

“Ayala” Private Charity Foundation

Statement of Contributions and Expenditures and
Independent Auditors’ Report for 2023

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Independent Auditors' Report

To Management of "Ayala" Private Charity Foundation

Opinion

We have audited the statement of contributions and expenditures of "Ayala" Private Charity Foundation (the "Foundation"), which comprise the statement of contributions and expenditures for the year ended 31 December 2023, and notes, comprising material accounting policies and other explanatory information.

In our opinion, the accompanying statement of contributions and expenditures is prepared, in all material respects, in accordance with the accounting policies approved by the Foundation Board as set out in Note 2 to the statement of contributions and expenditures.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Statement of Contributions and Expenditures* section of our report. We are independent of the Foundation in accordance with the International Ethics Standards Board for Accountants International Code of Ethics for Professional Accountants (including International Independence Standards) (*IESBA Code*) together with the ethical requirements that are relevant to our audit of the statement of contributions and expenditures in the Republic of Kazakhstan, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter - Basis of Accounting and Restriction on Use and Distribution

We draw attention to Note 2 to the statement of contributions and expenditures, which describes the basis of accounting. The statement of contributions and expenditures is prepared for the purpose of disclosing information on total contributions and expenditures of the Foundation. As a result, the statement of contributions and expenditures may not be suitable for another purpose. Our report is intended solely for Management and participants of the Foundation, as well as for sponsors of the Foundation and should not be used by or distributed to parties other than the said parties. Our opinion is not modified in respect of this matter.



Responsibilities of Management and Those Charged with Governance for the Statement of Contributions and Expenditures

Management is responsible for the preparation of the statement of contributions and expenditures in accordance with the accounting policies approved by the Foundation Board as set out in Note 2 to the statement of contributions and expenditures, and for such internal control as management determines is necessary to enable the preparation of the statement of contributions and expenditures that is free from material misstatement, whether due to fraud or error.

In preparing the statement of contributions and expenditures, 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 Statement of Contributions and Expenditures

Our objectives are to obtain reasonable assurance about whether the statement of contributions and expenditures as a whole is 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 this statement of contributions and expenditures.

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

- Identify and assess the risks of material misstatement of the statement of contributions and expenditures, 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 statement of contributions and expenditures 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.

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:



Zhandos Baigonyrov
Certified auditor
of the Republic of Kazakhstan
Auditor’s Qualification Certificate
No. МФ-0001156 of 21 August 2020

KPMG Audit LLC

State License to conduct audit # 0000021 dated 6 December 2006 issued by the Ministry of Finance of the Republic of Kazakhstan



Sergey Dementyev
General Director of KPMG Audit LLC
acting on the basis of the Charter

29 August 2024

1 The Foundation and its principal activity

“Ayala” Private Charity Foundation (the “Foundation”) was incorporated in 2007 in accordance with the legislation of the Republic of Kazakhstan. The Foundation is a non-governmental and non-profit organisation. The Foundation’s mission is to instil the culture and traditions of charitable giving in the Republic of Kazakhstan. The main areas of focus are provision of the assistance to child public health, educational and cultural institutions.

The founder of the Foundation is Aidan Tuleutayevna Suleimenova. During 2023 and 2022, the number of employees of the Foundation and the number of volunteers was: 8 persons (8 persons) and 8 persons (10 persons), respectively.

The Foundation’s registered office is: 77/7 Al-Farabi Ave., non-residential premise 9a, Almaty, Republic of Kazakhstan.

2 Basis of preparation and material accounting policies

Basis of preparation

This statement of contributions and expenditures (the “Statement”) has been prepared in accordance with the accounting policies approved by the Foundation Board, as set out below.

The Statement has been prepared for the purpose of disclosing information on total contributions and expenditures of the Foundation for 2023. This Statement may not be suitable for another purpose; in addition, the Statement does not comprise information on the financial position, changes in net assets and cash flows of the Foundation as at and for the years ended 31 December 2023 and 2022.

a) Foreign currency translation

(i) Functional and presentation currency

All amounts in this Statement are presented in thousands of the Kazakhstani tenge (“KZT”), unless otherwise stated.

