

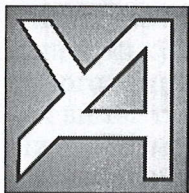
“LINEURA UKRAINE” LLC

FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2019

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**ТОВАРИСТВО
З ОБМЕЖЕНОЮ ВІДПОВІДАЛЬНІСТЮ
АУДИТОРСЬКА ФІРМА
“У К Р А У Д И Т Х Х І - ШЕВЧЕНКІВСЬКА ФІЛІЯ”**
(Реєстр аудиторів та суб'єктів аудиторської діяльності № 1574)

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Звіт незалежного аудитора

*Національній комісії, що здійснює державне регулювання
у сфері ринків фінансових послуг
Учасникам ТОВ "ЛІНЕУРА УКРАЇНА"
Керівництву ТОВ "ЛІНЕУРА УКРАЇНА"*

**Звіт щодо фінансової звітності
Товариства з обмеженою відповідальністю "ЛІНЕУРА УКРАЇНА" за 2019 рік**

Думка із застереженням

Нами проведено аудит фінансової звітності Товариства з обмеженою відповідальністю "ЛІНЕУРА УКРАЇНА" (код ЄДРПОУ 42753492; місцезнаходження: 02081, м. Київ, вул. Дніпровська Набережна, будинок 25, приміщення 318; дата державної реєстрації 15.01.2019.), надалі Товариство, що додається, яка включає Звіт про фінансовий стан на 31 грудня 2019 року, Звіт про сукупний дохід (Звіт про фінансові результати) за 2019 рік, Звіт про рух грошових коштів (за прямим методом) за 2019 рік, Звіт про власний капітал за 2019 рік, а також Примітки до фінансової звітності за рік, що закінчився 31 грудня 2019 року.

Фінансову звітність було складено управлінським персоналом із використанням концептуальної основи достовірного подання в межах концептуальної основи загального призначення, що ґрунтується на застосуванні вимог Міжнародних стандартів фінансової звітності, що були чинні на 31.12.2019 року.

На нашу думку, за винятком можливого впливу питання, описаного в розділі "Основа для думки із застереженням" нашого звіту фінансова звітність, що додається, відображає достовірно, в усіх суттєвих аспектах стан Товариства з обмеженою відповідальністю "ЛІНЕУРА УКРАЇНА" на 31 грудня 2019 року та його фінансові результати і рух грошових коштів за рік, що закінчився зазначеною датою, відповідно до Міжнародних стандартів фінансової звітності, чинних на 31.12.2019 року, та відповідає вимогам Закону України «Про бухгалтерський облік та фінансову звітність в Україні» від 16.07.1999 № 996-XIV щодо складання фінансової звітності».

Основа для думки із застереженням

Аудитор не приймав участі в спостереженні за інвентаризацією наявних активів і зобов'язань в 2019 році, оскільки був призначений після дати її проведення, а їх наявність вибірково була підтверджена нами альтернативними методами та процедурами, які обґрунтовують думку, що активи та зобов'язання наявні в Товаристві, ми не можемо дати повної аудиторської гарантії щодо залишків по ним. При проведенні інвентаризації Товариство не отримало від деяких дебіторів та кредиторів підтвердження їх поточної заборгованості, але ці суми мають суттєвий проте не всеохоплюючий вплив на фінансову звітність

Аудитор не перевіряв статті річної фінансової звітності, що стосуються нарахування та сплати податкових платежів та зборів, оскільки це не передбачено договором на здійснення аудиту.

Ми провели аудит відповідно до Міжнародних стандартів аудиту (МСА).

Нашу відповідальність згідно з МСА викладено в розділі «Відповідальність аудитора за аудит фінансової звітності» нашого звіту.

Ми є незалежними по відношенню до Товариства згідно з Кодексом етики професійних бухгалтерів Ради з Міжнародних стандартів етики для бухгалтерів (Кодекс

РМСЕБ) та етичними вимогами згідно Закону України "Про аудит фінансової звітності та аудиторську діяльність" від 21.12. 2017 року № 2258-VIII, застосовними в Україні до нашого аудиту фінансової звітності, а також виконали інші обов'язки з етики відповідно до цих вимог та Кодексу РМСЕБ.

Ми вважаємо, що отримані нами аудиторські докази є достатніми і прийнятними для використання їх як основи для нашої думки із застереженням.

Ключові питання аудиту

Ключові питання аудиту – це питання, які, на наше професійне судження, були найбільш значущими під час нашого аудиту фінансової звітності за поточний період. Ці питання розглядалися у контексті нашого аудиту фінансової звітності в цілому та враховувалися при формуванні думки щодо неї, при цьому ми не висловлюємо окремої думки щодо цих питань.

Товариство є новоствореним у звітному періоді (дата державної реєстрації 15.01.2019 року, дата реєстрації як фінансової установи – 19.03.2019 року), відповідно фінансова звітність містить показники лише за звітний період, без співставних даних за попередній період.

Безперервність

Фінансові звіти було підготовлено на основі припущення про безперервність функціонування. При складанні фінансової звітності управлінський персонал несе відповідальність за оцінку здатності Товариства продовжувати свою діяльність на безперервній основі.

Використання цього припущення як основи для обліку є прийнятним, якщо управлінський персонал не планує ліквідувати Товариство або припинити діяльність, або не має окрім цього іншої реальної альтернативи. Під час виконання нами аудиту фінансових звітів ми дійшли висновку, що використання управлінським персоналом припущення про безперервність функціонування, як основи для обліку під час підготовки фінансових звітів Товариства, є доречним.

Для надання користувачам фінансової звітності об'єктивної інформації щодо фінансового стану Товариства та з метою отримання аудиторських доказів щодо можливості Товариства продовжувати свою діяльність на безперервній основі, аудиторами були обчислені показники ліквідності (платоспроможності) та фінансової стабільності:

Основні показники	Фактичне значення на 31.12.2019р	Нормативне значення	Відповідність нормативам
Показники ліквідності (платоспроможності)			
Коефіцієнт швидкої ліквідності (поточної) (Оборотні активи (р.1195)-Запаси (р.1100) / Поточні зобов'язання (р.1695)) (характеризує здатність Товариства вчасно погасити свої короткострокові зобов'язання з допомогою високоліквідних активів)	1,03	0,6-0,8	+
Коефіцієнт абсолютної ліквідності (Грошові кошти та їх еквіваленти (р.1165)/ Поточні зобов'язання (р.1695)) (характеризує негайну готовність Товариства погасити свою заборгованість за рахунок першокласних ліквідних активів (грошових коштів та їх еквівалентів).	0,00	0,2-0,35	-
Коефіцієнт загальної ліквідності (покриття) (Оборотні активи (р.1195) / Поточні зобов'язання (р.1695)) (дає загальну оцінку ліквідності активів, показуючи, скільки гривень поточних активів Товариства припадає на одну гривню поточних зобов'язань)	1,03	>1,0	+
Показники фінансової стабільності			
Коефіцієнт автономії (фінансової незалежності) (Власний капітал (р.1495) / Підсумок балансу (р.1900)) (показує питому вагу власного капіталу в загальній сумі засобів, авансованих у його діяльність)	0,09	>0,5	-
Коефіцієнт фінансової стабільності (Власний капітал (р.1495) / Сума зобов'язань і забезпечень (р.1595+р.1695)) (значення показника вказує на те, скільки гривень власного капіталу припадає на кожну гривню зобов'язань Товариства)	0,4	>1,0	-
Коефіцієнт маневреності капіталу (Власні оборотні кошти (р.1195-р.1695) / Власний капітал (р.1495)) (коефіцієнт показує співвідношення між власними оборотними ресурсами і власним капіталом)	0,35	>0,1	+
Коефіцієнт покриття зобов'язань власним капіталом (Довгострокові та короткострокові зобов'язання та забезпечення (р.1595+р.1695) / Власний капітал (р.1495)) (визначає достатність власного капіталу Товариства для покриття своїх зобов'язань)	11,16	≤1,0	-

На підставі аналізу показників ліквідності (платоспроможності) аудитор може зробити припущення:

✓ Товариство, при необхідності, за рахунок усіх мобілізованих оборотних активів ймовірно зможе погасити обсяг поточних зобов'язань за розрахунками;

На підставі аналізу показників фінансової стабільності аудитор може зробити висновок:

✓ на 31.12.2019 року недостатня питома вага власного капіталу в загальній сумі засобів, авансованих у його діяльність;

✓ Товариство має досить високу залежність від залучених засобів та недостатність власного капіталу для покриття своїх зобов'язань.

Зібрані докази та аналіз діяльності не дають аудиторам підставу сумніватись в здатності Товариства безперервно продовжувати свою діяльність. Використовуючи звичайні процедури та згідно аналізу фінансового стану Товариства ми не знайшли доказів про порушення принципу безперервності функціонування Товариства.

Розкриття інформації щодо використання справедливої вартості

На кінець кожного звітного періоду Товариство здійснює виключно безперервні оцінки справедливої вартості активів та зобов'язань, тобто такі оцінки, які вимагаються МСФЗ 13.

Розкриття у фінансовій звітності інформації, пов'язаної з обліковими оцінками, відповідає вимогам застосування концептуальної основи фінансової звітності відповідно до МСА 540 «Аудит облікових оцінок, у тому числі облікових оцінок за справедливою вартістю, та пов'язані з ними розкриття інформації».

Інформація розкрита в п. 7.2.1, 3.1.3, 7.2.1 Приміток до річної фінансової звітності.

Знецінення активів

На дату складання звіту про фінансовий стан Товариство оцінило фінансові активи, на предмет знецінення згідно з вимогами Міжнародного стандарту фінансової звітності 9 «Фінансові інструменти». В зв'язку з набранням чинності МСФЗ 9 з 1.01.2018 року Товариство уже із самого моменту визнання фінансового активу на балансі оцінює і визнає резерв під очікувані, а не понесені, кредитні збитки за фінансовим активом. Очікувані кредитні збитки – це середньозважене значення кредитних збитків, що визначене з використанням відповідних ймовірностей настання подій дефолту як коефіцієнтів зважування. А кредитні збитки, в свою чергу, є теперішньою вартістю різниці між грошовими потоками, які належить отримати Товариству згідно з умовами договору, та грошовими потоками, які Товариство очікує отримати.

Інформація розкрита в п. 7.1.5 Приміток до річної фінансової звітності.

Товариство не має активів, які знаходяться на тимчасово окупованих територіях України. Товариство не одержувало в звітному періоді доходів від інвестування активів.

Операції з пов'язаними сторонами

Аудиторами проведено необхідні процедури, що ефективні для досягнення мети аудиту операцій з пов'язаними сторонами згідно МСА 550 «Пов'язані сторони». Результати виконаних процедур відповідно задокументовані і свідчать, що, на нашу думку: мали місце належний облік і розкриття ідентифікованих відносин та операцій з пов'язаними сторонами відповідно до застосовної концептуальної основи фінансової звітності; вплив відносин і операцій між пов'язаними сторонами є таким, що забезпечує достовірне подання і не потребує коригувань фінансової звітності.

Інформація розкрита в п. 9.4 Приміток до річної фінансової звітності.

Розкриття інформації про судові позови та регуляторні вимоги, що суттєво впливають на діяльність Товариства

Аудитором були проведені процедури згідно МСА 250 «Розгляд законодавчих та нормативних актів під час аудиту фінансової звітності», в тому числі здійснено запити управлінському персоналу щодо наявності судових справ і претензій, проведено спілкування з юристом Товариства.

Станом на 31.12.2019 року Товариство не отримувало претензій від сторонніх організацій та не подавало претензій контрагентам (крім стягнення простроченої заборгованості за виданими кредитами). Проти Товариства не були подані судові позови, а також Товариство не було притягнуто до судових справ.

На діяльність Товариства суттєво впливають регуляторні вимоги Нацкомфінпослуг, що містяться в;

- Положенні про Державний реєстр фінансових установ (розпорядження від 28.08.2003 року, №41);

- Положенні про встановлення обмежень на суміщення діяльності надання певних видів фінансових послуг (затверджених розпорядженням від 08.07.2004 року № 1515);

- Ліцензійних умовах провадження господарської діяльності з надання фінансових послуг (крім професійної діяльності на ринку цінних паперів), затверджених розпорядженням від 07.12.2016 року № 913.

Більшість питань щодо дотримання цих вимог законодавчих та нормативних актів Товариством, як фінансовою установою, розглянуто аудитором в розділі «Ключові питання» та в розділі «Звіт відповідно з іншими законодавчими та нормативними вимогами» цього Звіту незалежного аудитора.

При проведенні аудиту аудитором не було виявлено наявності порушень Товариством, вказаних в Звіті незалежного аудитора законодавчих та нормативних вимог.

Розкриття інформації про здійснення істотного правочину

Прийняття рішення про вчинення істотного правочину (вартість майна, робіт або послуг, що є предметом такого правочину становить більше ніж 10 відсотків вартості активів Товариства за даними останньої річної фінансової звітності) є виключною компетенцією Загальних зборів (ст. 9.6 Статуту Товариства, в редакції від 08.07.2019 року, який затверджено Рішенням №3 Єдиного учасника від 08.07.2019 року встановлено, що прийняття рішення щодо укладення будь-якої правової угоди (договору) Товариством на суму, яка дорівнює або більша ніж 1000 000 грн є виключною компетенцією Загальних зборів).

В зв'язку з тим, що Товариство було зареєстроване в 2019 році, для визначення критерію (суми) істотного правочину аудитором застосована вартість активів Товариства на кінець 2019 року.

Істотним правочином в 2019 році вважались правочини на суму 8261,2 тис. грн і більше. Товариство в 2019 році істотні правочини не здійснювало. Всі правочини Товариство здійснювало відповідно вимог Статуту.

Залучення коштів, у тому числі від фізичних та юридичних осіб

➤ Товариство дотримується вимог щодо заборони залучення фінансових активів від фізичних осіб із зобов'язаннями щодо наступного їх повергнення, установлених п.38 Ліцензійних умов №913.

Товариство в 2019 році проводило залучення грошових коштів на підставі договорів від інших фінансових установ.

Розкриття інформації про дебіторську заборгованість за не фінансовими операціями

До складу дебіторської заборгованості за не фінансовими операціями (стаття 1155 Звіту про фінансовий стан станом на 31 грудня 2019 року), входить:

<i>Вид дебіторської заборгованості за не фінансовими операціями</i>	<i>Рахунок в бухгалтерському обліку</i>	<i>Код рядка в формі 1 «Баланс»</i>	<i>Сума /в тис. грн/</i>
Розрахунки за товари, послуги, необхідні для проведення господарської діяльності фінансової установи	685,631	1155	2218

В складі дебіторської заборгованості за не фінансовими операціями обліковується попередня оплата за оренду приміщення, за комунальні послуги, послуги охорони, зв'язку, реклами послуги, за інформаційно-консультаційні послуги, за підрядні роботи по ремонту приміщення.

Інформація про дебіторську заборгованість за не фінансовими операціями розкрита Товариством згідно вимог МСФЗ (п.п. 7.15: 8.1.6 Приміток до річної фінансової звітності).

Розкриття інформації про прострочені зобов'язання

Станом на 31.12.2019 року в балансі Товариства прострочені зобов'язання відсутні.

Звіт про надання впевненості щодо звітних даних

Товариства з обмеженою відповідальністю "ЛІНЕУРА УКРАЇНА"

за 2019 рік

Управлінський персонал несе відповідальність за річні звітні дані Товариства. Аудиторами перевірено іншу суттєву інформацію, що розкрита Товариством у річних звітних даних, та подана до Національної комісії, що здійснює державне регулювання у сфері ринків фінансових послуг у відповідності до вимог МСА 720 (переглянутого) «Відповідальність аудитора щодо іншої інформації».

Діяльність Товариства здійснювалася відповідно до приписів чинного законодавства, зокрема: Закону України «Про фінансові послуги та державне регулювання ринків фінансових послуг» від 12.07.2001 р. № 2664-III із змінами та доповненнями, Порядку надання звітності фінансовими компаніями, фінансовими установами – юридичними особами публічного права, довірчими товариствами, а також юридичними особами – суб'єктами господарювання, які за своїм правовим статусом не є фінансовими установами, але мають визначену законами та нормативно-правовими актами Держфінпослуг або Нацкомфінпослуг можливість надавати послуги з фінансового лізингу, затвердженого розпорядженням Національної комісії, що здійснює державне регулювання у сфері ринків фінансових послуг від 26.09.2017 № 3840 та зареєстрованого в Міністерстві юстиції України 24.10.2017 за № 1294/31162.

Інша інформація складається з інформації, яка міститься в річних звітних даних Товариства за 2019р:

- титульний аркуш (додаток №6);
- довідка про обсяг та кількість укладених і виконаних договорів з надання фінансових послуг (додаток №7);
- довідка про укладені договори з надання коштів у позику в тому числі на умовах фінансового кредиту (додаток №12);
- інформація щодо структури основного капіталу фінансової установи(додаток №14);
- інформація щодо активів фінансової установи(додаток №15).

Наша думка щодо фінансової звітності не поширюється на іншу інформацію та ми не робимо висновок з будь-яким рівнем впевненості щодо цієї іншої інформації.

У зв'язку з нашим аудитом фінансової звітності нашою відповідальністю є ознайомитися з іншою інформацією та при цьому розглянути, чи існує суттєва невідповідність між іншою інформацією і фінансовою звітністю або нашими знаннями, отриманими під час аудиту, або чи ця інша інформація виглядає такою, що містить суттєве викривлення.

Якщо на основі проведеної нами роботи стосовно іншої інформації ми доходимо висновку, що існує суттєве викривлення цієї іншої інформації, ми зобов'язані повідомити про цей факт.

Ми не виявили таких фактів, які потрібно було б включити до звіту.

