

**Public charity fund «BF MEREKE»**

Special purpose report

*For the year ended 31 December 2024,  
with independent auditor's report*

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**Management Statement of Public charity fund «BF MEREKE»  
on responsibility for the preparation and approval of the financial statements  
for the year ended december 31, 2024**

The following statement, which should be considered together with the description of auditors' responsibilities contained in the independent auditors' report, is made to delineate the responsibilities of the auditors regarding the financial statements of Public charity fund «BF MEREKE» (hereinafter referred to as the "Company").

The Company's management is responsible for preparing financial statements that fairly present, in all material respects, the financial position of the Company as of December 31, 2024, as well as its financial performance, cash flows, and changes in equity for the year then ended, in accordance with International Standards on Auditing (hereinafter referred to as "ISA").

In preparing the financial statements, management is responsible for:

- Ensuring the appropriate selection and application of accounting policies;
- Providing information, including details on accounting policies, in a manner that ensures relevance, reliability, comparability, and clarity of such information;
- Disclosing additional information when compliance with IFRS requirements is insufficient for users of the financial statements to understand the effects of particular transactions, as well as other events or conditions affecting the Company's financial position and performance;
- Assessing the Company's ability to continue as a going concern in the foreseeable future.

Management is also responsible for:

- Developing, implementing, and maintaining an effective and reliable internal control system within the Company;
- Maintaining an accounting system capable of generating, at any time, sufficiently accurate information about the Company's financial position and ensuring compliance of financial statements with management's requirements;
- Taking measures within its authority to safeguard the Company's assets and detect and prevent fraudulent activities and other irregularities.

The Company's financial statements for the year ended December 31, 2024, were approved for issuance on April 30, 2025.

Director







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## INDEPENDENT AUDITOR'S REPORT

To the Management of Charity Fund BF Mereke

### **Opinion**

We have audited the Special purpose financial statements of Charity Fund BF Mereke (the "Fund"), which comprise the balance sheet as at December 31, 2024, the income statement for the year then ended, and notes to the Special purpose financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying Special purpose financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024, and its financial performance for the year then ended in accordance with accounting policies disclosed in Note 2 approved by the steering committee of the Fund.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the *Auditor's responsibility for the audit of the financial statements* section of our report. We are independent of the Fund in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* (including International Independence Standards) ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

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

### **Important Circumstances Basic Accounting Principles and Restrictions on Use and Distribution**

We draw attention to Note 2 to the Special purpose financial statements, which sets out the main accounting principles. The Special purpose financial statements have been prepared for the purpose of disclosing information on the Fund's total receipts and expenditures, and the balance sheet of the Fund. Accordingly, this Special purpose financial statements may not be applicable for other purposes. Our audit report is intended solely for the Management and participants of the Fund, as well as for the sponsors of the Fund, and should not be used by any other party or transmitted to any other party than the specified parties. Our opinion has not been modified in relation to this circumstance.

### **Responsibilities of management for the financial statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting policies disclosed in Note 2 to the Special purpose financial statements, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Those charged with governance are responsible for overseeing the preparation of the Fund's Special purpose financial statements.

### **Auditor's responsibility for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material





aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Special purpose financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Saltanat Tleuova  
Director  
TGS Saryarqa LLP



Saltanat Tleuova  
Auditor

State audit license for audit activities on the territory of the Republic of Kazakhstan  
No. 20014819 issued by the State internal audit committee of the Ministry of Finance of the Republic of Kazakhstan on October 7, 2020

6, Saryarka Ave., BC Arman, office 305, Astana  
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April 30, 2025

Auditor qualification certificate No.МФ-0000793  
dated May 4, 2019

## SPECIAL PURPOSE REPORT OF ACTIVITIES

<i>In thousands of tenge</i>	<b>Note</b>	<b>2024</b>	<b>2023</b>
Contributions	4	359,238	215,145
<b>Expenses:</b>			
Operating services	5	(287,477)	(145,396)
General and administrative expenses	6	(51,176)	(32,052)
<b>Total expenses</b>		<b>2,080</b>	<b>(177,448)</b>
		<b>(336,573)</b>	
Other operating income			3,055
Income tax expenses		—	—
<b>Surplus of contributions over expenses</b>		<b>22,665</b>	<b>40,752</b>