The functional currency is the currency of the primary economic environment in which the Foundation operates. The Foundation’s functional currency is KZT.

(ii) Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currency of the Foundation at exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions or from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in other operating income and expenses.

b) Contributions

Contributions consist of cash contributions and contributions in kind from legal entities and individuals. Contributions are divided into four basic types - specific sponsorship contributions, contributions of general nature, donations and grants.

(i) Specific sponsorship contributions

Specific sponsorship contributions comprise sponsoring the purchases of specific goods and services related to a specific project. Contributions are provided only by means of concluding a contract where a project and a purpose of spending are specified. Specific sponsorship contributions are accounted for at the time when the funds have been actually transferred by sponsors and are used under the approved projects. Where a part of these contributions intended for specific projects remains unused, it may be reimbursed, however, the amount of contributions may be adjusted under the contract.

(ii) Contributions of general nature

Contributions of general nature comprise transfers by legal entities and individuals under the contracts where a project and a purpose of spending are not specified. Contributions of general nature are accounted for at the time when the funds have been actually received from sponsors and are used for funding the Foundation’s projects as part of the Foundation’s mission and for financing general and administrative expenses.

(iii) Donations

Donations are contributions received to provide a financial aid package as well as voluntary contributions from legal entities and individuals, which are accounted for when the funds have been actually transferred or collected from donation boxes.

(iv) Grants

Grants are non-repayable subsidies provided to the Foundation in cash or in kind by resident/non-resident legal entities, received through an online portal, and intended for covering expenditure to purchase goods, works and services, and which specific-purpose use is confirmed by a report. They are accounted for when the funds are actually received and are used to finance the projects specified in grant agreements.

(v) Goods and services in kind

Goods and services in kind are recognised on the date when goods and services have been received and are recorded as contributions in the Statement of Contributions and Expenditure at the value indicated by a sponsor. Such goods and services are recognised as expenses on the Foundation's principal activity at the time of legal transfer to a recipient of sponsorship.

c) Expenditure on the Foundation's principal activity and general administrative expenses

Expenditures are recognised upon the receipt of services, and delivery of equipment to medical establishments in the reporting period to which the expenditures are related to, based on contractual obligations between the Foundation, provider and a recipient of sponsorship, and based on a protocol of delivery and acceptance of services performed/goods transferred. Cash funds that have not been used are accumulated in the bank accounts or in the Foundation's cash account.

Goods and services in kind are recognised as expenses for the period based on a protocol of delivery and acceptance, at the value specified in the documents. Such goods generally include electronic equipment and educational books.

d) Payroll and related expenses

Wages and salaries, contributions to the pension fund and social insurance fund, annual paid leave and paid sick leave, and non-cash benefits are charged for the year during which the services are rendered by the Foundation's employees. On behalf of its employees the Foundation pays such pension contributions and termination benefits stipulated by the requirements of the legislation of the Republic of Kazakhstan. Such payments are expensed as incurred. Upon the retirement of employees, the Foundation's financial liabilities are terminated and all further payments to the retired employees are administered by Unified Accumulated Pension Fund (“UAPP”). The Foundation's volunteers do not receive salaries from the Foundation or other compensatory payments. Expenses on wages and salaries are paid from contributions of the founder of the Foundation.

e) Other operating income and expenses

Other operating income and expenses comprise foreign currency differences on transactions and balances of monetary assets and liabilities denominated in a foreign currency, as well as interest income on unused cash placed into deposit accounts. Other income receipts are used for funding the Foundation's projects as part of the Foundation's mission and for financing general and administrative expenses. Foreign exchange losses are compensated by contributions of general nature.

f) Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation. Cost of an item of property, plant and equipment consists of the asset purchase price, import duties and taxes (excluding reimbursable taxes) net of trade discounts. Costs directly attributable to delivering an asset to the required destination and bringing the asset to a working condition, including labour costs directly attributable to construction or acquisition of the asset are not included into cost of the asset and are recognised as expenses in the period when it have been incurred.

The cost of self-constructed items of property, plant and equipment, the period of manufacturing or construction of which does not exceed one year, is determined based on the same principles as those applied for determining the cost of purchased items, and includes the purchase price of raw materials and supplies used for construction of items of property, plant and equipment, import duties and taxes (excluding reimbursable taxes).