Відповідальність управлінського персоналу за фінансові звіти

Управлінський персонал несе відповідальність за складання і достовірне подання фінансової звітності відповідно до МСФЗ (концептуальна основа достовірного подання загального призначення) та за таку систему внутрішнього контролю, яку управлінський персонал визначає потрібною для того, щоб забезпечити складання фінансової звітності, що не містить суттєвих викривлень внаслідок шахрайства або помилки.

При складанні фінансової звітності управлінський персонал несе відповідальність за оцінку здатності Товариства продовжувати свою діяльність на безперервній основі, розкриваючи, де це застосовно, питання, що стосуються безперервності діяльності, та використовуючи припущення про безперервність діяльності як основи для бухгалтерського обліку.

Відповідальність аудитора за аудит фінансової звітності

Нашими цілями є отримання обґрунтованої впевненості, що фінансова звітність у цілому не містить суттєвого викривлення внаслідок шахрайства або помилки, та випуск звіту аудитора, що містить нашу думку. Обґрунтована впевненість є високим рівнем впевненості, проте не гарантує, що аудит, проведений відповідно до МСА, завжди виявить суттєве викривлення, якщо воно існує. Викривлення можуть бути результатом шахрайства або помилки; вони вважаються суттєвими, якщо окремо або в сукупності, як обґрунтовано очікується, вони можуть впливати на економічні рішення користувачів, що приймаються на основі цієї фінансової звітності.

Виконуючи аудит відповідно до вимог МСА, ми використовуємо професійне судження та професійний скептицизм протягом усього завдання з аудиту. Крім того, ми:

✓ ідентифікуємо та оцінюємо ризики суттєвого викривлення фінансової звітності внаслідок шахрайства чи помилки, розробляємо й виконуємо аудиторські процедури у відповідь на ці ризики, а також отримуємо аудиторські докази, що є достатніми та прийнятними для використання їх як основи для нашої думки. Ризик невиявлення суттєвого викривлення внаслідок шахрайства є вищим, ніж для викривлення внаслідок

помилки, оскільки шахрайство може включати змову, підробку, навмисні пропуски, неправильні твердження або нехтування заходами внутрішнього контролю;

✓ отримуємо розуміння заходів внутрішнього контролю, що стосуються аудиту, для розробки аудиторських процедур, які б відповідали обставинам, а не для висловлення думки щодо ефективності системи внутрішнього контролю;

✓ оцінюємо прийнятність застосованих облікових політик та обґрунтованість облікових оцінок і відповідних розкриттів інформації, зроблених управлінським персоналом;

✓ доходимо висновку щодо прийнятності використання управлінським персоналом припущення про безперервність діяльності як основи для бухгалтерського обліку та, на основі отриманих аудиторських доказів, робимо висновок, чи існує суттєва невизначеність щодо подій або умов, які поставили б під значний сумнів можливість Товариства продовжити безперервну діяльність. Якщо ми доходимо висновку щодо існування такої суттєвої невизначеності, ми повинні привернути увагу в своєму звіті аудитора до відповідних розкриттів інформації у фінансовій звітності або, якщо такі розкриття інформації є неналежними, модифікувати свою думку. Наші висновки ґрунтуються на аудиторських доказах, отриманих до дати нашого звіту аудитора. Втім майбутні події або умови можуть примусити Товариство припинити свою діяльність на безперервній основі.

✓ оцінюємо загальне подання, структуру та зміст фінансової звітності включно з розкриттями інформації, а також те, чи показує фінансова звітність операції та події, що покладені в основу її складання, так, щоб досягти достовірного відображення.

Ми повідомляємо тим, кого наділено найвищими повноваженнями, інформацію про запланований обсяг і час проведення аудиту та суттєві аудиторські результати, включаючи будь-які суттєві недоліки заходів внутрішнього контролю, виявлені нами під час аудиту.

Ми також надаємо тим, кого наділено найвищими повноваженнями, твердження, що ми виконали відповідні етичні вимоги щодо незалежності.

З переліку всіх питань, інформація щодо яких надавалась тим, кого наділено найвищими повноваженнями, ми визначили ті, що мали найбільше значення під час аудиту фінансової звітності поточного періоду, тобто ті, які є ключовими питаннями аудиту. Ми описуємо ці питання в своєму звіті аудитора.

Звіт відповідно з іншими законодавчими та нормативними вимогами

ТОВ «ЛІНЕУРА УКРАЇНА» здійснює свою діяльність відповідно до отриманого свідоцтва про державну реєстрацію фінансової установи (серія ФК №1177 від 19.03.2019), розпорядження Національної комісії, що здійснює державне регулювання у сфері ринків фінансових послуг від 19.03.2019 р. № 394; веб-сайт [https:// www.credit7.ua/](https://www.credit7.ua/)

ТОВ "ЛІНЕУРА УКРАЇНА" провадить свою господарську діяльність на підставі одержаної безстрокової ліцензії:

- розпорядження Національної комісії, що здійснює державне регулювання у сфері ринків фінансових послуг № 529 від 04.04.2019 на провадження господарської діяльності з надання фінансових послуг, а саме на надання коштів у позику, у тому числі на умовах фінансового кредиту;

Основний вид економічної діяльності Товариства в 2019 році за КВЕД: 64.92 *Інші види кредитування.*

Нами надається додаткова інформація, яка стосується річної фінансової звітності ТОВ "ЛІНЕУРА УКРАЇНА" за 2019 рік.

Дотримання суб'єктом господарювання вимог законодавства щодо:

➤ *Обов'язкових критеріїв і нормативів достатності капіталу та платоспроможності, ліквідності, прибутковості, якості активів та ризиковості операцій, дотримання інших показників і вимог, що обмежують ризики за операціями та фінансовими активами*

✓ Власний капітал

ТОВ «ЛІНЕУРА УКРАЇНА» є Товариством зі 100% іноземним капіталом. Структура власного капіталу станом на 31.12.19р. характеризується наступними даними:

✓ Зареєстрований капітал ТОВ «ЛІНЕУРА УКРАЇНА» відповідно до Рішень Єдиного учасника №1 від 15.01.2019 року та №3 від 08.07.2019 року складає 229 810.33 євро, що відповідає 7 000 000, 00 грн (стаття 1400).

Єдиним Учасником Товариства є ЗАТ «ЛІНЕУРА», яке створене у формі закритого акціонерного товариства та діє відповідно до законодавства Литовської Республіки, код у

Реєстрі юридичних осіб Литовської Республіки 304940941, адреса: Литовська Республіка, Вільнюський район, місто Вільнюс, вул. Апкасу, 12А-12.

Формування Статутного капіталу Товариства відбувалось наступним чином:

зареєстровано СК в грн.	зареєстровано СК в EUR	Формування СК			
		Формування СК сума в EUR	сума в грн.	Дата внесення	№ документу про сплату
Рішення Єдиного учасника №1 від 15.01.2019 курс ЄВРО 32,134747					
3 500 000,00	108 916,37	20 000,00	642 694,94	29.01.2019	0410009
		30 000,00	964 042,41	31.01.2019	041009
		25 000,00	803 368,68	04.02.2019	041009
		20 000,00	642 694,94	05.02.2019	041009
		13 916,37	447 199,03	07.02.2019	041009
Рішення Єдиного учасника №3 від 08.07.2019 курс ЄВРО 28,95099					
3 500 000,00	120 893,96	30 000,00	868 529,70	02.08.2019	14703
		35 000,00	1 013 284,65	11.09.2019	120000
		38 000,00	1 100 137,62	27.09.2019	235654
		15 000,00	434 264,85	15.10.2019	145345
7 000 000,00	229 810,33	226 916,37	6 916 216,81		

Зареєстрований Статутний капітал на 31.12.19р. сформований виключно грошовими коштами в сумі 226 916,37 євро, що відповідає 6 916 216, 81 грн, по курсу, який зазначено в рішеннях Єдиного учасника №1 від 15.01.2019 року та №3 від 08.07.2019 року.

✓ Станом на 31.12.2019 року сума додаткового капіталу складає (278644,71) грн, який утворився за рахунок курсових різниць в момент формування Статутного капіталу.

✓ Пунктом 6.26 чинного Статуту передбачено, що за окремим рішенням Зборів Учасників у Товаристві може бути створений Резервний капітал. Рішення Зборів Учасників по формуванню Резервного фонду не було прийняте, Резервний фонд Товариством в 2019 році не створено.

✓ Нерозподілений прибуток на кінець звітного року становить 149784,79 грн (стаття 1420).

✓ Неоплачений капітал на кінець звітного періоду складає 2893,96 євро, що по курсу НБУ на звітну дату відповідає 76464,21 грн (стаття 1425).

Станом на 31.12.2019 в балансі Товариства відображений власний капітал у сумі 6 795 тис. грн

Розмір власного капіталу відповідає встановленим вимогам в п. 7 розділу Х. Особливості внесення інформації про кредитну установу (крім кредитної спілки) до Реєстру, Положення про Державний реєстр фінансових установ, затвердженого розпорядженням Держкомфінпослуг № 4368 від 28.11.2013р.

Інформація розкрита в п. 8.1.8 Приміток до річної фінансової звітності.

✓ *Формування резерву за фінансовими активами*

Виконуючи вимоги міжнародних стандартів фінансової звітності, Товариство формує резерв через знецінення (зменшення корисності) дебіторської заборгованості по кредитним операціям, в сумі очікуваного кредитного збитку відповідно до вимог МСФЗ 9.

Формування резерву Товариство здійснює відповідно Положення про порядок формування та використання резервів за фінансовими активами Товариства за моделлю очікуваних збитків відповідно до вимог МСФЗ 9 «Фінансові інструменти».

Товариство використовує спрощений підхід (п.5.5.15 МСФЗ 9) для розрахунку резерву під збитки в розмірі, що дорівнює очікуваним кредитним збиткам.

При проведенні аудиту аудитором не було виявлено наявності порушень законодавчих та нормативних вимог до формування, ведення обліку, достатності та адекватності сформованого резерву на знецінення дебіторської заборгованості.

Інформація розкрита в п. 8.1.6 Приміток до річної фінансової звітності.

✓ *Щодо запровадження Товариством системи управління ризиками*

Управління ризиками відіграє важливу роль у діяльності Товаристві.

Основні ризики, властиві операціям Товариства, включають ризик ліквідності, кредитний ризик, ринковий ризик.

Політики по управлінню ризиками націлені на виявлення, аналіз та управління ризиками, на які наражається Товариство, через встановлення відповідних лімітів та контролів.

Ризик ліквідності являє собою ризик того, що Товариство не зможе погасити свої зобов'язання по мірі настання строків їхнього погашення.

Позиція ліквідності Товариства ретельним чином контролюється та управляється. Товариство використовує процес детального бюджетування та прогнозування грошових коштів для того, щоб гарантувати наявність адекватних ресурсів для виконання своїх платіжних зобов'язань. З метою управління ризиком ліквідності Товариство здійснює моніторинг очікуваних майбутніх потоків грошових коштів від операцій, що є частиною процесу управління активами/зобов'язаннями.

Товариство проводить аналіз джерел фінансування за попередні періоди та приймає відповідні рішення щодо управління активами та пасивами.

Кредитний ризик – ризик того, що одна сторона договору про фінансовий інструмент не зможе виконати зобов'язання і це буде причиною виникнення фінансового збитку іншої сторони. Основним методом оцінки кредитних ризиків керівництвом Товариства є оцінка кредитоспроможності контрагентів, для чого будь-яка доступна інформація щодо їх спроможності виконувати боргові зобов'язання.

Товариство використовує наступні методи управління кредитними ризиками:

- ✓ ліміти щодо боргових зобов'язань;
- ✓ ліміти щодо боргових зобов'язань одного контрагента;

Ринковий ризик – це ризик того, що справедлива вартість або майбутні грошові потоки від фінансового інструмента коливатимуться внаслідок змін ринкових цін.

Ринковий ризик виникає у зв'язку з ризиками збитків, зумовлених коливаннями цін, відсоткових ставок. Ринковий ризик – це ризик того, що справедлива вартість або майбутні грошові потоки від фінансового інструмента коливатимуться внаслідок змін ринкових цін.

Керівництво приймає управлінські або кадрові рішення в разі виявлення порушень дотримання встановлених політик.

➤ Товариство дотримується вимог щодо заборони залучення фінансових активів від фізичних осіб із зобов'язаннями щодо наступного їх повергнення, установлених п.38 Ліцензійних умов №913.

➤ В звітному періоді ТОВ "ЛІНЕУРА УКРАЇНА" надавало один вид фінансових послуг, а саме надання коштів у позику, у тому числі на умовах фінансового кредиту. Обмеження щодо суміщення провадження видів господарської діяльності, установлених Положенням про встановлення обмежень на суміщення діяльності фінансових установ з надання певних видів фінансових послуг затвердженим розпорядженням Державної комісії з регулювання ринків фінансових послуг України від 8 липня 2004 р. N 1515 виконуються.

➤ Товариство дотримується *Внутрішніх правил щодо надання фінансових послуг*, затверджених Загальними зборами, які відповідають вимогам, встановлених до таких правил статтею 7 *Закону про фінансові* та укладає договори з надання фінансових послуг виключно відповідно до таких правил з обов'язковим посиланням на внутрішні правила надання фінансових послуг.

Товариство при видачі кредитів використовує Електронний договір, який розміщується на сайті сервісу кредитування і при оформленні кредиту надсилається позичальнику в Особовий кабінет. Коли клієнт ставить позначку в графі про прийняття умов кредитного договору, надсилає свою згоду на отримання кредиту і гроші зараховуються на його банківську картку, угода вважається укладеною. Договір у паперовій формі відсутній, але може бути наданий за вимогою клієнта.

Форми договорів про надання Товариством фінансового кредиту/позики складені та затверджені відповідно до встановлених вимог. Типовий Договір про надання фінансового кредиту Товариством відповідає вимогам, установленим законодавством, та статті 6 Закону України "Про фінансові послуги та державне регулювання ринків фінансових послуг".

Товариство надає в письмовому та усному вигляді клієнту (споживачу) інформацію відповідно до статті 12 Закону України «Про фінансові послуги та державне регулювання ринку фінансових послуг», а також розміщує інформацію, визначену частиною першою статті 12 зазначеного Закону, на власному веб-сайті (<https://wwcredit7.ua/>) та забезпечує її актуальність.

➤ Розкриття фінансовою установою інформації відповідно до частини четвертої, п'ятої статті 12¹ «Закону про фінансові послуги», зокрема шляхом розміщення її на власному веб-сайті в обсязі, встановленому «Положенням про розкриття фінансовими

установами інформації в загальнодоступній інформаційній базі даних про фінансові установи та на веб-сайтах) фінансових установ та про внесення змін до Положення про Державний реєстр фінансових установ» від 19.04 2016р. №825: - виконується;

➤ Дотримання фінансовою установою статті 10 Закону про фінансові послуги щодо прийняття рішень у разі конфлікту інтересів - *протягом 2019 р. конфлікту інтересів не виникало*;

➤ На виконання п.28 Постанови КМ України № 913 від 07.12.2016р. «Про затвердження Ліцензійних умов провадження господарської діяльності з надання фінансових послуг (крім професійної діяльності на ринку цінних паперів)», Товариство провело технічне обстеження стану приміщення за адресою м. Київ, вулиця Багговутівська, будинок 23, щодо доступності для осіб з інвалідністю та інших маломобільних груп населення відповідно до норм ДБН В.2.2.-17:2006 «Доступність будинків і споруд для маломобільних груп населення»

Обстеження стану приміщення Товариства проводилося в 2019 році Логіновим Є.М. (кваліфікаційний сертифікат відповідального виконавця окремих видів робіт (послуг), пов'язаних із створенням об'єкта архітектури серія АЕ № 003488 виданий Міністерством регіонального розвитку, будівництва та житлово – комунального господарства України).

➤ Внутрішній контроль щодо дотримання законодавства при здійсненні операцій з надання фінансових послуг Товариством здійснюється:

- керівництвом Товариства (директором та головним бухгалтером);
- внутрішнім аудитором Товариства (керується Інструкцією внутрішнього аудитора Товариства), який підпорядковується загальним зборам учасників Товариства;
- відповідальним за внутрішній фінансовий моніторинг у Товаристві.

Зазначені особи здійснюють внутрішній контроль в межах повноважень, визначених в їх посадових інструкціях, а при проведенні внутрішнього контролю щодо дотримання законодавства при здійсненні операцій з надання фінансових послуг керуються:

- чинним законодавством України;
- установчими документами Товариства;
- рішеннями загальних зборів учасників Товариства;
- наказами та розпорядженнями директора Товариства.

Внутрішній моніторинг фінансових операцій здійснюється відповідальним за внутрішній фінансовий моніторинг Товариства (на підставі Правил здійснення внутрішнього фінансового моніторингу Товариства та Програми їх реалізації на відповідний рік, які затверджуються директором Товариства.

Внутрішній аудит здійснюється внутрішнім аудитором Товариства на підставі Положення про службу внутрішнього аудиту Товариства.

До обов'язків внутрішнього аудитора входить:

- дотримуватись вимог положення про службу внутрішнього аудиту та інших нормативно-правових актів;

- складати звіти у відповідності до вимог, визначених положенням про службу внутрішнього аудиту;

- дотримуватися конфіденційності інформації, отриманої при здійсненні завдань внутрішнього аудиту;

- у разі виявлення фактів, що свідчать про заподіяння збитків установі її посадовими або іншими особами, негайно повідомляти про це наглядову раду установи та вносити відповідні записи, в тому числі – до аудиторського звіту;

- контролювати своєчасність здійснення інвентаризаційної роботи у порядку, встановленому законодавством та обліковою політикою установи;

- нести відповідальність за своєчасне й якісне виконання власних функцій та покладених на неї завдань, за перекручення результатів аудиторських перевірок, їх невідповідність дійсності;

- складати звіти внутрішнього аудиту про результати перевірок, про заходи, вжиті для усунення виявлених недоліків та для підвищення ефективності фінансово-господарської діяльності установи.