Director





## SPECIAL PURPOSE REPORT OF FINANCIAL POSITION

<i>In thousands of tenge</i>	<b>Note</b>	<b>31 December, 2024</b>	<b>31 December, 2023</b>
<b>Current assets</b>			
Inventories		22,166	1,077
Other current assets		3,836	4,370
Cash and cash equivalents	3	43,449	39,294
<b>Total current assets</b>		<b>69,452</b>	<b>44,741</b>
<b>Non-current assets</b>			
Property, plant and equipment		2,934	2,296
<b>Total non-current assets</b>		<b>2,934</b>	<b>2,296</b>
<b>Total assets</b>		<b>72,386</b>	<b>47,037</b>
<b>Equity and liabilities</b>			
<b>Equity</b>			
Contributions surplus		69,178	46,512
<b>Total equity</b>		<b>69,178</b>	<b>46,512</b>
<b>Current liabilities</b>			
Trade accounts payable		2,475	189
Other taxes payable		276	130
Other current liabilities		457	206
<b>Total current liabilities</b>		<b>3,208</b>	<b>525</b>
<b>Total equity and liabilities</b>		<b>72,386</b>	<b>47,037</b>

Director



**NOTES TO THE SPECIAL PURPOSE REPORT**

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**1. GENERAL INFORMATION**

The charitable public foundation “BF MEREKE” (hereinafter referred to as “the Foundation”) was established on November 20, 2020, in accordance with the legislation of the Republic of Kazakhstan. The Foundation is a non-governmental and non-profit organization. The mission of the Foundation is to engage society in a culture of philanthropy, contribute to and promote a healthy lifestyle among youth, and support the further development of the Republic of Kazakhstan through educated and well-brought-up young people. Since May 2024, the Foundation has also been operating through a branch office in Almaty.

The main activity of the Fund is the implementation of projects in such areas as education, sports, as well as charitable assistance to socially vulnerable, low-income segments of the population.

The Participants of the Fund are the following individuals:

- Dashina Irina Nikolaevna;
- Serikova Gulshat Kayirzhanovna.

The Members of the Board of Trustees of the Fund are the following individuals:

- Nokesh Nursultan Kairatuly;
- Mekenbaeva Moldir Erlanovna;
- Kairat Arman Tolegenuly;
- Beisenbinov Dostan Zhanbolatovich.

The registered office of the Foundation is located at: 010000, Republic of Kazakhstan, Astana city, Yesil district, Turan Avenue 40/2, Office 2. In 2024, a decision was made to open a branch of “BF MEREKE” in Almaty, registered at: Almaty city, Raiymbek Avenue, 167d. These special purpose reports of the Fund were approved by the Director of the Fund on 15 April, 2025.

This special purpose report (hereinafter referred to as “the Report”) of the Foundation was signed by the Director of the Foundation on April 30, 2025.

**2. BASIS OF PREPARING SPECIAL PURPOSE REPORT AND SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS**

These special purpose reports have been prepared in accordance with the approved accounting policies of the Fund.

The report have been prepared for the purpose of disclosing information on the financial position and on the activities of the Fund for 2024. These reports may not be applicable for any other purpose, nor does the report contain information on changes in the Fund's cash flows as at and for the years ended 31 December, 2024 and 2023.

The report are presented in tenge, which is the functional currency of the Fund.

**Classification of assets and liabilities as current and non-current**

In the special purpose report of financial position, the Fund presents assets and liabilities based on their classification as current and non-current in the statement of financial position. An asset is current if:

- it is supposed to be realized or it is intended for sale or consumption within the normal operating cycle;
- it is intended primarily for trading purposes;
- it is supposed to be implemented within 12 (twelve) months after the end of the reporting period; or
- it represents cash or cash equivalents, unless there are restrictions on its exchange or use to pay off obligations for at least 12 (twelve) months after the end of the reporting period.