When items of property, plant and equipment are acquired in exchange for another asset, the actual cost of the item received is taken equal to the carrying amount of the asset transferred, adjusted for the amount of cash and cash equivalents paid.

(ii) Depreciation

The cost of items of property, plant and equipment is regularly expensed over their useful life by means of depreciation charges. Depreciation charges for each period are recognised as expense. Items of property, plant and equipment are depreciated from the first day of the month following the month in which the item becomes available for use and continue to be depreciated until its disposal and to the extent that the item has not been operated during a specific period.

Depreciation is generally recognised in profit or loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset.

The estimated useful lives of items of property, plant and equipment for the current and comparative periods are as follows:

- Computers 4 years;
- Photocopying equipment (printers, photocopier, fax machine) 5 years;
- Furniture 6-7 years;
- Other property, plant and equipment 6-7 years.

Expected useful lives and residual values are regularly reviewed. If the subsequent estimates differ substantially from current estimates, depreciation charges for the current and comparative periods are adjusted.

g) Inventories

Inventories are assets intended for use in the ordinary course of business or assets in the form of raw materials and supplies intended for use in the manufacturing or provision of services.

Inventories are stated at cost in the financial statements. Cost of inventories comprises a purchase price, import duties and taxes (excluding reimbursable taxes). Trade discounts, refunds and other similar items are deducted when determining costs.

h) Taxes

Under the Tax Code of the Republic of Kazakhstan, contributions to the Foundation are fully exempt from corporate income tax as the Foundation is a non-profit organisation.

3 Contributions

| <i>In KZT'000</i> | 2023 | 2022 |
|------------------------------------|----------------|----------------|
| Specific sponsorship contributions | 292,083 | 305,884 |
| Donations | 149,826 | 158,265 |
| Contributions of general nature | 73,479 | 139,868 |
| Goods and services in kind | - | 2,444 |
| Total contributions | 515,388 | 606,461 |

During 2023, the Foundation received sponsorship donations from the following legal entities: Aldar Eurasia Hospitality LLP, Astana Hotel Management LLP, BG Event Management LLP, Turion Investment Group LLP, Samsung Electronics Central Eurasia LLP, SATR Centre LLP, Chevron Munaigas Inc., Halyk Bank of Kazakhstan JSC, and others.

During 2022, the Foundation received sponsorship and charitable donations from the following legal entities: Samsung Electronics Central Eurasia LLP, ExxonMobil Kazakhstan Inc., Avtogaz Trade LLP, Air Astana JSC, Atlas Group LLP, Digital Innovation and Transformation LLP, Caspian Offshore Construction LLP, Oriflame LLP, and others.

As at 31 December 2023 cash balances on the Foundation's current accounts with Halyk Bank of Kazakhstan JSC and ForteBank JSC amounted to KZT 41,701 thousand and balances on the Foundation's term deposit accounts with Halyk Bank of Kazakhstan JSC amounted to KZT 65,000 thousand. As at 31 December 2022 cash balances on the Foundation's current accounts with Halyk Bank of Kazakhstan JSC, SB of Sberbank JSC and ForteBank JSC amounted to KZT 170,822 thousand.

The credit ratings of the Foundation's counterparty banks are presented by reference to the credit ratings of Standard & Poor's rating agency or analogues of similar international rating agencies as at 31 December 2023 and 31 December 2022:

| Name of the bank | 31 December 2023 | 31 December 2022 |
|------------------------------|-----------------------------|-----------------------------|
| Halyk Bank of Kazakhstan JSC | BB+ | BB+ |
| ForteBank JSC | B | B+ |
| SB Sberbank JSC | - | BB+ |