Внутрішній контроль, щодо дотримання законодавства при здійсненні операцій з надання фінансових послуг, Товариством здійснюється належним чином.

➤ Облікова та реєструюча система Товариства ведеться в електронному вигляді шляхом використання відповідного програмного забезпечення, що забезпечує облік споживачів послуг Товариства та здійснює реєстрацію їх операцій.

➤ Забезпечення схоронності грошових коштів і документів Товариство реалізує за допомогою охоронної сигналізації та сейфів для зберігання грошових коштів. Товариство дотримується законодавства щодо готівкових розрахунків, установлених Постановою НБУ № 148 від 29 грудня 2017 року.

Основні відомості про аудиторську фірму

Повне найменування аудиторської фірми	Товариство з обмеженою відповідальністю Аудиторська фірма "Украудит XXI - Шевченківська філія"
Код ЄДРПОУ	24362662
Реєстр аудиторів та суб'єктів аудиторської діяльності Розділ "Суб'єкти аудиторської діяльності, які мають право проводити обов'язковий аудит фінансової звітності"	Номер запису - 25 Номер реєстрації в Реєстрі 1574.
Термін на проведення аудиту	№ 888 від 13.01.2020 року
Дата початку і закінчення проведення аудиту	з 13 січня до 18 березня 2020 року
Регістраційний код/телефон / факс	(044) 483-14-34
Почтова адреса	Україна, 04050, м. Київ, вул. Мельникова, 9-А
Електронна адреса	ukrayditXXI@ukr.net

Додатки:

- ✓ Баланс (Звіт про фінансовий стан) на 31.12.2019р. (форма № 1);
- ✓ Звіт про фінансові результати (звіт про сукупний дохід) за 2019 рік (форма № 2);
- ✓ Звіт про рух грошових коштів (за прямим методом) за 2019 рік (форма № 3);
- ✓ Звіт про власний капітал за 2019 рік (форма № 4);
- ✓ Примітки до фінансової звітності за рік, що закінчився 31 грудня 2019 року.

ПІБ аудитора, який проводив
перевірку (аудитор України,
сертифікат серія А №000981)

Директор (аудитор України,
сертифікат серія А №000981)
18 березня 2020 року.

Кошель Валентина Георгіївна
В. КОШЕЛЬ





AUDIT FIRM
UKRAUDIT XXI — SHEVCHENKIVSKA BRANCH
LIMITED LIABILITY
COMPANY

(Register of Auditors and Auditing Entities No. 1574)

9A Melnykova Str., Kyiv, 04050, Ukraine, tel./fax (044) 483-14-34; e-mail: ukrauditXXI@ukr.net

Independent Auditor's Opinion

*Attn. of the National Commission for State Regulation of the
Financial Services Markets
Members of LINEURA UKRAINE LLC
Senior executives of LINEURA UKRAINE LLC*

**Opinion on the Financial Statements of
LINEURA UKRAINE Limited Liability Company for 2019**

Qualified Opinion

We have audited the financial statements of LINEURA UKRAINE LLC Limited Liability Company (code in the Unified State Register of Enterprises and Organisations of Ukraine (EDRPOU code) 42753492; located at 25 Dniprovska Naberezhna Str., Premises 318, Kyiv, 02081; state registration date: 15 January 2019), hereinafter the "Company", which are enclosed, including the Statement of Financial Position as of 31 December 2019, the Consolidated Income Statement (Statement of Financial Results) for 2019, the Cash Flow Statement (on a Straight-Line Basis) for 2019, the Statement of Changes in Equity for 2019, as well as notes to the financial statements for 2019 for the year ended on 31 December 2019.

The financial statements have been drawn up by the management staff by means of the conceptual reliable submission framework within the general-purpose conceptual framework based on the requirements of the International Financial Reporting Standards in effect as of 31 December 2019.

In our opinion, except for the possible impact of the issue described in the section "*Basis for the Qualified Opinion*" hereof, the enclosed financial statements reliably represent the standing of LINEURA UKRAINE Limited Liability Company as of 31 December 2019 and the financial results and cash flow thereof for the year ending on the given date, in all the material aspects, in accordance with the International Financial Reporting Standards in effect as of 31 December 2019 and meet the requirements of Law of Ukraine "On the Accounting and Financial Reporting in Ukraine" No. 996-XIV dated 16 July 1999.

Basis for Qualified Opinion

The auditor did not take part in the inventory reconciliation of the existing assets and liabilities in 2019 since the auditor was appointed after the date thereof, and availability of the assets and liabilities was confirmed by us by means of the alternative methods and procedures substantiating the opinion that the assets and liabilities were available in the Company; we cannot give the full auditor's guarantee regarding their remaining balances. During the inventory reconciliation, the Company did not receive confirmation of the current arrears from some debtors and creditors, but these amounts have a material, but not comprehensive impact on the financial statements.

The auditor did not check the items in the annual financial statements related to accrual and payment of taxes and duties since it was not provided for by the audit contract.

The audit has been conducted in accordance with the International Standards on Auditing (ISA).

Our liability under the ISA is stated in the section "*Auditor's Liability for Auditing the Financial Statements*" hereof.

We are independent from the Company in accordance with the *Code of Ethics for Professional Accountants* International Ethics Standards Board for Accountants (the IESBA Code) and the ethical requirements set by Law of Ukraine "On the Audit of the Financial Statements and Auditing" dated 21 December 2017 No. 2258-VIII applicable in Ukraine to our audit of the financial statements, and we have discharged other ethical duties in accordance with the requirements and the IESBA Code.

In our opinion, the obtained audit evidence is sufficient and appropriate to be used as a basis for our qualified opinion.

Key Issues of the Audit

Key issues of the audit are the issues which, according to our professional judgement, were most significant during our audit of the financial statements for the current period. The issues were considered in the context of our audit of the financial statements in general and taken into consideration in the opinion thereon, but no separate opinion on these issues was expressed.

The Company was newly established during the reporting period (state registration date: 15 January 2019; date of registration as a financial institution: 19 March 2019); the corresponding financial statements contain indicators only for the reporting period, with no comparative data for the previous period.

Going Concern

The financial statements were drawn up based on the going concern assumption. In the process of financial statements preparation, the management staff are responsible for assessing the Company's ability to continue operations on a going concern basis.

Use of this assumption as an accounting basis is acceptable if the management staff are not planning to dissolve the Company or terminate its activity or has no other real option except for that one. During our audit of the financial statements, we made the conclusion that the going concern assumption as an accounting basis used by the management staff during the preparation of the financial statements of the Company was adequate.

For the users of the financial statements to be furnished with the objective information on the financial position of the Company, and in order to obtain auditor's evidence as to the Company's ability to continue operations on a going concern basis, the auditors have calculated the indicators of liquidity (solvency) and financial stability:

Main indicators	Actual value as of 31 December 2019	Standard value	Conformity to the standards
Liquidity (solvency) values			
Quick (current) liquidity ratio (<i>Current assets (line 1195) - Inventory (line 1100) / Current liabilities (line 1695)</i>) (describes the Company's ability to discharge its short-term liabilities when due, by means of the highly-liquid assets)	1.03	0.6-0.8	+
Absolute liquidity ratio (<i>Cash and cash equivalents (line 1165) / Current liabilities (line 1695)</i>) (describes the Company's immediate readiness to repay its debt with the first-class liquid assets (cash and cash equivalents)).	0.00	0.2-0.35	-
Overall liquidity (coverage) ratio (<i>Current assets (line 1195) / Current liabilities (line 1695)</i>) (generally assesses the liquidity of assets by showing how many hryvnias of the Company's current assets conforms to one hryvnia of the current liabilities)	1.03	>1.0	+
Financial stability values			
Autonomy (financial independence) ratio (<i>Equity (line 1495) / Total balance (line 1900)</i>) (demonstrates the specific weight of the equity in the total amount of the cash prepaid into its activity)	0.09	>0.5	-
Financial stability ratio (<i>Equity (line 1495) / Amount of liabilities and provisions (line 1595 + line 1695)</i>) (the indicator's value demonstrates how many hryvnias of the equity conform to one hryvnia of the Company's liabilities)	0.4	>1.0	-
Capital manoeuvrability ratio (<i>Own working capital (line 1195 - line 1695) / Equity (line 1495)</i>) (the ratio demonstrates the ratio between own working assets and the equity)	0.35	>0.1	+
Debt-to-equity ratio (<i>Long-term and short-term liabilities and provisions (line 1595 + line 1695) / Equity (line 1495)</i>) (determines sufficiency of the Company's equity to cover its liabilities)	11.16	≤1.0	-

The auditor may make an assumption based on the analysis of the liquidity (solvency) values:

- ✓ Where necessary, the Company will probably be able to repay the estimated current liabilities at the expense of all the mobilised current assets.

The auditor may make a conclusion based on the analysis of the financial stability values:

- ✓ As of 31 December 2019, the specific weight of the equity in the total amount of the cash prepaid into its activity is insufficient.
- ✓ The Company is highly dependent on the engaged cash and cash equivalents and insufficient equity to cover its liabilities.

The collected evidence and analysis of the operations give the auditors no grounds to doubt the Company's ability to continue its operations on a going concern basis. On applying the ordinary procedures and analysing the Company's financial position, we found no evidence of violation of the principle of the Company's going concern.

Disclosure of Information on Using the Fair Value

As of the end of each reporting period, the Company shall only perform only the ongoing measurements of the assets and liabilities, i.e. the measurements required by IFRS 13.

Disclosure of the information related to the accounting measurements in the financial statements conforms to the requirements of the conceptual basis of the financial reporting in accordance with ISA 540 "Auditing Accounting Estimates and Related Disclosures".

The information is disclosed in Clause 7.2.1, 3.1.3, 7.2.1 of the Notes to the Annual Financial Statements.

Impairment of assets

As of the date of the statement of financial position, the Company assessed its financial assets in terms of depreciation in accordance with the requirements of International Financial Reporting Standard 9 "Financial Instruments". Since IFRS 9 entered into force on 1 January 2018, as soon as the financial asset is recognised on the books, the Company measures and recognises the allowance for the loan losses from the financial assets that are expected, but have not been sustained. Expected loan losses are the average weighted value of the loan losses calculated by means of the corresponding probabilities of the default events as the weighting factor. In their turn, the loan losses are the current value of the difference between the cash flows to be received by the Company in accordance with the contract and the cash flows the Company expects to receive.

The information is disclosed in Clause 7.1.5 of the Notes to the Annual Financial Statements.

*The Company has no assets located within the temporarily occupied territories of Ukraine.
The Company gained no income from asset investment during the reporting period.*

Related-Party Transactions

The auditors performed the necessary procedures efficient to reach the purpose of the audit of related-party transactions in accordance with ISA 550 "Related Parties". The results of the procedures were recorded and demonstrate the following, to our mind: there was adequate accounting and disclosure of the identified relations and transactions with related parties in accordance with the applicable conceptual financial reporting framework; the impact of the relations and transactions between related parties procures reliable submission and requires no adjustments to the financial statements.

The information is disclosed in Clause 9.4 of the Notes to the Annual Financial Statements.

Disclosures of Information on Litigations and Regulatory Requirements Having Material Impact on the Company's Activity

The auditor performed the procedures in accordance with ISA 250 "Consideration of Laws and Regulations in an Audit of Financial Statements", including the inquiries sent to the management staff as to any litigations and claims, and the communication with the Company's lawyer.

As of 31 December 2019, the Company had received no claims from third parties or lodged claims against its contracting parties (except for collection of the past-due debt under the loans granted). No claims had been filed against the Company to court, and the Company was not a party to litigations.

The regulatory requirements of the National Commission for State Regulation of the Financial Services Markets stated in the following documents have a material impact on the Company's activity:

- Regulations on the State Register of Financial Institutions (Order No. 41 dated 28 August 2003);
- Regulations on Establishing the Restrictions for the Alignment of Provision of Certain Types of Financial Services (approved by Order No. 1515 dated 8 July 2004);

- Licensing Conditions for the Economic Activity of Provision of Financial Services (Except for the Professional Activity on the Securities Market) approved by Order No. 913 dated 7 December 2016.

Most issues as to adherence to these legislative and regulatory requirements by the Company as the financial institution were considered by the auditor in the section "Key Issues" and in the section "Opinion in accordance with the Other Laws and Regulations" hereof.

When conducting the audit, the auditor found no violations of the legislative and regulatory requirements specified herein by the Company.

Disclosure of Information on the Major Transaction

Taking a decision on the major transaction (the value of the property, works or services being a subject matter of the transaction is more than 10 % of the value of the Company's assets according to the latest annual financial statements) pertains to the exclusive competence of the General Meeting (Article 9.6 of the Company's Articles of Association as amended and supplemented on 8 July 2019, approved by Resolution No. 3 of the Sole Member dated 8 July 2019: it is prescribed that taking a decision on any legal agreement (contract) of the Company for the amount equal to or exceeding UAH 1,000,000 is the exclusive competence of the General Meeting.

Since the Company was registered in 2019, the value of the Company's assets as of the end of 2019 was used by the auditor to determine the criterion (amount) of the major transaction.

In 2019, a major transaction was the ones for the amount of UAH 8,261.2 and more. The Company conducted no major transactions in 2019. All the Company's transactions were conducted in accordance with the Articles of Association.

Raising Funds, Including from Individuals and Legal Entities

➤ The Company adheres to the requirements for the ban on engagement of the financial assets from individuals, with the obligation of the subsequent repayment thereof as prescribed by Clause 38 of Licensing Conditions No. 913.

In 2019, the Company raised cash from other financial institutions on a contractual basis.

Disclosure of Information on the Accounts Receivable under Non-Financial Transactions

The accounts receivable under non-financial transactions (item 1155 in the Statement of Financial Position as of 31 December 2019) include:

<i>Type of the accounts receivable under non-financial transactions</i>	<i>Bookkeeping account</i>	<i>Code of the line in form 1 "Balance Sheet"</i>	<i>Amount /in UAH, thousand/</i>
Settlements for the goods, services necessary for the economic activity of the financial institution	685,631	1155	2218

The accounts receivable under non-financial transactions include the pre-payment for the lease of the premises, for utilities, security, communication, advertising, information and advertising services, and contracting works performed to repair the premises.

The information on the accounts receivable under non-financial transactions is disclosed by the Company in accordance with the IFRS requirements (Clause 7.15: 8.1.6 of the Notes to the Annual Financial Statements).

Disclosure of Information on the Past-Due Liabilities

As of 31 December 2019, the Company's balance sheet contains *no past-due liabilities*.

Assurance Report on the Reporting Data of LINEURA UKRAINE Limited Liability Company for 2019

The management staff are responsible for the annual reporting data of the Company. The auditors checked the other material information disclosed by the Company in the annual reporting data and submitted to the National Commission for State Regulation of the Financial Services Markets in accordance with ISA 720 (Revised) "The Auditor's Responsibilities Relating to Other Information".

The Company's activity confirmed to the effective laws, in particular, Law of Ukraine "On the Financial Services and State Regulation of Financial Services Markets" No. 2664-III dated 12 July 2001 as amended and supplemented, the Procedure for reporting by financial companies, financial institutions being public law entities, trust institutions and economic entities without the

legal status of the financial institution that are allowed to provide the financial leasing services as prescribed by the laws and regulations of the State Committee for Regulation of the Financial Services Markets and the National Commission for State Regulation of the Financial Services Markets, which was approved by Order of the National Commission for State Regulation of the Financial Services Markets No. 3840 dated 26 September 2017 registered with the Ministry of Justice of Ukraine on 24 October 2017 under No. 1294/31162.

The other information is made of the information stated in the Company's annual reporting data for 2019:

- Front sheet (Annex No. 6);
- Certificate of the Scope and Quantity of the Financial Service Contracts, Executed and Performed (Annex No. 7);
- Certificate of the Loan Contracts, Including the Ones Executed on the Basis of the Financial Loan Terms and Conditions (Annex No. 12);
- Information on the Structure of the Equity Capital of the Financial Institution (Annex No. 14);
- Information on the Assets of the Financial Institution (Annex No. 15).

Our opinion on the financial statements does not apply to the other information, and do not make the conclusion with any level of assurance as to the other information.

In connection with our audit of the financial statements, our duty is to read the other information and decide whether there is any material inconsistency between the other information and financial statements or other knowledge obtained during the audit, or whether this information seems to contain material misstatement.

If we make the conclusion on the material misstatement of the information based on the work performed as to the other information, we have to inform thereof.

We detected no facts to be included into the opinion.

Liability of the Management Staff for the Financial Statements

The management staff are liable for drawing up and submitting the credible financial statements in accordance with the IFRS (conceptual framework for reliable submission of the general purpose) and the internal control system the management staff deems necessary to procure that the financial statements with no material misstatement due to fraud or error is drawn up.

When drawing up the financial statements, the management staff are responsible for assessing the Company's ability to continue its operations on a going concern basis by disclosing, where applicable, the issues related to the going concern and using the going concern assumption as a basis for the accounting.

Auditor's Liability for Auditing the Financial Statements

Our purposes are to be reasonably assured that the financial statements in general contain no material misstatement due to fraud or error, and to issue the auditor's opinion. The reasonable assurance is the high level of assurance, but it does not warrant that the audit conducted in accordance with the ISA will always detect the material misstatement, if any. Misstatement may result from fraud or error. It is considered to be material if it is reasonably expected, on its own or in aggregate, to be capable of influencing economic decisions of the users taken based on these financial statements.