All other assets are classified as non-current.

Liabilities are current, if:

- it is supposed to be extinguished within the normal operating cycle;
- it is held mainly for trading purposes;
- it is repayable within 12 (twelve) months after the end of the reporting period; or
- the Company does not have an unconditional right to defer repayment of the obligation for at least 12 (twelve) months after the end of the reporting period.

The Company classifies all other liabilities as non-current.

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



**NOTES TO THE SPECIAL PURPOSE REPORT (continued)****2. BASIS OF PREPARING SPECIAL PURPOSE REPORT AND SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)****Inventories**

Inventories are stated at the lower of cost and net realizable value. Net realizable value is based on the estimated selling price of the inventories in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale. When inventories are issued for production or sold to third parties, the cost of inventories disposed of and the ending balance are determined using the weighted average cost method.

**Cash and cash equivalents, bank deposits**

Cash and cash equivalents include cash in banks and on hand.

**Property plant and equipment***Recognition and evaluation*

Items of property, plant and equipment are valued at cost less accumulated depreciation. The cost of property, plant and equipment consists of the purchase price of the asset, import duties and taxes (other than reimbursable taxes), less trade discounts. The cost of transporting an asset to the right place and bringing it into a condition necessary for operation, including the costs of employee benefits that are directly related to the construction or acquisition of the asset, are not included in the cost of the asset and are recognized as expenses in the period in which they are incurred.

The initial valuation of independently created items of property, plant and equipment, the production period, construction of which is less than one year, is determined on the basis of the same principles as when purchasing, and includes the purchase price of raw materials and materials spent on the production of items of property, plant and equipment, import duties, taxes (except reimbursed).

When property, plant and equipment is acquired in exchange for another asset, the actual cost of the item received is assumed to be equal to the carrying amount of the item given up, adjusted for the amount of cash or cash equivalents paid.

*Depreciation*

The cost of property, plant and equipment is systematically expensed over its useful life through depreciation. Depreciation charges for each period are recognized as an expense. Depreciation of items of property, plant and equipment is charged from the first day of the month following the month in which the asset becomes available for use and continues to accrue until it is disposed of and if the asset has not been used for a certain period of time.

Typically, each component of an item of property, plant and equipment is depreciated on a straight-line basis over its expected useful life, as this method most accurately reflects the expected consumption of the future economic benefits embodied in the asset, and the depreciation charge is included in profit or loss for the period.

Depreciation of property, plant and equipment is calculated by the straight-line method over the following useful lives:

	In years
Computers	4
Copying equipment (printers, copier, fax)	5
Furniture	10
Other property, plant and equipment	10

The expected useful lives and residual values of property, plant and equipment are reviewed periodically. If subsequent calculations differ significantly from previous calculations, then depreciation charges for the current and future periods are adjusted.

**Contributions**

Contributions are transfers from legal entities and individuals without a specific indication of the project and the purpose of spending. Contributions are recognized when funds are received from sponsors and are used to finance the Fund's projects within the Fund's mission, as well as to fund general and administrative expenses.

**Program services and general and administrative expenses**

Expenses are recognized upon receipt of services, transfer of goods and materials to institutions in the reporting period to which they occur, based on the order of the board of trustees and the signed act of acceptance of the transfer. Unused funds are accumulated in bank accounts or in the Fund's cash desk.



## NOTES TO THE SPECIAL PURPOSE REPORT (continued)

**2. BASIS OF PREPARING SPECIAL PURPOSE REPORT AND SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)****Payroll payments and related taxes**

Payroll expenses, contributions to the pension fund and social insurance fund, paid annual leave and sick leave, and non-monetary benefits are accrued for the year in which the employees of the fund perform the relevant work. On behalf of its employees, the Fund pays such pension contributions and severance benefits, provided for by the requirements of the legislation of the Republic of Kazakhstan. Such payments are expensed as incurred. Fund volunteers do not receive wages from the fund or other compensation payments.

