

**INTERNATIONAL RENAISSANCE
FOUNDATION**

Summary Financial Statements
As at 31 December 2010 and
for the year then ended

INTERNATIONAL RENAISSANCE FOUNDATION

TABLE OF CONTENTS

	Page
INDEPENDENT AUDITORS' REPORT	I
SUMMARY FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2010:	
Summary statement of financial position	2
Summary statement of comprehensive income	3
Summary statement of changes in fund balance (equity)	4
Summary statement of cash flows	5
Notes to summary financial statements	6



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Report of the Independent Auditors on the Summary Financial Statements

To the Board of Directors

International Renaissance Foundation

The accompanying summary financial statements, which comprise the summary statement of financial position as at 31 December 2010, the summary statements of comprehensive income, changes in fund balance (equity) and cash flows for the year then ended, and related notes, are derived from the audited financial statements of International Renaissance Foundation (the "Foundation") as at and for the year ended 31 December 2010. We expressed an unmodified audit opinion on those financial statements in our report dated 16 May 2011.

The summary financial statements do not contain all the disclosures required by International Financial Reporting Standards. Reading the summary financial statements, therefore, is not a substitute for reading the audited financial statements of the Foundation.

Management's Responsibility for the Summary Financial Statements

Management is responsible for the preparation of this summary of the audited financial statements on the basis described in note 1 to the summary financial statements.

Auditors' Responsibility

Our responsibility is to express an opinion on the summary financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810 *Engagements to Report on Summary Financial Statements*.

Opinion

In our opinion, the summary financial statements derived from the audited financial statements of the Foundation as at and for the year ended 31 December 2010 are consistent, in all material respects, with those financial statements, on the basis described in note 1 to the summary financial statements.

JSC KPMG Audit

JSC KPMG Audit
16 May 2011

INTERNATIONAL RENAISSANCE FOUNDATION
SUMMARY FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED
31 DECEMBER 2010

SUMMARY STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2010

(in US dollars)

	31 December 2010	31 December 2009
ASSETS		
NON-CURRENT ASSETS		
Property, equipment and intangible assets	391,531	398,825
CURRENT ASSETS		
Inventories	2,574	1,285
Prepayments, net	56,893	80,159
Receivables	3,066,084	2,169,697
Cash and cash equivalents	227,819	279,688
	<u>3,353,370</u>	<u>2,530,829</u>
TOTAL ASSETS	<u>3,744,901</u>	<u>2,929,654</u>
LIABILITIES AND FUND BALANCE (EQUITY)		
FUND BALANCE (EQUITY)		
	<u>338,601</u>	<u>332,223</u>
CURRENT LIABILITIES		
Accruals	3,365,739	2,458,515
Other liabilities	40,561	138,916
	<u>3,406,300</u>	<u>2,597,431</u>
TOTAL LIABILITIES AND FUND BALANCE (EQUITY)	<u>3,744,901</u>	<u>2,929,654</u>

On behalf of the Board of Directors:



Yevgen Bystritsky
Executive Director

16 May 2011

Natalia Samyukova
Finance Director

16 May 2011

INTERNATIONAL RENAISSANCE FOUNDATION
SUMMARY FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED
31 DECEMBER 2010

SUMMARY STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2010

(in US dollars)

	Year ended 31 December 2010	Year ended 31 December 2009
CONTRIBUTION INCOME		
Foundation Open Society Institute's (FOSI) income	12,243,583	8,421,236
Third parties funding	171,031	171,214
	<u>12,414,614</u>	<u>8,592,450</u>
EXPENSES		
FOSI program expenses	(10,194,797)	(6,990,036)
FOSI administrative expenses	(2,056,418)	(1,497,215)
Third parties expenses	(151,199)	(187,183)
	<u>(12,402,414)</u>	<u>(8,674,434)</u>
Surplus (deficit) of contribution income over expenses	<u>12,200</u>	<u>(81,984)</u>
OTHER INCOME (EXPENSES)		
Interest income	-	4
Other income	11,696	6,732
Foreign exchange (loss) gain	(17,518)	113,252
Surplus for the year	<u>6,378</u>	<u>38,004</u>