By conducting the audit based on the ISA, we use professional judgement and professional scepticism during the audit. Moreover, we:

✓ identify and assess the risks of material misstatement in the financial statements as a result of fraud or error, develop and perform the auditing procedures in response to such risks, and obtain auditing evidence sufficient and acceptable as the basis for our opinion. The risk of non-detection of material misstatement due to fraud is higher than misstatement due to error since fraud may include concerted actions, forgery, deliberate omission, inadequate statements or negligence of internal control;

✓ develop an understanding of the internal control system associated with the audit in order to create the auditing procedures consistent with the circumstances rather than express our opinion on efficiency of the internal control system;

✓ assess applicability of the accounting policies used and reasonability of the accounting measurements and disclosures made by the management staff;

✓ make the conclusion on the admissibility of the assumption of the management staff regarding the going concern as an accounting basis, and, based on the auditing evidence obtained, make the conclusion whether there is material uncertainty as to the events and conditions that would cast significant doubt on the Company's ability to continue its operations on a going concern basis. If we conclude that there is such material uncertainty, we have to draw attention to the corresponding disclosures in the financial statements in the auditor's opinion, or, if such disclosure is improper, we have to modify our opinion. Our conclusions are based on the auditing evidence received before the date of our auditor's opinion. However, future events or conditions may force the Company to terminate its business on a going concern basis;

✓ assess the general presentation, structure and content of the financial statements, including the disclosures, as well as whether the financial statements show the transactions and events they are based on for the purposes of reliable presentation.

We inform those holding the supreme powers of the scheduled scope and time of the audit and the material auditing results, including any material defects of the internal control system detected during the audit.

We also assure those holding the supreme powers that we have complied with the corresponding ethical requirements to the independence.

Out of the list of all the issues information on which has been furnished to those holding the supreme powers, we have selected the ones of the biggest significance for the audit of the financial statements for the current period, i.e. the ones that are key issues of the audit. These issues are described in our auditor's opinion.

Opinion in Accordance with the Other Laws and Regulations

LINEURA UKRAINE LLC operates in accordance with its certificate of state registration of the financial institution (series ФК No. 1177 dated 19 March 2019), Order of the National Commission for State Regulation of the Financial Services Markets dated 19 March 2019 No. 394; website: [https:// andrey@credit7.ua/](https://andrey@credit7.ua/)

LINEURA UKRAINE LLC carries out its economic activity based on the perpetual licence:

- Order of the National Commission for State Regulation of the Financial Services Markets No. 529 dated 4 April 2019 for the economic activity of provision of the financial services, namely granting loans, including the ones under the financial loan terms and conditions. The main type of the Company's economic activity in 2019 under the Classifier of Main Types of Economic Activity: 64.92 *Other types of lending*.

We are furnishing additional information related to the annual financial statements of LINEURA UKRAINE LLC for 2019.

Compliance with the following legal requirements by the economic entity:

➤ *Mandatory criteria and standards of sufficiency of the capital and solvency, liquidity, profitability, quality of assets and risks of transactions, adherence to the other indicators and requirements limiting the risks related to the transactions and financial assets*

✓ Equity

LINEURA UKRAINE LLC is the Company with 100 % foreign capital.

The structure of the equity as of 31 December 2019 is as follows:

✓ The registered capital of LINEURA UKRAINE LLC in accordance with Resolutions of the Sole Member No. 1 dated 15 January 2019 and No. 3 dated 8 July 2019 is EUR 229,810.33, which corresponds to UAH 7,000,000.00 (item 1400).

The sole Member of the Company is LINEURA CJSC incorporated as a Closed Joint-Stock Company and existing in accordance with the law of the Republic of Lithuania, code with the Register of Legal Entities of the Republic of Lithuania 304940941, address: 12A-12 Apkasų Str., Vilnius, Vilnius County, Republic of Lithuania.

The Company's Authorised Capital was established as follows:

registered AC in UAH	registered AC in EUR	Establishment of the AC			
		Establishment of the AC in EUR	in UAH	Date of contribution	Payment document No.
Resolution of the Sole Member No. 1 dated 15 January 2019, EUR exchange rate: 32.134747					
3,500,000.00	108,916.37	20,000.00	642,694.94	29 January 2019	0410009
		30,000.00	964,042.41	31 January 2019	041009
		25,000.00	803,368.68	4 February 2019	041009
		20,000.00	642,694.94	5 February 2019	041009
		13,916.37	447,199.03	7 February 2019	041009
Resolution of the Sole Member No. 3 dated 8 July 2019, EUR exchange rate: 28.95099					
3,500,000.00	120,893.96	30,000.00	868,529.70	2 August 2019	14703
		35,000.00	1,013,284.65	11 September 2019	120000
		38,000.00	1,100,137.62	27 September 2019	235654
		15,000.00	434,264.85	15 October 2019	145345
7,000,000.00	229,810.33	226,916.37	6,916,216.81		

The registered Authorised Capital as of 31 December 2019 had been established with cash only, in the amount of EUR 226,916.37, which is equal to UAH 6,916,216.81, at the exchange rate specified in Resolutions of the Sole Member No. 1 dated 15 January 2019 and No. 3 dated 8 July 2019.

✓ As of 31 December 2019, the amount of the additional capital is UAH 278,644.71, which was established at the expense of the foreign exchange differences during the establishment of the Authorised Capital.

✓ It is provided for by Article 6.26 of the effective Articles of Association that the Reserve Capital may be established by the separate resolution of the Meeting of the Company's Members. The resolution of the Meeting of the Company's Member on establishment of the Reserve Fund was not adopted. The Company did not establish the Reserve Fund in 2019.

✓ The undistributed profit as of the end of the reporting year is UAH 149,784.79 (item 1420).

✓ The unpaid capital as of the end of the reporting period is EUR 2,893.96, which is equal to UAH 76,464.21 at the exchange rate of the National Bank of Ukraine as of the reporting date (item 1425).

As of 31 December 2019, the Company's balance sheet contained the equity of UAH 6,795 thousand.

The amount of the equity conforms to the established requirements of Clause 7 of Section X. Special aspects as to entry of information on the lending institution (except for the credit union) into the Register, *the Regulations on the State Register of Financial Institutions* approved by Order of the State Committee for Regulation of the Financial Services Markets No. 4368 dated 28 November 2013.

The information is disclosed in Clause 8.1.8 of the Notes to the Annual Financial Statements.

✓ *Establishment of the Reserve for the Financial Assets*

In accordance with the requirements of the International Financial Reporting Standards, the Company forms the reserve due to depreciation (reduction the useful life of) the accounts receivable from the lending transactions, in the amount of the expected credit loss under IFRS 9.

The Company forms the reserve in accordance with the *Regulations on the Procedure for Formation and Use of Reserves for the Company's Financial Assets Based on the Model of the Expected Losses in accordance with IFRS 9 "Financial Instruments"*.

The Company applies the simplified approach (Clause 5.5.15 of IFRS 9) to calculate the allowance for the losses in the amount equal to the expected loan losses.

During the audit, the auditor found no violations of the laws and regulations on the formation, accounting, sufficiency and adequacy of the formed reserve for depreciation of the accounts receivable.

The information is disclosed in Clause 8.1.6 of the Notes to the Annual Financial Statements.

✓ *Regarding Introduction of the Risk Management System by the Company*

Risk management plays an important role in the Company's activity.

The main risks inherent to the Company's transactions include the liquidity risk, the credit risk, and the market risk.

The risk management policies are aimed at detection, analysis and management of the risks encountered by the Company by establishing the corresponding limits and controls.

The liquidity risk is the risk that the Company will be unable to discharge its liabilities when due.

The Company's liquidity is controlled and managed thoroughly. The Company uses the procedure for detailed budgeting and cash forecasting in order to guarantee that there are adequate resources to fulfil its financial obligations. In order to manage the liquidity risk, the Company monitors the expected future cash flows from the transactions being a part of the asset/liability management process.

The Company analyses the sources of financing during the previous periods and takes corresponding decisions on asset and liability management.

The credit risk is the risk that one of the parties to the financial instrument contract will be unable to fulfil its obligation, which will result in the other party's losses. The main method for credit risk assessment by the Company's senior executives is assessment of the contracting parties' borrowing power, for which any information on their ability to repay their debt is necessary.

The Company uses the following methods for credit risk management:

✓ Limits for the debt liabilities;

✓ Limits for the debt liabilities per contracting party.

The market risk is the risk that the fair market value or future cash flows from the financial instrument will vary as a result of changes in the market prices.

The market risk arises out of the risk of losses caused by changes in prices and interest rates. The market risk is the risk that the fair market value or future cash flows from the financial instrument will vary as a result of changes in the market prices.

The senior executives take management or HR decisions in case any violations of the approved policies are detected.

➤ The Company adheres to the requirements for the ban on engagement of the financial assets from individuals, with the obligation of the subsequent repayment thereof as prescribed by Clause 38 of Licensing Conditions No. 913.

➤ During the reporting period, LINEURA UKRAINE LLC provided one type of the financial services, namely lending of funds, including under the financial loan terms and conditions. The restrictions as to alignment of the types of economic activity established by the Regulations on Establishing the Restrictions for the Alignment of Provision of Certain Types of Financial Services approved by Order of the State Committee on Regulation of the Financial Services Markets of Ukraine dated 8 July 2004 No. 1515 are met.

➤ The Company complies with the *Internal Rules for Provision of the Financial Services* approved by the General Meeting, which are consistent with the requirements set for such rules by Article 7 of the *Law on the Financial Services* and enters into financial service contracts only in accordance with such rules, with the mandatory reference to the internal rules for provision of the financial services.

When granting loans, the Company uses the Electronic Contract published on the website of the lending service. When the loan is documented, it is sent to the borrower's Personal Account. When the customer ticks a box confirming his/her acceptance of the terms and conditions of the loan contract, sends his/her consent to obtaining the loan, and the money is credited to his/her bank card, the contract is executed. There is no contract in hard copy, but it may be furnished by the customer's request.

The templates of the Company's financial loan contracts have been drawn up and approved in accordance with the established requirements. The standard financial loan contract of the Company meets the requirements established by the law and Article 6 of the Law of Ukraine "On the Financial Services and State Regulation of Financial Services Markets".

The Company furnishes the customer (consumer) with written and oral information in accordance with Article 12 of the Law of Ukraine "On the Financial Services and State Regulation of Financial Services Markets" and publishes the information specified in Part 1 of Article 12 of the Law on its own website ([https:// andrey@credit7.ua/](https://andrey@credit7.ua/)) ensures it is up to date.

➤ Disclosure by the financial institution in accordance with Parts 4 and 5 of Article 12¹ of the Law on the Financial Services, in particular, by publishing the information on its website in the scope set by Regulations on the Disclosure by Financial Institutions in the Public Information Data Base of Financial Institutions and on Websites of Financial Institutions and on Amending the Regulations on the State Register of Financial Institutions dated 19 April 2016 No. 825: – performed;

➤ Adherence to Article 10 of the Law on the Financial Services as to the decisions made in case of conflict of interest by the financial institution – *no conflict of interest emerged in 2019*;

➤ In pursuance of Clause 28 of Resolution of the Cabinet of Ministers of Ukraine No. 913 dated 7 December 2016 "On Approving the Licensing Conditions for the Economic Activity of Provision of Financial Services (Except for the Professional Activity on the Securities Market)", the Company has conducted technical examination of the premises at 90-A Kyiv, Bahhovutivska Str., Kyiv, as to accessibility for the persons with disabilities and other low-mobility groups in accordance with the state construction standard ДБН В.2.2.-17:2006 "Accessibility of Buildings and Constructions for Low-Mobility Groups".

The premises of the Company were examined in 2019 by Ye. M. Lohinov (qualification certificate of the designated contractor for certain types of works (services) related to creation of the architectural facility Series AE No. 003488 issued by the Ministry of Regional Development, Construction and Housing and Utilities of Ukraine).

➤ The internal control over adherence to the law during the transactions of provision of financial services of the Company is exercised by:

- Senior executives of the Company (Director and chief accountant);
- Internal auditor of the Company (guided by the Regulations on the Internal Auditor of the Company) subordinated to the general meeting of the Company's members;
- Officer responsible for the internal financial monitoring in the Company.

The above persons exercise internal control within their competence established by the duty regulations. During the internal control over adherence to the law during the transactions of provision of financial services, they are governed by:

- Effective laws of Ukraine;
- Constituent documents of the Company;
- Resolutions of the general meeting of the Company's members;
- Orders and instructions of the Company's director.

Internal monitoring of financial transactions is carried out by the officer responsible by the internal financial monitoring of the Company (based on the Rules for the Internal Financial Monitoring of the Company and the Implementation Programme for the corresponding year approved by the Company's director).

The internal audit is conducted by the internal auditor of the Company based on the Regulations on the Internal Audit Service of the Company.

The duties of the internal auditor include:

- Adhering to the Regulations on the Internal Audit Service and other laws and regulations;
- Reporting in accordance with the requirements set by the Regulations on the Internal Audit Service;
- Maintaining confidentiality of the information received during the internal audit;
- Upon detection of the facts demonstrating the losses sustained by the institution as a result of actions of its official and third parties, notifying the supervisory board thereof immediately and making corresponding entries, including into the auditor's opinion;
- Controlling timely inventory reconciliation as prescribed by the law and the accounting policy of the institution;
- Being responsible for timely and high-quality discharge of his/her functions, being liable for distortion of the auditing results and their inaccuracy;
- Drawing up the internal audit reports, reports on the actions taken to rectify the defects and improve the performance of the financial and economic activity of the institution.

The internal control over adherence to the law during the transactions of provision of financial services of the Company is duly performed.

➤ The Company's record keeping and registration system is electronic and uses the corresponding software keeping records on the consumers of the Company's services and registering their transactions.

➤ The Company ensures integrity of cash and documents by means of the alarm system and safe boxes for its cash. The Company adheres to the laws on cash settlements in accordance with Resolution of the National Bank of Ukraine No. 148 dated 29 December 2017.

Basic Details of the Auditing Firm

Full name of the auditing firm	Limited Liability Company AF Ukraudit XXI – Shevchenkivska Branch
EDRPOU code	24362662
Register of Auditors and Auditing Entities Section "Auditing Entities Entitled to Conduct the Mandatory Audit of Financial Statements"	Entry No. 25 Register No. 1574
Audit Contract	No. 888 dated 13 January 2020
Date of commencement and end of the audit	13 January through 18 April 2020
city code/telephone/fax	(044) 483-14-34
mailing address	9A Melnykova Str., Kyiv, 04050, Ukraine
e-mail:	ukrayditXXI@ukr.net

Annexes:

- ✓ Balance Sheet (Statement of Financial Position) as of 31 December 2019 (Form No. 1);
- ✓ Statement of Financial Results (Consolidated Income Statement) for 2019 (Form No. 2);
- ✓ Cash Flow Statement (on a Straight-Line Basis) for 2019 (Form No. 3);
- ✓ Statement of Changes in Equity for 2019 (Form No. 4);
- ✓ Notes to the Financial Statements for the Year Ended on 31 December 2019.

Full name of the auditor conducting
the audit (auditor of Ukraine,
certificate series A No. 000981)

Valentyna Heorhiivna Koshel

Director (auditor of Ukraine,
certificate series A No. 000981)
18 March 2020

V. H. KOSHEL

Цей переклад з української мови на англійську мову зроблено мною, перекладачем
Костючик Юлією Сергіївною
This translation has been made from Ukrainian into English by me, translator Kostyuchyk Yuliia
Serhiivna

<p>Перекладацька компанія «Профпереклад»™ ТОВ «ПЕРЕКЛАД ПРО» 01030, Україна, м. Київ, вул. Б. Хмельницького, 16-22, оф. 1207 тел. 0038 (044) 22-999-02 www.profperekklad.ua info@profperekklad.ua</p>	<p>Translation company "Profpereklad"™ "PEREKLAD PRO" LLC Office 1207, 16-22 B. Khmelnytskoho Str., City of Kyiv, Ukraine, 01030 Tel. 0038 (044) 22-999-02 www.profperekklad.ua info@profperekklad.ua</p>
<p>Засвідчую справжність підпису перекладача <u>Костючик Ю.С.</u> Дата <u>28 ТРА 2020</u> Всього прошито та скріплено печаткою <u>20</u> аркуші</p>	<p>I certify the authenticity of the signature of the translator <u>Kostyuchuk Y.S.</u> Date <u>May 28, 2020</u> <u>20</u> pages are sewn and sealed</p>



ПРОФПЕРЕКЛАД
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STATEMENT OF FINANCIAL POSITION

As at December 31, 2019

(thousands of Hryvna's)

	note	December 31 2019
Non-current assets		
Intangible assets	4.1.2.	3,788
Fixed Assets	4.1.3	638
Long-term financial investments		0
Deferred tax assets		0
Total non-current assets		4,426
Current assets		
Accounts receivable by settlements:		
On advances issued		608
Short-term receivables with budget		0
Accounts receivable for accrued income	4.1.6	13,817
Other current accounts receivable	4.1.6	63,609
Cash and equivalents	4.1.7.	152
Total current assets		78,186
TOTAL ASSETS		82,612
Equity		
Registered (share) capital	4.1.8.	7,000
Additional capital	4.1.8.	(279)
Reserve Capital	4.1.8.	0
Retained earnings (accumulated loss)	4.1.8.	150
Unpaid capital	4.1.8.	(76)
Total Equity		6,795
Liabilities and provisions		
Long-term loans in banks		0
Short-term bank loans	4.1.9.	70,340
Current accounts payable for goods, works, services	4.1.9.	2,581
Current liabilities on settlements with the budget	4.1.9.	33
- For insurance		
- On wages		0
Current liabilities	4.1.9.	118
Other current liabilities	4.1.9.	2,745
Total Liabilities		75,817
Equity and Liabilities		82,612

Director



Chief Accountant

Pshenichnij A.I.

Suhobrus I.P.