4 Expenditures on the Foundation’s principal activity

| <i>In KZT’000</i> | 2023 |
|---|-------------|
| Healthcare: | |
| Retinal camera and ophthalmoscope for National Motherhood and Childhood Research Center of the RK in Astana | 77,960 |
| Laboratory equipment for the Fetal Protection Centre of the Centre of Perinatology and Pediatric Cardiological Surgery in Almaty | 32,235 |
| Arrangement of the First International Forum of Neonatal Nurses in Almaty | 31,370 |
| Retinal camera for Pavlodar Oblast Perinatal Centre No.1 | 26,650 |
| Retinal camera for Akmolala Oblast Multidisciplinary Hospital | 26,622 |
| Retinal camera for Kostanai Oblast Hospital | 24,770 |
| Retinal camera for Semey Oblast Perinatal Centre | 24,710 |
| Retinal camera for Karaganda Oblast Clinical Hospital | 24,664 |
| Fetoscope set for Centre for Perinatology and Paediatric Cardiac Surgery in Almaty | 17,709 |
| Laser for National Scientific Motherhood and Childhood Centre in Astana | 17,397 |
| Online course “Hereditary eye diseases” for ophthalmologists | 12,227 |
| Online course “Fetal neurosonography” for ultrasonography specialists | 9,350 |
| Online course “Neonatal jaundices” for neonatologists | 7,250 |
| Participation of physicians of the Centre for Perinatology and Paediatric Cardiac Surgery in Almaty in the World Congress in Fetal Surgery | 5,876 |
| Online course “Retinopathy of prematurity” for ophthalmologists | 5,703 |
| Resuscitation table for Regional Multidisciplinary Hospital No.2 in Astana | 4,000 |
| Participation of a lecturer, Victor Yevseyevich Radzinskiy, in conference “Emergencies in obstetrics” in Almaty | 3,502 |
| Online sessions on Confidential Audit of Perinatal Mortality in the RK | 3,400 |
| Online journal club of neonatal nurses in Kazakhstan | 3,400 |
| Training for a fetal surgeon brigade at FSBI Ural Research Institute of Maternity and Infancy Care of the Ministry of Healthcare of the RF in Yekaterinburg | 3,272 |
| Arrangement of masterclasses of a lecturer, Mr Mikhailov, on the topic of prenatal diagnostics, at the Centre of Perinatology and Pediatric Cardiological Surgery in Almaty and Perinatal Centre in Shymkent | 2,082 |
| Participation of lecturers, Mr Blinov and Ms Kosovtsova, in the First International Congress of Prenatal Care Specialists in Astana | 2,060 |
| Ophthalmoscope for Almaty Multidisciplinary Clinical Hospital | 1,820 |
| Lucentis medication for Karaganda Oblast Clinical Hospital | 1,785 |
| Participation of physicians of the National Scientific Matherhood and Childhood Centre of the RK in Astana and the Centre of Perinatology and Pediatric Cardiological Surgery in Almaty in the Republican Research-to-Practice Conference with international participation, titled “Contemporary Perinatal Medical Technology to Address Demographic Security Problems” in Minsk, Belarus | 1,739 |
| Technical support of AYALA Online Academy platform | 1,721 |
| Ophthalmoscope for Astana City Perinatal Center | 1,681 |
| Business trip of obstetrician-gynecologists of the Centre of Perinatology and Pediatric Cardiological Surgery in Almaty for participation in the XVI Regional Scientific and Educational Forum “Mother and Child” in St. Petersburg | 1,431 |
| Business trip to FSBI Ural Research Institute of Maternity and Infancy Care of the Ministry of Healthcare of the RF in Yekaterinburg to learn from the fetal care experience | 1,428 |
| An internship of a pediatric ophthalmologist and an orthopedist from health care institutions of Pavlodar at Hospital of Pusan National University | 1,185 |
| Other healthcare projects | 7,938 |