**Other operational expenses and incomes**

Other operating income and expenses include foreign exchange differences on transactions and balances of monetary assets and liabilities denominated in foreign currencies, as well as interest income on unused funds placed on deposits.

**3. CASH AND CASH EQUIVALENTS**

	31 December 2024	31 December 2023
<i>In thousands of tenge</i>		
Cash on current accounts	28,429	36,072
Cash on hand	15,020	3,222
	<b>43,449</b>	<b>39,294</b>

The following table shows the balance of cash placed with banks at the reporting date using Standard&Poor credit ratings:

Banks	Location	Rating		2024	2023
		2024	2023		
ForteBank JSC	Kazakhstan	B-/Negative	B+/ Positive	14,503	1,259
Kaspi Bank JSC	Kazakhstan	BB-/Positive	BB-/ Positive	6,981	351
First Heartland Jusan JSC	Kazakhstan	B1/ Positive	BB/ Stable	6,240	32,099
Halyk Bank JSC	Kazakhstan	BB+/Stable	BB+/ Stable	370	2,363
Bank Center Credit JSC	Kazakhstan	BB-/Stable	Ba2/ Stable	335	—
				<b>28,429</b>	<b>36,072</b>

**4. CONTRIBUTIONS**

	2024	2023
<i>In thousands of tenge</i>		
Donations from legal entities	264,762	145,976
Donations from individuals	94,476	69,169
	<b>359,238</b>	<b>215,145</b>

During 2024, the Fund received the bulk of the funds from legal entities, as well as from general sponsors and individuals in cash and non-cash.

In 2024, charitable assistance was provided by more than 35 legal entities, including companies such as: LLP “McKinsey & Company Kazakhstan,” LLP “Bau Engineering,” LLP “Mergen Qurylis Astana,” LLP “Doromarine,” LLP “Ulybka Stolitsy,” among others.

Over 1,000 individuals made charitable donations through the cash desk, donation boxes, and mobile applications Kaspi.kz and Halykbank.kz.



## NOTES TO THE SPECIAL PURPOSE REPORT (continued)

## 5. OPERATING SERVICES

<i>In thousands of tenge</i>	2024	2023
<b>Education</b>		
Project "Sana Sport"	29,692	—
Project "Scholarship program"	19,931	14,739
Project "Summer camp"	14,045	804
Project "Contribution to the future"	13,599	8,017
Project "Education Without Borders"	2,117	—
Project "Sana Bilim"	1,774	—
Project "Reading Generation"	1,552	—
Project "Cultural Enlightenment"	1,323	282
Project "Sewing Skills Training"	970	991
Project "Preparatory Lessons"	—	2,223
Project "Training Workshops and Seminars"	—	300
Project "Vocational Training"	—	152
<b>Social help</b>		
Project BLAGO	15,540	12,322
Project "Path to school"	11,292	5,829
Project "Warm winter"	9,423	6,465
Project "Present for Nature"	2,342	—
Project "Donor's day"	2,009	743
Project "Gift of warmth"	1,770	1,683
Project "Wonderful Day"	1,399	3,235
Project "Family helps family"	1,158	209
Project "Care"	1,078	—
Project "Tree of miracles"	807	284
<b>Sport</b>		
Project "Boxing club"	9,880	1,889
Project "Chess section"	508	—
Project "Sports Sponsorship"	300	29,261
<b>One-time projects</b>		
Project "Childhood Support Centers" (Baby House, Nurly Zhurek, Ak Zhol-M)	67,057	—
Project "Emergency Relief"	40,583	2,011
Project "Ad Hoc Projects"	29,829	53,526
Project "Event Organization"	7,499	431
	<b>287,477</b>	<b>145,396</b>

Short description of the Fund's key and largest projects in 2024:

**Education**

- **"Sana Sport" Project:** In 2024, the Foundation enabled 150 children to participate in sports, educational, and creative extracurricular clubs. The children attended classes in boxing, volleyball, football, karate, dance, English, dombra, and other activities.
- **"Scholarship Program" Project:** This project provides financial incentives and support to the top 40 students of Nazarbayev University and 15 participants of the "Mugalim" educational initiative through monthly scholarships for one academic year, with the possibility of extension subject to maintaining academic performance.
- **"Seasonal Camp" Project:** In 2024, the Foundation organized seasonal camps in two cities—Astana and Almaty—accommodating 80 children in Astana and 20 in Almaty. The program combined active recreation with educational activities.
- **"Contribution to the Future" Project:** The Foundation supports the development of young talents by facilitating their participation in international educational programs. In 2024, two students took part in the RSI program at the Massachusetts Institute of Technology (MIT).

**Social Assistance**

- **"Blago" Project:** The Foundation distributed food baskets and meat products totaling over 16,608 kg to 1,384 socially vulnerable families.
- **"Road to School" Project:** A total of 897 children in Astana and Almaty received school backpacks fully equipped with stationery by the beginning of the academic year.
- **"Warm Winter" and "Share the Warmth" Projects:** During the winter months, warm clothing was purchased and distributed to more than 283 children, and over 50 families were provided with coal (2–3 tons per household).



## NOTES TO THE SPECIAL PURPOSE REPORT (continued)

## 5. OPERATING SERVICES (CONTINUED)

*Social Assistance*

- **"Family Helps Family" Project:** Around 2,093 families received clothing and household items (with a total volume exceeding 8,000 kg) through the Foundation's social shop operating at its main office.

*Sports*

- **"Sports Sponsorship" and "Boxing School" Projects:** These initiatives support the development of the "Alash Boxing Club" and fund individual athletes.
- **"Chess Club" Project:** Thirty children under the Foundation's care regularly attend chess classes.

*One-Time Initiatives*

- **"Childhood Support Centers" Project:** From January to March 2024, the Foundation carried out renovation work at the Nurly Zhurek Social Assistance Center in Astana. From September 2024 to January 2025, renovation was conducted at the Ak Zhol M Child Rehabilitation Center in Kyzylkairat village, Almaty region. The work included building insulation, window and door replacement, flooring upgrades, electrical installations, and partition installations.
- **"Ad Hoc Projects":** This category includes targeted actions for specific audiences—in 2024, these were social workers (e.g., doctors and teachers) and other public foundations. The Foundation supported medical professionals by organizing training workshops and donating specialized equipment (such as a laptop for a capsule endoscopy system) to the surgical department of the Multidisciplinary Children's City Hospital No. 2 in Astana. Additionally, targeted support was provided to various public foundations in the form of organizational assistance and collaboration in implementing social initiatives.
- **"Humanitarian Aid" Project:** In response to flooding in the Kostanay region, the Foundation assisted affected families by providing essential goods, including food, bedding, heaters, and basic household items.

## 6. GENERAL AND ADMINISTRATIVE EXPENSES

The average number of employees at the foundation in 2024 was 10 people.

The average monthly payroll expenses amounted to 187,000 tenge, with salaries under the staffing schedule ranging from 90,000 to 300,000 tenge.

<i>In thousands of tenge</i>	2024	2023
Payroll expenses and related taxes	22,330	10,676
Office lease	11,534	9,362
Utilities expenses	2,685	—
Marketing expenses	2,570	243
Audit services	1,904	300
Inventories	1,726	302
Internet services	1,038	525
Depreciation	860	578
Ventilation service	847	424
Individual income tax withheld from individuals	601	2,923
Bank commissions	320	255
Service maintenance	80	1,006
Events organization	23	429
Cleaning service	14	2,357
Other expenses	4,644	2,671
	51,176	32,052

## 7. SUBSEQUENT EVENT

As of the date of issuance of this special purpose report, the Foundation has fully completed the renovation works at the Ak Zhol M Rehabilitation Center, with the total value of inventory and materials amounting to 20,531 thousand tenge, and construction and installation works totaling 33,830 thousand tenge.