STATEMENT OF OTHER COMPREHENSIVE INCOME

For the year ended December 31, 2019

(thousands of Hryvna's)

	Note	2019
Interest income	4.2	47,336
Other income	4.2	30
Other operating income		5,487
Total Income		52,853
Materials costs	4.2	(74)
Labor costs	4.2	(1,984)
Social payments	4.2	(399)
Depreciation	4.2	(218)
Sales costs	4.2	(18,592)
Finance costs	4.2	(1,334)
Other operating expenses	4.2	(30,069)
Total expenses		(52,670)
Profit before corporate income tax charges		183
Corporate income tax expense	4.3	33
Net profit		150

Director



Chief Accountant

Pshenichnij A.I.

Suhobrus I.P.

CASH-FLOW STATEMENT

For the year ended December 31, 2019

(thousands of Hryvna's)

	Note	2019
Operating activity		
Proceeds from:		
Sale of products (goods, works, services)		
Sale of products (goods, works, services)		635
Proceeds from Return of advances		111,971
Proceeds from debtors forfeit (fines, penalties)		0
Other receipts		3,429
))0Payments for Goods (works, services)		(11,718)
Spending on wages		(1,495)
Expenditure on social measures		(402)
Of the duties of taxes and fees		(405)
Payment of other taxes and fees		(405)
Payments for repayment of advances		(19,852)
Advances in payments		(156,825)
Other spending		(342)
Net cash flow from operating activities		(75,004)
Investment activity		-
Expenditures on acquisition of financial Investments		-
Proceeds from interest paid		-
Net cash flow from investment activities		-
Financial activity		
Proceeds from equity		3,213
Borrowing		75,414
Repayment of borrowings		(3,250)
Net cash flow from financial activities		75,377
Net cash flow for the reporting period		373
Balance at the beginning of the year		0
Effect of changing foreign exchange rates on the balance of funds		(221)
Balance as of the end of the year		152

Director



Chief Accountant

Pshenichnij A.I.

Suhobrus I.P.

STATEMENT OF CHANGES IN EQUITY

For the year ended December 31, 2019

<i>(thousands Hryvna's)</i>	Notes	Share capital	Additional capital	Retained earning	Unpaid capital	Total
Balance as at January 01, 2019		-	-	-	-	-
Profit for the year				150		150
Other comprehensive income						
Currency exchange differences						
Transactions with owners						
Registered Capital		7,000	(279)	-	(7,000)	(279)
Paid in Capital		-	-	-	6,924	6,924
Balance as at December 31, 2019		7,0000	(279)	150	(76)	6,795

Director



Chief Accountant

Pshenichnij A.I.

Suhobrus I.P.

NOTES TO FINANCIAL STATEMENTS

To the financial statements
for the year ended December 31, 2019

"LINEURA UKRAINE" LLC

42753492

1. Information about the Company

Full name: LIMITED LIABILITY COMPANY "LIINURA UKRAINE".

Abbreviated name: LLC "LIUNDRA UKRAINE".

Company Location: Kyiv, Dniprovska Naberezhna str., 25, p. 318;

Date of State registration: 15.01.2019 Shevchenkivska District State Administration in Kyiv;

Legal form: limited Liability Company;

Country of registration: Ukraine.

State Commission for regulation of Financial services Markets:

- Credit financial institution registration: 19. 03.2019 p. FK № 1177;
- Main activity for KVED: 64.92 other types of crediting.

Intercity code and Phone: + 38 044 227 07 33

Official web-page: <https://credit7.ua/>

The Company is another credit institution, business entity, which operates on the principles of initiative, economic and legal independence, profitability.

Number of employees as at reporting date 36

Responsible persons:

Director Pshenychnij Andriy Ivanovych

Chief Accountant Suhobrus Iryna Pavlivna

The economic environment in which the Company operates

Despite the fact that Ukraine's economy is recognized as a market, it continues to demonstrate features typical of the transition economy. These features include, among other things, the availability of currency that is not freely convertible outside Ukraine, currency restrictions and control, relatively high inflation and high interest rates. The stability of the Ukrainian economy will largely depend on government policies and actions aimed at reforming the administrative and legal systems, as well as the economy as a whole. As a result, economic activity in Ukraine is related to risks that are not typical of developed countries. Economy of Ukraine is prone to market fluctuations and lower rates of economic growth in the global economy. Today the economy of Ukraine is undergoing a difficult stage of the economic crisis. On the Ukrainian economy affect market fluctuations and lower rates of economic development. The consequences of the financial crisis have resulted in instability in capital markets, substantial deterioration of liquidity in the banking sector, complication of lending conditions in Ukraine, which affects the economic and investment climate in the middle of the country. Further economic development of Ukraine largely depends on the effectiveness of the economic, financial, and monetary measures undertaken by the Government, as well as from changes in the tax, legal, regulatory and political spheres. The tax, currency and customs legislation in Ukraine allows for different interpretations and changes frequently, and the tax reforms in Ukraine continue. Management cannot predict all trends that can

affect the financial sector and other sectors of the economy, as well as what impact (if any) they may have on the future financial position of the Company. Management is confident that it takes all necessary actions to ensure stable activity and development of the Company.

2. Basis of presentation of financial statements

2.1. Declaration of conformity

The management is responsible for the preparation of financial statements, which fairly presents the financial position of LLC "LINEURA UKRAINE" as of December 31, 2019, as well as the results of its activities for the year ended 31 December 2019, cash flows and changes in equity, in accordance with international Financial Reporting Standards (hereinafter referred to as "IFRS").

The composition of this information is determined by the professional judgement of Company management.

2.2. General provisions and composition of financial statements

The financial statements of the Company are the financial reports of general purpose, formed for the purpose of reliable presentation of financial position, financial results of activities and cash flows of the Company to meet the information needs of a wide range of users in making them economic decisions.

The conceptual basis of these financial statements are accounting policies and principles based on the requirements of International Financial Reporting Standards (hereinafter – IFRS), International Standards of Accounting (IAS) and interpretations (IFRIC) issued by the International Accounting Standards Board (IASB), as amended on 01 January 2019, officially published on the web site of the Ministry of Finance of Ukraine.

The Company prepared the financial statements clearly and without any reservations complies with the requirements of the existing IFRS with the changes made by IASB, compliance with which provides a reliable representation in the financial statements, namely, relevant, reliable, comparable and understandable information.

In preparation of the financial statements, the Company also followed the requirements of national legislation and regulations on the organization and maintenance of accounting and financial reporting in Ukraine, which do not contradict the requirements of IFRS.

The Company maintains accounting in accordance with the requirements of the current legislation of Ukraine. These financial statements are based on the following accounts with adjustments necessary to bring it into compliance with IFRS in all material respects. The Company prepared the financial statements clearly and without any reservations complying with all the requirements of the existing IFRS with the changes made by the IASB as of January 1, 2019, whose compliance ensures reliable presentation of information in the financial statements, namely, relevant, reliable, comparable and understandable information.

The financial statements are also compliant with the regulatory acts of the National Commission for State regulation of financial services markets, which are effective as of the date of financial statements preparation.

These financial statements include:

Form #1 Balance sheet (Statement of financial position)

Form #2 Statement of Financial Results (Statement of comprehensive income)

Form #3 Statement of Cash flows (by direct method)

Form #4 Statement of changes in equity

Notes to the Financial statements, in accordance with IFRS requirements.

These notes are an integral part of the reporting and comply with the financial status of the Company.

2.3 Going concern Assumption

The Company operates in an economically stable environment, complicated by the sharp fluctuations of the exchange rate and the armed conflict in the east of Ukraine. Since it is not possible to reliably assess the effect of the economic situation on the financial position of the Company, there is uncertainty that can affect future operations and the possibility of preserving the value of assets.

Financial statements have been prepared on the basis of going concern assumption, whereby the realization of assets and repayment of liabilities occurs in the course of normal activities. Financial statements do not include adjustments that would have to be carried out in the event that the Company could not continue the implementation of financial and economic activities in accordance with the principles of business continuity. Management staff, assessing the appropriateness of the going concern assumption, takes into account all the available information about the future-at least 12 months from the end of the reporting period. Thus, as a result of the evaluation, management staff does not have information about material uncertainties related to events or conditions that may cause significant doubts about the ability of the Company to continue on a concern basis.

2.4. Functional and presentation currency, rounding

The financial statements of the Company are represented in the national currency of Ukraine (hryvnia), which is a functional currency. All financial reporting data is represented in thousands of Ukrainian hryvnias.

Assets and liabilities in foreign currency are initially evaluated and recorded in accounting in functional currency, by translating the amount in foreign currency at the official rate of the NBU hryvnia to foreign currencies on the date of transaction.

At the end of each reporting period:

- Monetary items in foreign currency are translated to functional currency on the balance sheet date at NBU rate;
- Non-monetary items, which are translated to functional currency on the balance sheet date at NBU rate on the transaction date.
- Non-monetary items measured at fair value in foreign currency, according to the exchange rate at the Fair valuation date.

2.5. Reporting period of financial statements

The reporting period for financial reporting is a calendar year. The intermediate financial statements are based on the results of the first quarter, the first half, nine months.

2.6. Information on the application of new IFRS

In preparation of financial statements for the reporting period were applied all IFRS, valid at the beginning of the reporting period, and also considered new IFRS officially published on the website of the Ministry of Finance of Ukraine.

In preparation of the financial statements, the Company also followed the requirements of national legislation and regulations on the organization and maintenance of accounting and financial reporting in Ukraine, which do not contradict the requirements of IFRS.

The International Accounting Standards Board adopted new and amended standards such as:

IFRS 16 "Lease agreements"

On January 13, 2016, the IFRS Board published a new standard for the lease, with the mandatory application in the financial statements from January 1, 2019.

Tenants have a single model of lease accounting and there is no need to determine classification of the lease, all leases are reflected in the statement of financial position by means of recognition of assets in the form of the right to use and lease liabilities.

According to IFRS 16, lease obligations are calculated as discounting the value of the future lease payments, and the asset is the right to use the leased property, the definition of "operating leases" disappears. Further assets ROU are accounted under IAS 16 "property, plant and equipment", IAS 36 "Impairment of assets", consequently, in the statement of profit and loss, the tenant will display depreciation costs, financial rent costs, and possible losses from the impairment of the ROU asset. According to IFRS 16 any rent for the lessee is a financing operation. It is expected to increase assets and liabilities in the accounting balance. The changes will affect the nature of costs and their recognition model. The new standard will affect almost all financial indicators:

- The ratio of own and borrowed capital,
- Current liquidity ratio,
- Turnover of assets,
- Coverage ratio.

Optional exemption for short-term rent-that is a lease, which expires no more than 12 months. Portfolio accounting of lease agreements is allowed if the results of such accounting will not differ materially from those that would be obtained in case of application of new requirements to each contract separately. Optional exemption for rental of low value objects - that is, the cost of which, when they are new, does not exceed the prescribed accounting policy, even if the total value of such lease agreements is significant.

Amendments related to the entry into force of IFRS 16 "Leases": IFRS 3 "Business Consolidation", IAS 16 "Property, plant and equipment", IAS 1 "Presentation of financial statements", IFRS 1 "First-time adoption of application of IFRS", IFRS 7 "Financial instruments: Disclosures", IFRS 9 "Financial instruments", IFRS 13 "fair value Assessment", IFRS 15 "Revenue from contracts with customers", IAS 2 "Inventory", IAS 7 "Cash flow statement", IAS 21 "Impact of changes in foreign exchange rates", IAS 23 "Borrowing costs", IAS 37 "Collateral, contingent liabilities and contingent assets", IAS 38 "Intangible assets", IAS 40 "Investment Property".

Effective date of application of changes 01.01.2019.

IFRS 16 applied by the Company from the beginning of the mandatory application.

IFRS (IFRS) 17 Insurance contracts

On May 18, 2017, the IFRS Council (IASB) published a new standard, which is devoted to accounting for insurance contracts, – IFRS (IFRS) 17 Insurance contracts. Start of mandatory application in the financial statements from January 01, 2021, or after that date. Early application of this standard is allowed. The new standard will provide equal conditions for insurers who report under IFRS that will enable users to assess the financial sustainability of insurers.

IFRS 17 comes to replace IFRS 4, which was introduced in 2004 as a temporary standard. The issue of IFRS 4 is that this standard allows companies to keep a record of insurance contracts using national accounting standards, resulting in many different approaches to account for insurance

contracts. As a result, investors have become difficult to compare and match Company's financial performance to each other.

The new standard is adopted to avoid the "comparison" problem created by IFRS 4. IFRS 17 stipulates that all insurance contracts will be considered in a consistent manner and are useful for both investor and insurance companies. Insurance obligations will be taken into account using the current (current values), not the original cost (historical cost) as previously.

Information is regularly updated, providing more useful information for the financial reporting users.

IFRIC 23 "Uncertainty concerning income tax rules calculation".

Effective for reporting periods beginning with or after 01.01.2019.

IFRIC 23 requires that the approach used by the Company is since it predicts the result of the uncertainty solution. In particular, the Company must consider how, according to its expectations, the tax authorities will conduct tax accounting and interpretation checks. Clarification of IFRIC 23 requires that the Company proceed from the fact that the tax authorities will verify all the amounts that they have the right to verify and familiarize themselves with all related information when conducting their review. Companies must consider the likelihood that the tax authorities will accept or reject uncertain tax interpretations and the process will be determined by the tax authority assessment. Clarification of IFRIC 23 requires from the Company the required revaluation (change) of judgment or assessment, in the event of a change in the facts and circumstances upon which this judgment or assessment is based, as well as the result of new information affecting judgment or evaluation. Any such change shall be considered in the future (prospectively) in accordance with IAS 8 "Accounting policy, changes in accounting estimates and errors". In such cases, companies should use the standard IAS 10

"Events after the reporting period" to determine whether there is a change that occurred after the reporting period, an adjustment or unregulated event.

Amendment to IAS 28 "Investments in associates and joint ventures".

Effective for reporting periods beginning with or after 01.01.2019.

This standard is used in the accounting of investments in associates. However, it does not apply to investments in associates, held by organizations with venture capital or mutual funds, trusts and similar business entities, including insurance funds, whose activities are related to investments measured at fair value with the reflection of the result of revaluation in profit or loss in accordance with IFRS 9 "Financial instruments". An entity evaluates such investments at fair value with a reflection of the result of revaluation as profit or loss in accordance with IFRS 9.

Amendment to IFRS 9 "Financial instruments".

Effective for reporting periods beginning with or after 01.01.2019.

The amendment allows for the use of the amortized cost to the financial instruments that have an option of early repayment, irrespective of the fact that there may be compensation (both positive and negative) in case of preterm repayment.

Amendment to IAS 19 "Employee Benefits".

Effective for reporting periods beginning with or after 01.01.2019.

The amendments to IAS 19 "Employee benefits" relate to the accounting procedure for pension program companies with defined payment. If a change is made to the program (the program is shortened or calculated), IAS 19 requires the Company to reassess the net assets or obligations under the established benefit. The amendments require from the Company to use the new assumptions used in the conduct of revaluation to determine the value of the services of the current period and a net percentage on the balance of the reporting period after the program changes with defined payment.

Amendment to IFRS 3, business combination.

Effective for reporting periods beginning with or after 01.01.2019.

If a party to a joint venture agreement (as defined in IFRS 11 "Joint arrangements") obtains control of a business that is a joint operation (as defined in IFRS 11), and thus has the rights to assets and carried liability for commitments related to this joint operation directly to the acquisition date, this agreement is a union of businesses that are implemented in stages. Therefore, the acquirer must apply the requirements for the merger of businesses in stages, including the re-assessment of participation in joint operations that were earlier, in the manner provided for in paragraph 42. At the same time, the acquirer should overestimate all previously existing share of participation in joint operations.

Amendment to IFRS 11 "Joint arrangements".

Effective for reporting periods beginning after 01.01.2019.

A party that is party to joint operations but has no co-control can gain joint control over the joint operations that are involved in the business, as the term is defined in IFRS 3. In such cases, the share of participation in this joint operation was not remeasured.

Amendment to IAS 12 "Income taxes".

Effective for reporting periods beginning with or after 01.01.2019.

The organization must admit the implications of the income tax associated with dividends as they are defined in IFRS 9 when it recognizes the obligation to pay dividends. The implications of the income tax on dividends relate more directly to past transactions or events that generated profit distribution than with distributions in favor of owners. Therefore, organizations should acknowledge the consequences of the income tax on dividends in profit or loss, other comprehensive income, or in the capital, in accordance with which the organization initially recognised such past transactions or events.

IAS 23 "Borrowing costs".

Effective for reporting periods beginning with or after 01.01.2019.

To the extent that the organization borrows funds into common goals and uses them to obtain a qualified asset, the organization must determine the amount of costs on borrowings allowed for capitalization, by multiplying the capitalization rate on the amount of expenditures for the given asset. The capitalization rate is defined as the weighted value of borrowing costs against all the loans of the organization that remain outstanding during the period. However, the organization must exclude from this calculation the amount of expenditure on borrowings from loans received specifically for the purchase of a qualified asset, until the completion of almost all the works necessary for the preparation of this asset to the use by appointment or sale. The amount of expenditure on borrowings that the organization

Amount of borrowing costs, that the Company capitalizes within the period, shall not exceed the amount of expenditure on the borrowings incurred during this period.

Conceptual framework of financial statements.

Effective for reporting periods beginning with or after 01.01.2020.