| <i>In KZT'000</i> | 2023 |
|---|----------------|
| Education: | |
| Nation-wide contest of social responsibility projects <i>Solve for tomorrow</i> | 43,564 |
| Global educational programme on information and communication technology <i>Samsung Innovation Campus</i> | 43,356 |
| Social educational competition-based project for schoolchildren and students <i>Samsung Innovation Campus Hackathon</i> | 40,225 |
| ‘Subbotnik’ (cleaning activity) in the park named after R.I. Ognevoi in Almaty | 2,184 |
| Sewing machines for Goodness Threads Club | 1,363 |
| Gifts for winners of a drawing competition | 999 |
| Flower gardening classroom at Issyk boarding school | 569 |
| New Year's gifts for students of Special Boarding School No.9 for children with severe speech disorders in Almaty | 524 |
| Extracurricular study class on the catering trade and confectionery for students of the Support Centre for children with special educational needs in Karaganda | 253 |
| Extracurricular sewing study class for students of Tansholpan Support Centre for children from deprived backgrounds | 126 |
| Total expenditures on the Foundation’s principal activity | 520,100 |
| <hr/> | |
| <i>In KZT'000</i> | 2022 |
| Healthcare: | |
| Expert class ultrasonography apparatus, patient monitors for Oblast Multidisciplinary Hospital in Astana | 60,340 |
| nCPAP apparatuses and phototherapy lamps for Research Center of Obstetrics and Gynecology in Almaty | 24,280 |
| Online training for doctors | 23,844 |
| Hypothermia apparatus and patient monitor for Oblast Perinatal Centre in Taldykorgan | 20,800 |
| Hypothermia apparatus and patient monitor for Oblast Perinatal Centre in Aktau | 20,800 |
| Hypothermia apparatus and patient monitor for Oblast Perinatal Centre in Uralsk | 20,800 |
| Hypothermia apparatus and patient monitor for Mother and Child Health Centre in Ust-Kamenogorsk | 20,800 |
| Hypothermia apparatus and patient monitor for Perinatal Centre in Shymkent | 20,800 |
| Hypothermia apparatus and patient monitor for Oblast Multidisciplinary Hospital in Taraz | 20,500 |
| Artificial pulmonary ventilation apparatus for Mother and Child Health Centre in Temirtau | 19,000 |
| Laser ophthalmology equipment for Oblast Multidisciplinary Hospital in Taraz | 17,397 |
| Laser ophthalmology equipment for Oblast Perinatal Centre in Aktobe | 17,397 |
| Laser ophthalmology equipment for Oblast Perinatal Centre in Semey | 17,397 |
| Laser for vision correction for Perinatal Centre in Almaty | 15,154 |
| Hypothermia apparatus for Research Center of Obstetrics, Gynecology and Perinatology in Almaty | 12,700 |
| nCPAP respiratory apparatus for Oblast Perinatal Centre in Semey | 11,500 |
| Medical equipment for Department of Paediatric Intensive Care of Oblast Perinatal Centre in Aktau | 10,380 |
| Medical equipment for Department of Paediatrics Intensive Care of Maternity Hospital in Atyrau | 9,700 |
| Resuscitation tables for Oblast Multidisciplinary Hospital No.2 in Astana | 8,000 |
| Lucentis medication for Perinatal Centre in Almaty | 6,962 |
| Charity support to Public Foundation “Congress of Obstetricians-Gynecologists and Neonatologists of Kazakhstan” | 6,800 |
| Medical equipment for Department of Paediatrics Intensive Care of Kostanai Oblast Hospital | 5,000 |
| Advanced training courses for Ultrasound specialists of the RK | 3,371 |
| Fetal monitor for Research Center of Obstetrics, Gynecology and Perinatology in Almaty | 2,000 |
| Syringe dosing devices for Research Center of Obstetrics, Gynecology and Perinatology in Almaty | 1,860 |
| Ophthalmoscope and eyelid speculums for Atyrau Oblast eye hospital | 1,810 |
| Lucentis medication for Oblast Perinatal Centre in Semey | 1,785 |
| Lucentis medication for Centre for Perinatology and Paediatric Cardiac Surgery in Almaty | 1,785 |
| Ophthalmoscope for Scientific Center for Paediatrics and Paediatric Surgery in Almaty | 1,681 |