On behalf of the Board of Directors:




Natalia Sannikova
Finance Director

16 May 2011

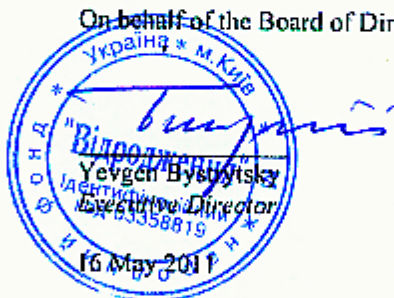
INTERNATIONAL RENAISSANCE FOUNDATION
SUMMARY FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED
31 DECEMBER 2010

SUMMARY STATEMENT OF CHANGES IN FUND BALANCE (EQUITY)
FOR THE YEAR ENDED 31 DECEMBER 2010

(in US dollars)

Fund balance (equity) as at 31 December 2008	294,219
Surplus for the year	38,004
Fund balance (equity) as at 31 December 2009	<u>332,223</u>
Surplus for the year	6,378
Fund balance (equity) as at 31 December 2010	<u>338,601</u>

On behalf of the Board of Directors:



Natalia Sannikova
Finance Director

16 May 2011

INTERNATIONAL RENAISSANCE FOUNDATION

SUMMARY FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED
31 DECEMBER 2010

SUMMARY STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2010

(in US dollars)

	Year ended 31 December 2010	Year ended 31 December 2009
Cash flows from operating activities		
Surplus for the year	6,378	38,004
Adjustments for:		
Depreciation/amortization	88,641	66,418
Transfer of assets to not-for-profit organizations	43	2,036
Foreign currency exchange gain, net	(106)	-
Increase in receivables	(896,387)	(362,056)
Decrease (increase) in prepayments	23,372	(10,147)
(Increase) decrease in inventories	(1,289)	1,538
Increase in accruals	907,224	545,256
Decrease in other liabilities	(98,355)	(18,683)
Cash inflow from operating activities	<u>29,521</u>	<u>262,366</u>
Cash flows from investing activities		
Purchase of property, equipment and intangible assets	(81,390)	(95,775)
Cash used in investing activities	<u>(81,390)</u>	<u>(95,775)</u>
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	<u>(51,869)</u>	<u>166,591</u>
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>279,688</u>	<u>113,097</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>227,819</u>	<u>279,688</u>



On behalf of the Board of Directors:

Yevgen Bystrovsky
Executive Director

16 May 2011

Natalia Sannikova
Finance Director

16 May 2011

INTERNATIONAL RENAISSANCE FOUNDATION
SUMMARY FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED
31 DECEMBER 2010

NOTES TO SUMMARY FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2010

I. BASIS OF PREPARATION

These summary financial statements are derived from the audited financial statements of International Renaissance Foundation as at and for the year ended 31 December 2010 prepared in accordance with International Financial Reporting Standards, and comprise the summary statement of financial position as at 31 December 2010, the summary statements of comprehensive income, changes in fund balance (equity) and cash flows for the year then ended, and related notes.

The Foundation maintains its underlying accounting records in Ukrainian hryvnias ("UAH"). Before the year 2010 management identified the US dollar ("USD") as the functional and presentation currency of the Foundation under International Financial Reporting Standard IAS 21 "The Effects of Changes in Foreign Exchange Rates" as the grants were received in US dollars and the financing of grantees was linked to US dollars. From the year 2010 management identified the Ukrainian hryvnia ("UAH") as the functional currency due to the change in the circumstances including financing of grantees in UAH. Accordingly, all currencies other than UAH are treated as foreign currencies. However, the US dollar remains the presentation currency of International Renaissance Foundation.

On behalf of the Board of Directors:



Natalia Samukova
Finance Director

16 May 2011