The concept of the leadership activity in the interests of the owners and the specified information arises in connection with this is introduced. The concept of diligence that supports the neutrality of information is returned and therefore it describes diligence as "caution in making judgments in conditions of uncertainty". The uncertainty of the assessment is a factor that can affect the credible provision of information. A report subject is an organization that, on its own initiative, makes or is obliged to compose financial statements and is not necessarily a legal entity. Asset-the existing economic resource controlled by the organization as a result of past events. Economic resource is a right that can bring economic benefits. Obligations

The existing responsibility of the Organization to transmit economic resources as a result of past events. Obligation is a mandatory responsibility, which is not a practical opportunity to avoid in the organization. Recognition is the process of fixation for inclusion in the statement of financial position or in the report (s) on the financial results of the article that meets the definition of the asset, liabilities, capital, income or expenses. Termination of recognition is the exclusion of fully or partially recognized assets or liabilities on the financial position report of the Organization. You enter two categories of valuation methods: estimate based on historical (initial) value. Historical value figures provide information about the objects of accounting, which is formed based on historical (initial) amount of the transaction or event. Assessment based on the current (overrated) value. The current cost indicators provide monetary information about the accounting objects updated to reflect the current conditions at the measurement date. The valuation methods for this category may include fair value, value of use, cost of execution, and current cost. The term "report (s) on financial results" is introduced to indicate the profit and loss report, together with the ISD report. The income statement is a major source of information about the Company's financial results. By default, all income and expenses must be properly classified and included to Statement of profit and loss.

The Company in the financial statements for the ongoing year as of 31.12.2019, did not apply early published IFRS, amendments to them and interpretations.

3. Basic principles of accounting policies

3.1. Assessments, judgments, and assumptions

The preparation of the financial statements in accordance with IFRS requires the management of the formation of certain judgments, assessments and assumptions that affect the use of accounting policies, as well as the amount of assets and liabilities, income and expenses reflected in the reporting.

Management uses a number of estimates and assumptions regarding the representation of assets and liabilities and disclosure of contingent assets and liabilities in the preparation of these financial statements in accordance with IFRS requirements.

Assessments and related assumptions are based on historical experience and other factors that are considered to be reasonable under these circumstances, the results of which form the basis for judgments on the carrying value of assets and liabilities that are not evident from other sources. Assumptions and made on their basis preliminary assessments are continuously analyzed for the necessity of their changes. Changes in estimates are recognized in the reporting period when these estimates were revised and all subsequent periods caused by these changes.

The Company assesses and displays assets and liabilities in a way that does not tolerate the existing financial risks that potentially threaten financial status for the next reporting periods.

The assets and liabilities of the Company are initially assessed at the time of purchase or origination and subsequently assessed on the balance sheet date for each reporting period in accordance with the international Financial reporting standards requirements.

The main judgments, which were based on the financial statements for 2019, were the following, but not exclusively:

- Formation of accounting policies and its changes – the policy is unchanged from 01.03.2019, except for changes made in accordance with the requirements of the current legislation.
- The assumption of continuity-financial statements of the Company is prepared based on the going concern assumption, managerial staff does not have intentions to liquidate a business entity or to terminate activity. Management personnel is constantly developing and implementing plans for future actions aimed at continuing the continuous operation of the enterprise. Assets that can significantly reduce the value of the asset balance are not used to generate cash flows.
- There is no uncertainty in the management staff on the issue of asset impairment.
- Criteria for recognition of financial reporting elements and termination of recognition.
- The need to view accounting assessments.
- Judgments related to receipt of control (buyer's definition, date of control Transition) (IFRS 3, 10);
- Identification of assets and liabilities in business acquisition (IFRS 3);
- Classification of non-current assets (or liquidation groups) as held for sale or held for distribution by owners (IFRS 5);
- Judgment on discontinued activities (IFRS 5);
- Nature and level of risks arising from financial instruments and on which a business entity is exposed during the period and at the end of the reporting period and how the entity manages these risks (IFRS 7)
- Classification of financial Instruments (IFRS 9)-management of the Company applies a professional judgment on the timing of financial instruments, which are part of financial assets. Professional judgment in this issue is based on the risk assessment of the financial instrument, its profitability and dynamics, and other factors;
- Judgments on jointly controlled transactions and joint ventures (IFRS 11) and judgments on control and significant impact (IFRS 12) – As of 31.12.2019, the Company has no control over investment objects;
- The inability to apply certain requirements of IFRS (IAS 1) - when making judgments, the Company takes into account the most recent provisions of other bodies that develop and approve standards that apply a similar conceptual framework for the development of standards, other vocational literature from the accounting and adopted industry practices, to the extent that they do not contradict the above-mentioned sources;
- Offsetting of financial statements items (IAS 1) - financial assets and liabilities are offset if the Company has a legal right to net-off the amounts recognized in the balance-sheet and intends to either make offsetting or sale the asset and fulfill its obligations simultaneously;

- Delimitation of current and non-current assets and liabilities (IAS 1) - classification of assets and liabilities on maturity terms (current/non-current) is carried out during their initial recognition depending on the term of existence, use, possession of the Company in comparison with its operational cycle. The duration of the operating cycle is one calendar year. In other words, on the date the posting of assets and liabilities are classified by terms: not current (larger than one year) and current (smaller and equal to one year).
- Signs of impairment of assets (IAS 2, 16, 36, 38, 40);
- Classification of events after the reporting date to corrective and non-corrective (IAS 10) – After the reporting date there are no events that affect the financial statements of 2019 are absent;
- Defining relationships and operations between the related parties, signs of "fair value" of agreements between the linked Parties (IAS 24);
- Assumptions that reflect the best assessment by the management staff of the complex economic conditions that will exist during the rest of the useful operation of the asset (IAS 36);
- Provisions and conditions of their recognition (IAS 37);
- Contingent assets and liabilities (IAS 37).

3.1.1. Judgments on operations, events or conditions in the absence of specific IFRS

If there is no IFRS specifically applied to a transaction, other event, or condition, the Company's management applies judgments in the development and application of the accounting policy so that the information is appropriate for the needs of users to make economic decisions and reliable, in the sense that financial reporting:

- Submits authentically financial condition, financial results and cash flows of the Company;
- Reflects the economic essence of operations, other events or conditions, and not just legal form;
- Is neutral, that is, free of prejudice;
- is complete in all material respects.
- In the time of judgment, the management of the Company refers to the eligibility of the following sources and considers them in descending order:
- Requirements in IFRS, which referred about similar and related issues;
- Definition, criteria of recognition and concept of asset valuation, liabilities, income and expenditures in conceptual basis of financial statements.

In the course of the judgment, the Company's management considers the most recent provisions of other bodies that develop and approve standards that apply a similar conceptual basis to develop standards, other professional literature in the account and adopted industry practices, to the extent that they do not contradict the above-mentioned sources.

3.1.2. Judgments regarding fair value of the Company assets

The fair value of actively trading investments in organized financial markets is calculated based on the current market value at the time of closing trades at the reporting date. In other cases, the fair value assessment is based on judgments on alleged future cash flows, current economic

situation, risks inherent in various financial instruments, and other factors taking into account the requirements of IFRS 13 "fair value assessment".

3.1.3. Judgements regarding changes in the fair value of financial assets

The Company management believes that the accounting estimates and assumptions that relate to the valuation of financial instruments, where market quotations are not available, are a key source of uncertainty assessments, because:

- a) They are highly likely to undergo changes over time, as estimates are based on the assumptions of the leadership on the interest rates, volatility, changes in foreign exchange rates, the creditworthiness of counterparties, the valuation adjustments, and the specific features of the transactions; and
- b) The impact of changes in estimates on assets reflected in the statement of financial position, and on income (expense) may be significant. The use of various marketing assumptions and/or valuation techniques may also have a significant impact on the perceived fair value.

If the management of the Company used other assumptions about the interest rates, volatility, currency exchange rates, counterparty credit rating, offer date and valuation adjustments, greater or less change in assessing the value of financial instruments in the absence of market quotations would have a significant impact on the net profit and loss recognised in the financial statements.

The use of various marketing assumptions and/or valuation techniques may also have a significant impact on the perceived fair value.

3.1.4. Judgements on expected deadlines for financial instruments retention

The Company's management applies professional judgment on the timing of financial instruments that are part of financial assets. Professional judgment in this issue is based on the risk assessment of the financial instrument, its profitability and dynamics, and other factors. However, there are uncertainties that can relate to the suspension of securities turnover that is not controlled by the society's leadership factor and can significantly affect the assessment of financial instruments.

3.1.5. Judgements on identifying impairment signs of assets

At each reporting date, the Company analyzes financial assets for the presence of signs of impairment.

The Company considers its portfolio of loans and receivables, as well as defines losses for impairment and hopeless indebtedness on a quarterly basis. In determining the amount of impairment, the Company makes estimates and assumptions about the probable reduction of expected future cash flows on the loan portfolio and receivables, before the reduction can be determined in the loan pool.

All existing signs of problems with credit and payment status of borrowers and potential changes in the economic environment at the local level are analyzed. Analyzes are performed for the entire pool of credits as at a certain time, due to the fact that the Company does not have a significant concentration of credit risk according to individual positions in the portfolio of micro loans. The management uses historical data on the realised loss of assets with similar risk characteristics in making these estimates and analysis, given the professional opinion. The amount of impairment is defined as the difference between the carrying amount and the sum of the expected reimbursement at the end of each quarterly quarter separately by the respective group of loans at each period of the outstanding credit.

The Company uses the simplified approach (5.5.15 IFRS 9) to calculate the allowance for damages in the amount equal to expected credit losses, according to the developed and approved regulations on the procedure for the formation and use of reserves for the Company's financial assets according to the expected losses model in accordance with IFRS 9 "Financial instruments".

The forecast information on macro indicators of the Company was not carried out in connection with granting credits for short term when macro indices have no influence on repayment of such credits.

3.1.6. Using discount Rates

The discount rate is the interest rate used to convert future revenue streams into a single value of the present (current) value, which is the basis for determining the market value of business.

From an economic perspective, as the discount rate is the minimum acceptable for a investor, the rate of income on the invested capital in the corresponding risk level of similar investment objects, or-the rate of income by alternative investment options with the risk level matching at the assessment date.

The discount rate depends on the settlement currency and additionally should be determined taking into account three factors:

- a) Value of money in time;
- b) Cost of sources, which are attracted for the financing of the investment project, which require different levels of compensation.
- (c) risk factor or measure of probability of future income.

Information on discount rate is taken according to the analysis of own contractual interest rates on banking borrowings for the financial year, or potential rates based on the negotiations with banks. And in the absence of actual and potential internal indicators of borrowing-from the weighted rates of similar loans/deposits. Obtained from the official website of the National Bank of Ukraine.

3.2. *Basis (or basis) of estimates applied in financial statements preparation*

These financial statements are prepared on the basis of historical costs, except for estimates of the fair value of certain financial instruments in accordance with IFRS 9, "Financial instruments", using the valuation methods of financial instruments, IFRSs 13 "fair value MEASUREMENT" and IAS 28 "Investments in Associates" – on the method of participation in equity of other enterprises. Such valuation methods include the use of stock quotations or data on the current market value of another similar instrument, the analysis of discounted cash flows or other models of determining fair value

3.2.1. Assessment methods used for the fair value formulation

The Company carries out exceptionally continuous estimates of the fair value of assets and liabilities, i.e. estimates required IFRS 9 and IFRS 13 in the statement of financial position at the end of each reporting period.

Classes of assets and liabilities assessed at fair value	Valuation Techniques	Valuation method (market, profitable, cost)	Imprint
Cash and equivalents	The initial and subsequent evaluation of cash and their equivalents is carried out at fair value equal to their nominal value	Market	Official NBU exchange rates
Deposits (excluding deposits to question)	The initial estimation of the deposit is at its fair value, which is usually equal to its nominal value. Further valuation of deposits in national currency is carried out at fair value of expected cash flows	The profitable (discounting cash flow)	Rates for deposits, effective rates under deposit agreements
Debt securities	The initial assessment of debt securities as financial assets is carried out at fair value, which is usually equal to the price of the transaction in which the asset was received. The subsequent assessment of debt securities is at fair value.	Market, profitable	Official stock exchange rates for trading organizers at the date of assessment, similar debt securities quotes, discounted cash flows
Equity instruments	Initial assessment of capital instruments is at fair value, which is usually equal to the transaction price in which the asset was received. The subsequent assessment of equity instruments is at fair value at the measurement date.	Market, cost	Official stock exchange rates of tenders at the date of assessment, in the absence of a defined exchange rate on the date of assessment, using the last carrying amount cost, the price of closing the Exchange trading day
Accounts receivable	The initial and subsequent evaluation of receivables is carried out at fair value equal to the repayment value, i.e. the amount of expected contractual cash flows at the measurement date.	Doha	Contract conditions, probability of repayment, expected cash flows
Current liabilities	Initial and subsequent evaluation of current liabilities is carried out at the cost of repayment	Cost	Contract conditions, probability of repayment, expected output cash flows

3.3. About the accounting policies of the Company

Company accounting policies - specific principles, principles, arrangements, rules and practices applied by the entity in the preparation and presentation of financial statements. IFRS provides accounting policies which, by conclusion, can form such financial statements, which will contain appropriate and reliable information about the transactions, other events and conditions to which they apply.

Accounting and drafting of financial reports are carried out in compliance with the principles of diligence, full illumination, consistency, continuity, calculation and compliance of income and expenses, the presumption of the entity over the form, periodicity.

The Company's accounting policy was developed in accordance with the requirements of IAS 8 "Accounting policies, changes in accounting estimates and errors" and approved by the order of Director No. 1 of 01.03.2019 "On organization of Accounting and Accounting policy". Before preparation of annual financial statements, the Company carried out annual inventory of assets and liabilities that are accounted on the balance-sheet, according to director's order № 3 BO from 31.12.2019 The inventory results are reflected in the Company's balance sheet as of 31.12.2019.

3.4. Information on changes in accounting policies

The Company chooses and applies its accounting policies consistently for such operations, other events or conditions, unless IFRS specifically requires or permits the identification of the categories of articles for which other policies may be relevant.

3.5. The form and name of financial reports

The list and names of financial reporting forms meet the requirements set by the NAS 1 «General requirements to financial statements».

3.6. Methods of submitting information in financial reports

According to the NAS for 1 "General financial reporting requirements", the report on comprehensive income provides for the representation of the costs recognized in profit or loss, according to the classification based on the "cost function" method or the "cost of sales", whereby costs are classified according to their functions as part of the cost or, for example, expenses for sales or administrative activities.

The presentation of cash flows from operating activities in the statement of cash flows is carried out using a direct method, according to which the information about the main classes of cash inflows or cash payments is disclosed. Information on the main types of cash income and cash payments is formed on the basis of accounts of the Company.

3.7. Criteria for recognition financial statements elements

Recognition is the process of inclusion in the statement of financial position or income statement, articles that meet the definition of the item and the recognition criteria.

Assets are recognized as being controlled by the Company as a result of past events, the use of which is expected to increase economic requirements. The classification of assets (non-current/current) and liabilities in terms of maturity (long-term/current) is carried out during their initial recognition depending on the term of existence, use, possession of the Company in comparison with their operational cycle. The duration of the operating cycle is one calendar year. Asset is recognized as negotiable if:

- ✓ It is assumed to be implemented or intended for sale or use within the normal operating cycle;
- ✓ The asset is intended for sale (trade) or it is assumed to be implemented within twelve months after the end of the reporting period;
- ✓ The asset is a monetary means, except for cases of availability of restrictions on its exchange or use in order to repay the liabilities within twelve months after the end of the reporting period.

All other assets are classified as non-current.

Current receivables for products, goods, works, services are recognised as asset at the same time as recognition of income from, sales of products, goods, works and services and are estimated at fair value of compensation at the date of recognition.

Liabilities - debts of the Company arising from past events, the settlement of which will lead to outflow resources, which contain economic benefits.

The obligation is recognised as short-term (current) if it meets one of the following criteria:

- ✓ It is assumed that the obligation will be repaid during the normal operating cycle;
- ✓ The obligation is primarily for sale;
- ✓ The obligation shall be repaid within 12 months after the balance date.

The Company has no unconditional right to postpone the repayment of the obligation at least 12 months after the date of balance.

Commitments that do not correspond to any of the listed criteria are deemed long term.

Part of the long-term obligation to be repaid within twelve months from the last day of each calendar month, shall be transferred to the current liabilities on the same date. Accounting for long-term and current liabilities is carried out with division on trade, financial and other liabilities.

Deferred tax assets and liabilities are classified as non-current/long-term assets and liabilities.

To determine the date of recognition or repayment of assets and liabilities use contracts, the rules of securities issue (on bonds, etc.) and the current legislation.

The Company established a limit of significance for:

- ✓ Separate objects of accounting of assets, liabilities, equity – 1% Balance currency;
- ✓ Revenues and expenditures – 1% of net profit (loss).

The Company does not count the assets and liabilities, as well as revenues and expenses, unless it is required to comply with any IFRS.

The Company leaves unchanged the presentation and classification of articles in the financial statements from the period to the period. If there are changes in the presentation or classification of the articles in the financial statements, the Company will make a reclassification of comparative amounts, except when it is not possible to disclose the information on this case.

Capital -the share, that remains in the Company's assets after deduction all its obligations.

Income – gains of economic benefit during the reporting period, in the form of inflow (or increase) of assets or reduction of liabilities, leading to increased capital not associated with deposits owners.

Expenditures -reduction of economic benefits during the reporting period, which occurs in the form of outflow assets or increase in liabilities leading to a capital reduction not related to its division between the owners (participants).

Income and expense are recognised using the accrual method.

The following items are subject to recognition in the financial statements:

- ✓ Meet the definition of one of the elements;
- ✓ Meet the recognition criteria.

Criteria of recognition:

- ✓ There is a possibility of obtaining or outflow the future economic benefits associated with the object, which corresponds to the element definition;
- ✓ The object has a cost or estimate, which can be reliably measured.

All assets that are owned by the Company are controlled and authentically appreciated. Assets and liabilities are estimated to exclude the possibility of transferring existing financial risks to future reporting periods.