| <i>In KZT'000</i> | 2022 |
|--|----------------|
| Ophthalmoscope for Research Center of Obstetrics, Gynecology and Perinatology in Almaty | 1,681 |
| Ophthalmoscope for Karasay Multidisciplinary Inter-regional Hospital (Almaty Oblast) | 1,681 |
| Ophthalmoscope for Oblast Multidisciplinary Hospital No.2 in Astana | 1,681 |
| Ophthalmoscope for Oblast Perinatal Centre in Taldykorgan | 1,681 |
| Ophthalmoscope for Oblast Hospital in Kostanai | 1,681 |
| Ophthalmoscope for Oblast Multidisciplinary Hospital in Taraz | 1,681 |
| Ophthalmoscope for Mother and Child Health Centre in Ust-Kamenogorsk | 1,681 |
| Ophthalmoscope for Oblast Hospital named after G. Sultanov in Pavlodar | 1,681 |
| Ophthalmoscope for Oblast Perinatal Centre in Semey | 1,580 |
| Phototherapy lamps, scales for Oblast Perinatal Centre No. 2 in Shymkent | 1,500 |
| Other healthcare projects | 4,000 |
| Education: | |
| Nation-wide contest of social responsibility projects <i>Solve for tomorrow</i> | 45,442 |
| Global educational programme on information and communication technology <i>Samsung Innovation Campus</i> | 37,950 |
| Subbotnik in the premises of Children’s Municipal Clinical Hospital No. 2 in Almaty | 4,567 |
| Samsung IoT Academy | 3,031 |
| Photo cameras for “Tansholpan” Orphanage in Karaganda | 2,932 |
| Beauty salon for orphanage for children with disabilities in Karaganda | 2,225 |
| Decorative wall painting in the premises of Children’s Municipal Clinical Hospital No. 2 in Almaty | 1,680 |
| Tomatis headphones for Office of Psychological and Pedagogical Correction No. 1 in Astana | 1,450 |
| Subbotnik in Botanic Garden | 1,376 |
| Equipment for the sensory integration room and “Numikon” didactic set for Special Boarding School No.1 for children with mental retardation and intellectual disabilities in Kokshetau | 1,000 |
| Other educational projects | 3,872 |
| Culture and Sports: | |
| Monthly assistance to 30 veterans in Almaty | 6,435 |
| Setting up children's areas at the airports in Aktau, Pavlodar, Turkestan, Aktobe, Kyzylorda | 2,444 |
| Total expenditures on the Foundation’s principal activity | 539,575 |

Expenditures recognised in these periods represent the transfer of medical equipment and various inventories to medical institutions, boarding schools, and expenditure on organisation of various events, including seminars for the doctors. In addition, as at 31 December 2023 the Foundation has prepayments to suppliers of KZT 71,754 thousand (31 December 2022: KZT 67,717 thousand) on its balance sheet for procurement of medical equipment. Upon receipt of invoices from suppliers and transfer of equipment to the health-care institutions, these prepayments will be expensed. As at 31 December 2023, the balance of goods in kind amounted to KZT 36,655 thousand (31 December 2022: KZT 25,689 thousand).

During 2023, the Foundation transferred modern medical equipment for diagnosis and treatment of various abnormal conditions of the newborns to medical institutions in the RK, including: retinal cameras, fetoscope sets, phototherapy lamps, ophthalmoscope, lasers, catheters, etc. In addition, the Foundation fitted various learning rooms in orphanages and other institutions.

5 General administrative expenses

| <i>In KZT'000</i> | 2023 | 2022 |
|---|---------------|---------------|
| Wages and salaries* | 38,967 | 3,246 |
| Audit expenses | 7,504 | 7,056 |
| Advertising costs | 5,751 | 12,257 |
| Expenses on promotion of the Foundations' social networks and sites | 3,726 | 11,586 |
| Office lease | 1,266 | 345 |
| Bank services | 802 | 498 |
| Expenses incurred by the Foundation | 676 | 943 |
| Printing production | 424 | 2,035 |
| Other | 1,265 | 991 |
| Total general and administrative expenses | 60,381 | 38,957 |

*At the end of 2022, the Foundation decided to move some of its volunteers to paid work. Such decision resulted in an increase of expenses on wages and salaries in 2023.

6 Other operating income/(expenses), net

| <i>In KZT'000</i> | 2023 | 2022 |
|---|---------------|--------------|
| Interest income on placements with banks | 10,610 | 2,082 |
| Foreign exchange (loss)/gain | (529) | (2,230) |
| Total other operating income/(expenses), net | 10,081 | (148) |