 Other receipts

Receipt type	31 December 2020	31 December 2019
Cash donations	156 097	49 641
Interest received	1 268	871
Mistakenly transferred donations	1 100	-
Other receipts	306	1 086
Total	158 771	51 598

4.7.2 Receipts from loans and borrowings

On July 24, 2020 the Fund and VTB PJSC concluded a loan agreement No. NL/002020-004837 in the amount of RUB 2,145 thousand within the framework of the state support program for socially oriented non-profit organizations (SONPO). During the pandemic, the State (Ministry of Economic Development) proposed a program to support the activities of SONPO. This program consists in providing preferential loans with special repayment conditions.

The loan debt, including interest, is written off in full if:

- as of the date of receipt of the loan until March 1, 2021, the number of employees at the end of each month will be at least 90% of the staff;
- the bankruptcy procedure has not been introduced, the organization has not ceased its activities;
- the average salary of one employee during the observation period was not lower than the minimum wage;

4.7.3 Payments to suppliers (contractors) for goods, works and services

Payments to suppliers (contractors) for goods, materials, works and services, presented in line 4121 of the Statement of cash flows, amounted to RUB 82 204 thousand for 2020 (RUB 30 912 thousand for 2019) include payments to logistics companies for services of delivery of donations in kind (stock) to non-for-profit organizations engaged in distribution process of such donations, payments to suppliers for purchase of products within "packing meals" programme, holding food "marathons", actions "products in the outback" and other payments to suppliers.

(RUB '000)

Payment type	2020	2019
Payments to suppliers for purchase of materials and ingredients required for "Packing meals" programme	(65 957)	(19 887)
Payments to logistics companies for delivery of donations in kind to non-profit organizations (stock delivery)	(5 906)	(5 048)
Other payments to suppliers	(10 341)	(5 977)
Total	(82 204)	(30 912)

4.7.4 Payments related to wages and salaries to employees

Payments related to wages and salaries to employees presented in line 4122 of the Statement of cash flows include the following payments:

(RUB '000)

Payment type	2020	2019
Remuneration of executors of the charity programmes	(27 227)	(15 240)
Remuneration of administrative personnel	(3 573)	(2 051)
Total	(30 800)	(17 291)

4.7.5 Other payments

Other payments presented in line 4129 of the Statement of cash flows include the following payments:

(RUB '000)

Payment type	2020	2019
Cash donations to charity organizations	(148)	(360)
Business trip expenses	(216)	(264)
Bank commission fees	(106)	(81)
Refund of unused donation	(417)	(57)
Other payments	(41)	0
Total	(928)	(762)

4.8 Disclosure of items of the Statement of usage of special purpose funds

4.8.1 Voluntary contributions and donations

Amounts presented in line 6230 "Voluntary contributions and donations" of the Statement of usage of special purpose funds include donations received in cash and donations received in kind (stock). Donations in kind (stock) are recognized in accounting at value determined by donor in the acts of acceptance of products, or at value determined based on current market prices.

Valuation of donations in kind (stock) based on current market prices is performed by the Foundation in those cases when cost of donations received in kind (stock) is not specified by donors in acts of acceptance.

Line 6200 "Total funds received" of the Statement of usage of special purpose funds include the following donations:

(RUB '000)

Donation type	2020	2019
Donations in kind (stock) in valuation determined by donors and specified in acts of acceptance of products	1 558 658	1 170 648
Donations in kind (stock) in valuation determined by Foodbank based on current market prices (retail prices)	15 193	28 068
Cash donations	155 763	49 641
Decrease in receivables under donation contracts	3 347	(2 012)
Other	1 342	882
Total	1 734 303	1 247 227

4.8.2 Expenditure on special purpose programmes

Expenditure on special purpose programmes are represented by cost of donations in kind (stock) distributed to non-for-profit organizations and expenses incurred under charity programmes.

Line 6300 "Total funds used" of the Statement of usage of special purpose funds include the following expenses:

(RUB '000)

Type of expense	2020	2019
Donations in kind (stock) in valuation determined by donors and specified in acts of acceptance of products	1 448 797	1 170 648
Donations in kind (stock) in valuation determined by Foodbank based on current market prices (retail prices)	15 193	28 068
Salary expenses	30 813	16 491
Purchase of materials and ingredients required for "Packing meals", "Marathons", "Product card" programme	65 007	20 471
Expenses on logistics services for delivery of donations in kind to non-profit organizations (stock delivery)	4 216	2 690
Expenses on logistics services for delivery of donations to non-profit organizations (under "Packing meals" , "Marathons" programme, etc.)	1 863	1 620
Cash donations to non-profit organizations	148	360
Rent	2 062	891
Expenses on purchase of materials and equipment	2 452	811
Other expenses	5 334	4 436
Total	1 575 885	1 246 486

Other expenses included expenses on rent, office maintenance, purchase of equipment.

4.8.3 Subsequent events

For 11 months of 2020, the Foundation signed donation contracts for financing of its authorized activities, including the Foundation's maintenance, in the amount of RUB 91 553 thousand.

The terms of the loan agreement were complied with by the Fund (Explanation 4.7.2) and the loan funds were fully written off in 2021 in favor of the Fund.

President of the Foundation _____ Yulia Davidovna Nazarova

20 December 2021