3.8. Foreign currency transactions

Foreign currency transactions, i.e. agreements denominated in other currencies than in Ukrainian hryvnia (UAH) are evaluated at the exchange rate established by the National Bank of Ukraine in effect on the date of transaction. Monetary assets and liabilities denominated in foreign currency transferred at the exchange rate at the date of the financial statements. Non-monetary assets denominated in foreign currency are measured at cost, at the rate on the date of initial recognition.

Exchange income and losses are recorded at the exchange rate acting on the date of the transaction. Net profit or loss from currency fluctuations arising from accounts receivable, accounts payable, and foreign currency are recognised in the statement of comprehensive income in the period in which they arise.

3.9. Fixed assets and intangible assets

The fixed assets acquired by the Company are given for its historical at cost minus accumulated depreciation and any accumulated impairment losses.

The fixed asset is recognized as an asset, if the expected period of useful use (operation) more than a year and the cost is equal to or more than 6.000 UAH.

Depreciation of fixed assets is calculated with the use of rectilinear method.

The term of useful equipment in groups:

The term of useful use

Intangible assets	2-4 years
Machinery and equipment	2-5 years
Tools, devices, and equipment (furniture)	4 years
Other fixed Assets	12 years

The cost of fixed assets that do not meet the criteria for the recognition of assets, to recognize the cost of commissioning in the first month of their use in the amount of 100% of their value.

Expenses carried out for maintenance of fixed assets in working condition and obtaining of the initially defined amount of future economic benefits from their use, are recognized expenses of the period. Replacement and improvement that can prolong the useful life or significantly improve the condition of the asset are capitalised.

Intangible assets include acquired by the Company the software used in the provision of services and management. The costs of purchasing intangible assets are depreciated on a straightforward basis over the expected period of their useful use, which is 2 years.

Trademarks used by economic activities in the provision of financial services are amortizing by straight line method. The Terms of useful trademarks are 10 years.

3.10. Impairment of assets and intangible assets

At each reporting date, the Company evaluates whether there is any indication that the usefulness of the asset may decrease.

The Company decreases the carrying amount of the asset to its refundable refund if the amount of the expected reimbursement of an asset is less than its carrying value. This decrease is immediately recognised in profits or loss if the asset is not accounted for at the overvalued value under IAS 16. The impairment loss recognised for the asset (excluding Goodwill) in the previous periods, the Company will only change if the previous estimates applied to determine the recoverable amount. After the impairment loss is recognised, depreciation of the fixed assets is corrected in future periods in order to distribute the revised carrying amount of the current asset on systematic basis during the period of useful use.

3.11. Investment property

In the organization of investment property accounting the Company is governed by the requirements of IAS 40 "Investment property".

Initial valuation of investment property is carried out by at cost. The cost of the transaction is included in the initial cost. Cost of Purchased investment property includes the price of its acquisition and any costs that are directly attributable to the acquisition. Directly attributed costs include, for example, rewards for the provision of professional legal services, taxes related to the transfer of ownership, and other costs of the transaction. The assessment shall be recognised at fair value at the measurement date. Profit or loss from changes in the fair value of investment property is recognised in profit or loss. Such assets are not depreciated.

Fair value of investment property is usually determined with the involvement of Independent Appraiser. The frequency of view of fair value is due to significant for accounting fluctuations in the market of similar real estate. The fair value of unfinished construction equals the cost of the completed object minus the costs of completion of construction.

If we cannot estimate the fair value, the Company chooses to assess the Investment property valuation model for at cost in accordance with IAS 16 and applies this approach to all investment property, and the reasons from which the fair value is not used are disclosed.

Investment property on the balance sheet as of 31.12.2019 has not been accounted for.

3.12. Inventory

Accounting and presentation in financial statements performed in accordance with IAS 2 "Inventory."

Stocks of material valuables are the assets that are retained by the Company for consumption in the process of performing activities (provision of services), as well as for administrative (management) needs.

Stocks of inventory items consist of:

- Economic materials (material values needed to ensure the Company's activities and services, as well as for repair and maintenance of other non-current assets);
- Low-cost and worn-out objects – items used by the Company for no more than one year (regardless of their value).

In accounting material values are calculated on the corresponding accounts of accounting at initial cost, taking into account the cost of transportation from the supplier, taxes, fees and other mandatory payments. The initial value of the stocks does not change, except if at the date of balance their price decreased or they were spoiled, are outdated, or otherwise lost initially to the expected economic benefit. Stocks are displayed with the smallest of two assessments: at the initial cost or net value of sales. The FIFO method – "First receipt – the first expenditure", is used when the write-off and other stocks are deducted.

3.13. Recognition and measurement of financial instruments

The Company recognizes the financial asset or financial liabilities in the balance sheet when and when it becomes a party to the contractual clauses for financial instruments. Transactions for the purchase or sale of financial instruments are recognized using the settlement date. Any profit or loss at the time of the initial evaluation is recognised in the statement of profit or loss for the current period or displayed directly in equity if the financial instrument is the result of a capital transaction.

In the initial recognition of a financial asset or financial obligation, the Company evaluates them at fair value plus operating costs that directly relate to the purchase or issuance of a financial asset or financial liability.

Fair value of financial assets and financial liabilities that are in circulation in an active market is based on quotations of active markets or dealers' quotations. For all other financial instruments, the Company defines fair value using valuation methods. Evaluation methods include a model for assessing the net of the current value and discounted cash flows, comparisons with similar tools, which are known to market quotations, as well as other valuation models. The assumptions and data used for the assessment include non-risk and base interest rates, credit spreads and other premiums used to assess the discounting rate of the shares and bonds rates, currency rates, stock indices, and expected price fluctuations and their collation. Assessment methods are aimed at determining fair value, reflecting the cost of the financial instrument as at the reporting date, which would be determined by independent market participants. The Company evaluates fair values of financial instruments using the next hierarchy of fair value estimates, taking into account the substantial data used in the formation of these assessments.

Level 1: quotations in the active market in relation to identical financial instruments.

Level 2: methods of valuation based on market data, available directly (i.e. quotations) or indirectly (i.e. data derived from quotations). This category includes tools that are assessed using: market quotations on active markets for similar instruments, market quotations for identical or similar instruments in the markets, not examined as active, or other methods of evaluation, any data used directly or indirectly based on publicly available market data.

The Company recognizes the following categories of financial instruments:

- ✓ A financial asset that is evaluated at fair value (financial assets held for sale; accounts receivable), with recognition of the revaluation result in the statement of profit or loss;
- ✓ A financial asset that is evaluated at amortized cost (financial assets held to maturity);
- ✓ Financial liabilities assessed at fair value (accounts payable);
- ✓ Financial liabilities, estimated at amortized cost (credits, loans).

3.14. Accounts receivable

Receivables are the financial asset that constitutes the contract right to obtain cash or other financial asset from another business entity. Accounts receivable are recognised in the statement of financial position only when the Company becomes a party to the contractual relationship with respect to this instrument. As part of accounts receivable, the Company reflects the following assets:

- Receivables from the main activity;
- Receivables on loans issued;
- Other accounts receivable.

For the purposes of financial statements, receivables are classified as current (receipt is expected during the current year or operating cycle) or as long-term (receivables that cannot be classified as current). After initial recognition the further assessment of receivables is carried out on the amortised at cost using the effective interest method.

Loans granted to individuals.

During initial recognition the financial asset is classified at amortised cost, i.e. classified as an asset, which is held within the framework of the business model, the purpose of which is to maintain assets to obtain the stipulated by the contract of cash flows and its contractual terms provide arising in the prescribed terms of cash flows, which represent the payment of the exceptionally principal and interest (SPPI) on the outstanding portion

Since the recognition of a financial asset on the balance, the Company evaluates credit losses with the help of a three-stage model based on the credit risk change. According to IAS 9 "financial

instruments", the impairment value is estimated in the amount of expected credit losses as a result of the events default by the financial instrument, which is possible within 12 months after the reporting date or expected credit losses as a result of all possible events default for financial instruments throughout the expected term of its validity.

The reserve of doubtful debts is created using the method of classification of debtors on the terms on which the loan was issued (Periodization of receivables). The Company conducts credit debt assessment for accrual of reserves. The payment discipline is taken into account when repaying the principal amount of debt and interest on the loan. That is, in the classification of the degree of risk and attribution to the appropriate group when calculating the allowance is accepted only one criterion-repayment of debt borrowers. The size of the reserves is determined by the total credit indebtedness using risk coefficients and quarterly adjusted. Risk factors are determined by the use of information on the repayment of previous reporting periods and in view of the factors in the presence of objective evidence that the Company will not be able to collect receivables. A method of periodization of accounts receivable requires the analysis of receivables balances at the end of the reporting period, regarding accounting of its outstanding. The analysis of each of the receivables groups applies a certain percentage/credit risk factor based on the experience of the previous periods of debt repayment depending on the number of days of the delay. This method takes into account the rest of the reserve of doubtful debts on the beginning of the reporting period and hopeless receivables, written off/used at the expense of reserve during the reporting period. Receivables are displayed in the statement of financial position at the net implementing value, with a drawback of the provision of doubtful debts

3.15. Other accounts receivable

Other receivables are other non-derivative financial assets. Receivables are recognised in the event of a right to receive the payment under the contract or other legal law. If the Company has an objective evidence that receivables are not reimbursed, the Company creates the appropriate provision for impairment and reduces the net carrying amount of receivables to the cost of their reimbursement. The depreciation is reflected in the statement of comprehensive income. The Company collects objective evidences regarding impairment of accounts receivable using the same methods and estimates as in the case of impairment of financial assets are accounted at amortised cost. The Company analyzes the debtor's debt for impairment quarterly separately for each counterparty. Depending on the conditions, terms and amounts of funds received in the course of repayment of these amounts, the Company creates a provision for impairment for each debtor. No advances received, no advances issued, no taxes, fees and mandatory payments are not financial assets and financial liabilities. These amounts are recognized for originally received (paid) sums.

3.16. Accounting policies regarding non-current assets held for sale

The Company classifies not the current asset as held for sale if its carrying amount value will be mainly reimbursed by the sale transaction instead of the current use.

No current assets held for sale are evaluated and are displayed in the accounting for the smallest of the two values: Balance or fair value with less costs for transactions related to the sale. Such assets are not depreciated.

The impairment loss on the original or subsequent written off of the asset to the fair value minus the sales costs is recognised in the statement of profit or loss and other comprehensive income.

3.17. Cash and equivalents

Cash consists of cash at the ticket office, funds on current accounts. Cash equivalents are recognized as short-term high-rise investments that are freely converted into cash amounts with insignificant risk of change in value. As the classification characteristics of cash equivalents, the Company applies the period of their conversion, not exceeding three months.

The initial assessment of cash and their equivalents is carried out at fair value that equal to their nominal value.

Initial evaluation of cash and equivalents in foreign currency and bank accounts.

Metals are carried out in functional currency according to official courses of the National Bank of Ukraine.

The subsequent assessment of cash and equivalents is carried out at fair value, which equals their nominal value at the measurement date.

Subsequent evaluation of cash and their equivalents in foreign currency and bank metals are carried out in functional currency according to official courses of the National Bank of Ukraine.

3.18. Statement of cash flows (by direct method)

The Company prepares a statement of cash flows under IAS 7 "Cash flow statement" according to the direct method, using the statement of cash flows (by direct method), approved by the Order of MFP 73 of 07.02.2013.

3.19. Reserves

The conceptual basis stipulates that the enterprise and its equity can create normative reserves. Creation of reserves at the expense of retained earnings profit involves reduction of the last and creation of the appropriate types of reserves in the amount defined by the authorized bodies of the enterprise. Such regulatory reserve is reserve capital, which was accrued by the Company in the amount of 5% of annual profit.

The Company forms the reserve for the Company's financial assets by the model of expected losses according to the regulations on the procedure of forming and using reserves for the Company's financial assets according to the expected losses model in accordance with IFRS 9 "Financial Instruments"

The Company uses the business model, the purpose of which is to maintain the assets for the obtaining of contractual cash flows by obtaining contractual payments during the term of the tool, which are purely payments of the principal amount and interest to the outstanding share of the principal amount, and are accounted for at amortised cost.

3.20. Ensuring

Provisions are recognised when the Company has a current debt (legal or constructive) due to the past event, there is a possibility (that is, more possible than impossible), that repayment of the obligation will require the disposal of resources which embody economic benefits, and can be reliably assessed the amount of the obligation.

The Company creates a "reserve of future costs and payments" to pay for vacations that were not used in the current period (future costs and payments for the vacations), are recognised during provision by service staff who increase their rights for future vacation compensation and are determined by the accounting assessment of the resources required for the compensation. The amount of reserves for the disbursement of vacations is determined by settlement.

The Company is guided by IAS 19 "Employee benefits" when forming the provision of payment for the vacations.

3.21. Equity

Statutory capital

The statutory capital includes membership contributions. The statutory capital is reflected on the original value of participants' contributions. The amount exceeding the fair value of funds received

over the nominal value of the participant's share is displayed as an emission income. The statutory capital has been formed (registered and paid) in full. State share in authorized capital is absent.

Dividends

The possibility of the Company to inform and pay dividends falls under regulation of current legislation of Ukraine.

Dividends are reflected in the financial statements as the use of retained earnings profits as their announcement. During 2019, the Company had not reported and paid dividends.

Additional capital is the amount of contributions of participants over the registered part.

The reserve capital is formed at the expense of retained earnings profit by decision of the general meeting of the Company participants.

Retained earnings (accumulated loss) are net gains that are not distributed between participants.

3.22. Income and expenses

Revenue recognition.

Revenues are determined if there is a high probability that the Company will receive economic gains, and the revenues may be more likely to be determined.

Revenues are recognised in the accrual method. Income from service is displayed at the moment of origination regardless of the date of receipt of funds. The income from services rendered is recognised in the statement of comprehensive income in the period in which these services were provided.

The Company receives the main income from financial activity in the form of interest accrued on the amount of the provided financial credit under the terms of the agreement and other income in the form of a penalty accrued on the delay return of provided financial credit, and penalties under the loan agreement.

Earnings are measured at the fair value of the remuneration received from that subject to obtaining, excluding discounts, bonuses and sales taxes.

Recognition of expenses.

The Company bears the costs in the process of operating activities, as well as other expenses that are not related to the operating activities. The costs are included in the income statement if there is a decrease in future economic benefits associated with a decrease in the asset or an increase in the liabilities that can be reliably recognised. The costs are determined in the statement of financial results based on the direct comparison between the incurred costs and income on specific revenues. If the emergence of economic benefits is expected within a few accounting periods and the relationship with the income can be traced only in whole or indirectly, the costs in the statement of financial results are determined based on the rational distribution method. Consumption is determined in a statement of financial results immediately if the costs do not create big future economic benefits, or when the future economic benefits do not meet or cease to meet the requirements of recognition as an asset in balance.

3.23. The following costs

The following costs are capitalised only if they increase the future economic benefits associated with the subject to which the costs relate. All other expenses, including the costs of created by the Company of goodwill and brands, are admitted as part of profit or loss as they arise.

3.24. Employee Benefits

The Company recognizes employees' short-term payments as expenses and as liabilities after deduction any amount already paid. The Company recognizes the expected cost of short-term employee payments for lack of collateral – during the provision of services by employees who increase their rights for future of vacation payments.

Company monthly forms a reserve of holidays, using a coefficient of 0.068 calculated by the formula:

$$C \text{ Reserve} = \text{Scheduled annual amount of vacation/planned annual Payroll Fund}$$

The calculation of this reserve is based on the rules of the Company's accounting policies.

The size of the generated reserve payment provision is subject to inventory at year end.

The amount of deductions to the reserve, including social insurance deductions from these amounts is calculated based on the number of days actually of unused by vacation employees and their average daily earnings at the time of such calculation. Other objective factors that influence the calculation of this indicator may also be taken into account. If necessary, corrective wiring is done in accounting according to the inventory data of the holiday allowance.

At the request of IAS 19, the financial statements notes provide the following information. The Company applies hourly labor remuneration for salaries according to the approved staffing schedule.

As of 31.12.2019, there are no current liabilities for payroll. There are no overdue debts for salary payment as of 31.12.2019.

3.25. Income tax

Income taxes are reflected in the financial statements in accordance with the legislation that is valid at the end of the reporting period. Income tax expense includes current tax and deferred tax and are recognised in profit or loss for the year, except in cases where they relate to transactions recognised in other comprehensive income or directly in equity, in the same or different period.

The current tax is the amount that is expected to be paid or refunded by the tax authorities regarding the taxable profit or losses of the current or previous periods. If financial statements approved by prior to filing relevant tax returns, taxable earnings or tax damage are determined by the settlement method. Other taxes other than on income are recognised in administrative and other operating expenses.

Deferred tax is reflected in respect of temporary differences of assets arising between the carrying amount of assets and liabilities defined for the purposes of their mapping in the financial statements and their tax base. Deferred tax is not recognised in respect of the following temporary differences: differences related to the reflection in the financial statements of goodwill and those that do not reduce the tax base; The difference relating to the assets or liabilities, the fact of initial recognition that does not affect either accounting or taxable profit.

3.26. Losses from non-current assets held for sale

The accounting of assets held for sale by the Company defines in accordance with IFRS 5 "non-current assets held for sale and discontinued activities". The standard requires that assets that meet the criteria to classify them as held for sale, evaluated at a lower value of the carrying amount or fair value of less costs of sale-and that the depreciation of these assets was terminated, the assets that meet the criteria allowing to classify them as held for sale are submitted separately in the statement of financial position, and the results of the discontinued activity-in the statement of comprehensive income.

As of 31.12.2019, the Company does not have any non-current assets held for sale.

3.27. Operating taxes

Accrual, payment and accounting of taxes shall be carried out in accordance with the tax code of Ukraine. Under tax means legally established mandatory contribution to the budget of the appropriate level or State pension fund, carried out by payers in the manner and under the conditions determined by the tax legislation, to form centralized financial resources.

According to Ukrainian tax legislation, there are two sources of payment of taxes to the budget:

- Income
- expenses

Such indirect taxes as value added tax, excise duty are paid by income.

Due to expenses, other taxes and fees are paid.

These taxes are included in the operating expenses in the statement of profit or loss.

3.28. Error correction

The submission and promulgation of the refined financial statements are made in the same manner as the financial statements which are specified.

Since certain clarifying forms of financial reporting are absent, clarification of financial statements is performed by drafting and submitting the standard forms included in Annex No. 1 with the correct indicators.

The procedure for correcting errors depends primarily on the period in which they are admitted: in the current or previous one. Since the reporting period for financial reporting is a calendar year:

- The errors of the previous period are those that are carried out in previous calendar years;
- The errors of the current period include errors that were made and found in the current calendar year or identified after the end of the reporting year, but before the approval of financial statements.

When correcting errors of the current period, it is necessary to correct records of the corresponding accounting accounts in the month of the reporting period in which the inaccuracy is revealed.

In case of correction of errors, made and identified in the current financial year, retained earnings (not covered losses) are not corrected (account 44 not applied).

We correct the error or method of "red reversal", or the way of additional accounting records. At the same time we make an accounting note, which contains the content of mistakes, the amount and correspondence of accounts, through which changes are made.

When correcting mistakes made in previous periods, the mistake is corrected by adjusting the balance of retained earnings.

The fact of the error correction should be noted in notes to the current financial statements. They need to display the following information:

- Content and amount of error;
- Articles of financial statements of the previous periods, are listed for re-submission of comparative information;
- Fact or inappropriate re-publication of the corrected financial statements.

The rules for correcting errors in accounting regulations are defined by IAS 8 "Accounting policies, changes in accounting estimates and errors".

3.29. Financial Risk Management

Risk-a threat of unpredictable material losses associated with occasional changes of economic activity, adverse circumstances, measured frequency, probability of occurrence of different loss levels, exceeding the amount of profit that is expected.

Financial risk is a specific economic category that arises in the process of economic activities and reflects the probability of decrease in profits, loss of capital, bankruptcy in the conditions of the uncertainty of financial, industrial and economic factors.

The Company carries out complex risk management. Risk management functions as managerial personnel.

The Company's financial risk management is a system of methods and instruments, which are implemented through identification, analysis of financial risks, assessment of their probable at for the enterprise, development and implementation of measures to neutralizing their negative impact.

The main objectives of financial risk management are to determine risk limits and to oversee that these limits are not exceeded.

The main risks associated with the Company's financial instruments are credit risk, liquidity risk and currency risk.

The maximum amount of credit risk relating to financial assets is the carrying amount value of the financial assets that are reflected in the balance sheet articles. The Company carries out regular monitoring of accounts receivable under loan agreements, as well as other receivables from the point of view of its repayment.

Liquidity risk is the risk of insolvency the Company to fulfill its payment obligations within the prescribed period under the usual or unpredictable circumstances. The main risk to which the Company is being exposed is the risk associated with the timeliness of repayment of loans.

The Company controls liquidity through planning of current liquidity.

The Company analyzes the payment terms related to receivables and other financial assets, as well as forecasted cash flows from operating activities.

The market risk is a risk of fluctuations in the fair value of future cash flows of financial instruments as a result of changes in market parameters, including foreign exchange rates.

According to IFRS 9, the Company forms reserves to cover expected credit losses. In accordance with IFRS 9, impairment assessment is based on a model of expected credit losses (hereinafter referred to as the "impairment model"). The model of evaluation of expected credit losses is applied to the following financial instruments not evaluated at fair value through profit or loss:

- Bank accounts balances;
- Loans and advances to customers.
- Other financial assets.
- Commitments to provide loans.

The Company considers that it is subjected to risks associated with changes in interest rates and market risk.

4. Disclosures in the financial statement's items

Analysis of Financial Reporting articles

Fair value is the amount by which it is possible to exchange an asset or repay a liability in transactions between knowledgeable, interested, and independent parties.

Significance, omission, or misstatement of financial statement items are significant if they can (alone or collectively) influence the economic decisions that users make based on the financial statements. Significance depends on the size and nature of the omission or misstatement that is evaluated under specific circumstances. The decisive can be either the size or nature of the items, and the combination of items.

Assets, liabilities and equity are elements that are directly related to the assessment of the financial position.

Assets-resources controlled by the Company as a result of past events, which are expected to arrive future economic benefits to the company.

Obligation - the present debt of the Company that arises from the events and repayment of which, at the expectation, will cause the disposal of resources from the Company, which embody the future economic benefits.

Equity is the residual share in the assets of the enterprise after deduction all its obligations.

The accounting policy in the company is regulated by the current legislation of Ukraine, IFRS and the order in the Company "An accounting policy and organization of accounting" of 01.03.2019, No1/PV.

To the form No. 1 Balance sheet (statement of financial position)", during the year, the adjustments and changes were not made.

Information is presented in the context of current assets.

Assessment of the carrying amounts of assets and liabilities is made at fair value.

The balance sheet and liabilities on current (current) and long-term (non-current) in accordance with IAS 1 "Presentation of financial statements" has been carried out for the presentation. The current assets and liabilities include the amounts expected to be reimbursed or repaid within 12 months from the balance sheet date.

4.1 Balance sheet Items (Statement of financial position)

4.1.1. Non-current assets

As of 31.12.2019, non-current assets on the company's balance are comprised of intangible assets, fixed assets and long-term financial investments.

4.1.2. Intangible assets

Intangible assets are accounted for and recognized in the financial statements according to IAS 38 "intangible assets".

The controlled by the non-monetary assets that are not of material form can be identified separately from the enterprise and used by the enterprise for a period of more than 1 year (or operating cycle) for the production of financial services, for administrative purposes or for renting to other persons.

Intangible assets as at 31 December 2019 may be represented as follows:

	<u>Acquired software</u>
January 01, 2019	
Cost	-
Accumulated amortization	-
Net book value	-
Year ended December 31, 2019	
Additions	3,952
Amortisation charges	(164)
December 31, 2019	
Cost	3,952
Accumulated amortization	(164)
Net book value	3,788

4.1.3. Fixed assets

The company's fixed assets are taken into account under IAS 16 "Property, plant and equipment"

Fixed assets are tangible objects that:

- held for use in the provision of financial services or for administrative purposes;
- use, on the expectation, for more than one year and cost more than 6000 UAH.

The fixed assets of the company are counted by objects.

Depreciation of fixed assets of the company is charged by a straight-line method using the terms of useful object of fixed assets.

The fixed assets as of December 31, 2019 are represented in the following groups:

	Machinery and equipment	Instruments, devices and tools	Lease property improvements	Total
January 1, 2019				
Cost	-	-	-	-
Accumulated depreciation	-	-	-	-
Net book value	-	-	-	-
Year ended December 31, 2019				
Additions	493	150	104	747
Depreciation charges	(17)	(38)	-	(55)
December 31, 2019				
Cost	493	150	104	747
Accumulated depreciation	(17)	(38)	-	(55)
Net book value	476	112	104	692

4.1.4. Long-term financial investments

Investment in long-term financial investments has not took place during 2019.

4.1.5. Inventory

Inventory are evaluated at the lower of two values: at cost or net value of sales of goods sold separately. The costs of purchase of inventories consist of the price of purchase, import duties and other taxes, as well as the costs of transportation, loading and unloading and other costs directly related to the purchase of finished products, materials and services.

Assessment of disposal of inventories is carried out: according to the method of identified cost-for stocks, where possible identification of stocks; By the method of FIFO-for those stocks where the identification is impossible.

As of December 31, 2019, stocks comprise 0 thousand UAH

4.1.6. Receivables

The Company recognizes accounts receivable as an asset if there is a possibility of future economic benefits, and its amount can be reliably determined. Accounts receivable are measured at fair value. The Company is reviewing receivables for impairment at each reporting date. If there is evidence of impairment, the receivables cost decreases to the amount of allowance for impairment losses. The amount of the allowance is determined based on the debtors' analysis and reflects the amount that is in the management's opinion sufficient to cover incurred losses. In the event of a change in the fair value of receivables that occur on the reporting date, the changes are recognized in the profit (loss). Accounts receivable are reflected in the amount of expected receipt.

As of December 31, 2019, accounts receivable include:

- receivables for accrued revenues in the amount of 13,817 thousand UAH
- other current accounts receivable amounting to 63,609 thousand UAH

The amount of allowance for impairment losses as of December 31, 2019 is 5,974 thousand UAH

4.1.7. Cash and cash equivalents

As of 31.12.2019, the amount of cash and cash equivalents in banks amounts to 152 thousand UAH.

4.1.8 Equity

Equity element	000'UAH
Authorized capital	7000
Additional capital	(279)
Retained earnings (loss)	150
Unpaid capital	(76)
Total equity	6,795

The authorized capital of the Company formed the contributions of company members exclusively in monetary form. The size of the authorized capital is recorded in the Company charter. The authorized capital may be increased due to profits from the company's economic activities, as well as at the expense of additional contributions of its participants. As of December 31, 2019, the amount of registered capital is 7,000 thousand UAH

The Reserve capital is formed at the expense of retained earnings profits by decision of the general meeting of Founders (participants) and in accordance with the company statute.

The reserve capital of the company is created in the amount of not less than 25% of the statutory capital of company and is intended to cover expenses related to reimbursement of losses and planned expenses. Reserve Capital Fund is formed by annual deductions in the amount of not less than 5% of the annual profit of the company to achieve a predetermined size. As of December 31, 2019, the amount of reserve capital is 0 thousand UAH.

Retained earnings (accumulated loss) at the end of the reporting period is 150 thousand UAH, the unpaid capital (76) thousand UAH.

The total amount of equity of the company in 31.12.2019 is 6795 thousand UAH.

4.1.9. Commitments and provisions

The reporting date of obligation and provision in the statement of financial position is reflected in the following way:

<i>(thousands of Hryvna's)</i>	<u>December 31, 2019</u>
Current accounts payable for goods, works, services	2,581
Short-term bank loans	70,340
Current liabilities on settlements with the budget	33
- For insurance	0
- On wages	0
Current liabilities	118
Other current liabilities	2,745
Total liabilities	<u>75,817</u>

At December 31, 2019, the Company's commitment amounted to 75,817 thousand UAH.

4.2. Statement of financial Results (Statement of comprehensive income)

All articles of income and expenses recognized in reporting periods are included in the report on the financial results (statement of comprehensive income).

The costs are reflected in the accounting at the same time as a decrease in assets or increased liabilities. Expenditures of the reporting period are recognized by either reducing the assets or increasing the liabilities resulting in the reduction of the company's equity capital, provided that these costs can be reliably assessed.

Expenditures are recognized for a certain period at the same time as an acknowledgment of the income to be received.

Provided that an estimate of income can be reliably determined, the income in the statement of financial results is displayed at the time of an asset's receipt or repayment of the obligation that leads to an increase in equity capital of the enterprise.

Provided that the cost estimate can be reliably determined, the costs are reflected in the financial results report at the time of the asset's disposal or increase in liabilities.

Revenues and expenses are usually taken into account based on the accrual basis, depending on the degree of completion of a particular transaction, which is evaluated as the ratio of actually provided volume of services and the total volume of services to be provided.

The company receives revenues in the form of accrued interest and commissions for the provision of funds in the loan, including on the terms of the financial credit. The income of the company from providing funds in a loan, including on the terms of a financial loan is recognized daily, based

on the size of the remuneration stipulated by the contract. At that, the day of issuance is credited in the period of accrual and repayment day is not credited

<i>(thousands of Hryvna's)</i>	Line code	2019
Net income from sales of the product (goods, works, services)	2000	47,336
Other Operating income	2120	5,487
Administrative expenses	2130	(14,798)
Sales costs	2150	(18,592)
Other operating expenses	2180	(17,946)
Financial results from operating activities		
Profit	2190	1487
Other finance income	2220	-
Other income	2240	30
Finance costs	2250	(1,334)
Financial result before taxation	2290	183
Income tax expense (income)	2300	(33)
NET financial result		
Profit	2355	150

4.3. Income tax

Income tax is presented in the amount of current income tax payable. Income tax is calculated according to the tax code of Ukraine. The amount of current tax payable is calculated on the amount of taxable profit for the year. The company's commitment to the current tax is calculated using tax rates that are valid or effective on the reporting date.

Annual income of the Company for the year 2019 for taxation purposes is determined by the rules of accounting without adjusting the financial result before taxation for tax differences, defined in accordance with the GCC provisions.

4.4. Statement of Cash Flows

The Statement of cash-flows for 2019 is based on the requirements of IAS 7 according to the direct method, according to which the information on the main classes of the gross income of monetary funds or gross cash payments on a net basis is disclosed. The report reflected cash flow from operating, investment and financial activities of the company.

Cash flows of the company from the operating, investment and financial activities in account of the P (s) BECAUSE not differed from IFRS.

4.4.1 Cash flow from operating activities

Operating activities conducted is to gain profits from ordinary activities.

Net cash flow from operating activities: – 75,004 thousand UAH.

4.4.2. Cash flow from investment activities

Investment activity is a purposefully undertaken process of formation of the necessary investment resources, balanced according to the chosen parameters of the investment Program (investment Portfolio) based on the choice of effective investment objects and ensuring their implementation.

NET movement of funds from the investment activity: 0 thousand UAH.

4.4.3 Cash flow from financing activity

Financial activity is the receipt or use of funds that took place as a result of replenishment of own capital, emission of securities, redemption of own shares, payment of dividends, and repayment of liabilities under debt securities.

Net cash flow from financial activity: 75,377 thousand UAH.

4.5. Statement of changes in equity

On the 31.12.2019 of the Year:

The registered capital is 7,000 thousand UAH.

The statutory capital was paid in the amount of 6,924 thousand UAH.

The reserve capital is 0 thousand UAH.

Retained earnings profit accounting is carried out in accordance with the current legislation. Net profit (loss) for the December 31, 2019 is 150 thousand UAH.

The total amount of equity in the company is December 31, 2019 6,795 thousand UAH.

5. Disclosure of other information

5.1. Capital Management

The company carries out capital management to achieve the following goals:

- ✓ Maintain the capacity of the company to continue its activities so that it will continue to provide income for company members and payments to other stakeholders.
- ✓ To ensure proper profit to the company members due to the establishment of prices for services of the company that correspond to risk level.
- ✓ To ensure the compliance with capital requirements established by the regulator

The Company performs review of capital structures on an annual basis. At the same time, the management analyzes the cost of capital and its component risks inherent. Based on the findings the company has to regulate capital by attracting additional capital or financing, as well as the payment of dividends and repayment of existing loans.

5.2. Contingent liabilities and assets

The Company does not recognize contingent commitments. The information about the conditionals is disclosed when the economic benefits are probable. The information about the conditionals is disclosed if the possibility of disposal of resources that embody the economic benefits is not remote.

Lawsuits

The company uses official control procedures as well as legal risk management policy. If the current obligation is incurred as a result of past events that are likely to require cash flow and potential losses can be reasonably priced, the company will accumulate reserves to cover all the negative consequences of these risks to their financial condition.

The Company did not participate in any litigation proceedings in 2019.

At the date of preparation and approval of the financial statements, there was no noticed of any unpredictable obligation or obligation to perform, information about what is required to disclose or adjust in the financial statements.

5.3. Staff costs

Methodological bases of the formation in accounting of information about operations for personnel payments and disclosure in the financial statements are carried out in accordance with the requirements of IAS 19 "Employee Benefits".

In determining the value of liabilities for short-term rewards, employee discounting is not applicable, and the relevant costs are recognized as the employees perform their employment duties.

Short-term rewards for employees, including salaries and social security premiums, bonuses and tempering allowances, are accounted for in the core costs according to the principles of service delivery. According to the legislation, the company makes contributions of a certain size to the State Social insurance fund for each employee during the entire period of the employee's employment. the company has no obligation to further payments due to pensions.

5.4. Related party transactions

Transactions with related parties are determined and reflected in the financial statements of the Company in accordance with IAS 24 "Disclosures of the related parties" and in accordance with the tax legislation of Ukraine.

Related parties to the company are:

- Founder – CJSC "LINEURA"
- Director of the Company

In the course of business activities, the company carried out transactions with related parties. The Director of the Company receives rewards in reporting periods that are reflected in the cost of labor remuneration.

(thousand UAH)		
No p/p	Name	Amount of labor costs during the reporting period
1	Pshenychnij Andriy Ivanovych	158
Total		158

5.5. Compliance with the requirements of IAS 29 "financial reporting in hyperinflationary economies"

In Ukraine, the cumulative level of inflation for a three-year period (2017-2019) is 1.6% (the calculation of cumulative index for these three years: $[(101:100) \times (100.8:100) \times (99.8:100) \times 100] - 100 = 1.6$), therefore, the company does not apply TO financial statements IAS 29 "Financial reporting in hyperinflationary economies".

5.6. Events after the reporting date

When preparing financial statements, the Company considers events that occurred after the reporting date and reflects them in the financial statements in accordance with IAS 10 "Events after the reporting period".

The Company estimated in the period from December 31, 2019 the existence of the following events: events that indicate the conditions that existed at the end of the reporting period (events

that require the adjustment of financial statements for the year 2019); and events that indicate the conditions that arose after the reporting period (events that do not require the adjustment of financial statements, but require certain disclosures).

None of the above events were found.

9.5. The decision on approval of the annual financial statements

The annual financial statements of the Company approved by to be released (for the purpose of publication) by the head of the Company on February 26, 2020. Neither the members of the Company nor any other person have the right to amend the financial statements after its approval to be released.

Director:



Pshenychnij A. I.

Chief accountant:

Suhobrus I.P