

**National Centre for Neurosurgery  
Joint-Stock Company**

**Financial Statements**  
for the year ended on December 31, 2019

**and Audit Report**

Nur-Sultan, 2020



TABLE OF CONTENTS	PAGE
<b>MANAGEMENT CONFIRMATION OF RESPONSIBILITY FOR THE PREPARATION AND APPROVAL OF FINANCIAL STATEMENTS FOR THE YEAR ENDED ON DECEMBER 31, 2019 .....</b>	<b>3</b>
<b>INDEPENDENT AUDITOR’S REPORT .....</b>	<b>4-6</b>
<b>FINANCIAL STATEMENTS FOR THE YEAR ENDED ON DECEMBER 31, 2019:</b>	
Statement of Financial Position .....	7
Profit and Loss Statement .....	8
Statement of Cash Flows .....	9-10
Statement of Changes in Equity .....	11
Notes to the Financial Statements.....	12-46.



**MANAGEMENT CONFIRMATION OF RESPONSIBILITY FOR THE PREPARATION  
AND APPROVAL OF FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED ON DECEMBER 31, 2019**

---

The following statement, which should be read in conjunction with the description of the independent auditors' responsibilities contained in the presented independent auditors' report, was made with the aim of distinguishing the responsibilities of independent auditors and the management with respect to the financial statements of the National Centre for Neurosurgery Joint-Stock Company (hereinafter - the Company).

The Company's management is responsible for the preparation of financial statements that reliably reflect in all material respects the financial position of the Company as of December 31, 2019, as well as for the financial results of its operations, cash flows and changes in equity for the year then ended in accordance with International Financial Reporting Standards ("IFRS").

In preparing the financial statements, the management is responsible:

- for choosing appropriate accounting principles and their consistent application;
- for the application of reasonable estimates and calculations;
- for compliance with the IFRS or disclosure of all material deviations from the IFRS in the notes to the financial statements; and
- for the preparation of financial statements based on the assumption that the Company will continue its operations in the foreseeable future, except in cases where such an assumption is unlawful.

The Company's management is also responsible:

- for the development, implementation and maintenance of an effective and reliable internal control system in all divisions of the Company;
- for the maintenance of an accounting system that allows the Company to prepare at any time and with a sufficient degree of accuracy information on its financial position and to ensure compliance of financial statements with the IFRS requirements;
  - for the maintenance of accounting records in accordance with the legislation and accounting standards of the Republic of Kazakhstan;
  - for taking measures within its competence to protect the Company's assets; and
  - for identifying and preventing fraud and other abuses.

These financial statements for the period ended on December 31, 2019 were approved for the issue by the Company's management on June 26, 2020.

**Signed on behalf of the Company's Management:**

\_\_\_\_\_ 

**Chairman of the Management Board S. K. Akshulakov**

**Chief Financial Officer K.A. Kairlenov**

June 26, 2020 Nur-Sultan

\_\_\_\_\_ 

**Chief Accountant A.A. Yermaganbetova**

\_\_\_\_\_ 



Asia KZT Audit Company  
**LIMITED LIABILITY COMPANY**

State License  
for audit activities in the Republic of Kazakhstan  
No. 16004604 issued by the Ministry of Finance  
of the Republic of Kazakhstan on March 11, 2016



**APPROVED**  
Director of Asia KZT  
Audit Company LLP

G.Sh. Abiteyeva

**AUDIT REPORT OF INDEPENDENT AUDITORS**

**To the shareholders and management  
of the National Centre for Neurosurgery JSC**

**Report on the Audit of the Financial Statements**

**Qualified Opinion**

We have conducted an audit of the financial statements of the National Centre for Neurosurgery Joint-Stock Company (hereinafter - the Company), which consists of the Statement of Financial Position as of December 31, 2019, the Profit and Loss Statement, the Statement of Cash Flows, the Statement of Changes in Equity and notes to the financial statements, including a summary of basic accounting policies.

In our opinion, except for the impact of the issue set out in the *Grounds for a Qualified Opinion* section of our report, the attached financial statements in all material respects provide a reliable view of the financial position of the Company as of December 31, 2019, as well as its financial results and cash flows for the year then ended in accordance with the International Financial Reporting Standards (IFRS).

**Grounds for a Qualified Opinion**

We have conducted an audit in accordance with the International Standards on Auditing (ISA). Our responsibilities under these standards are described further in the *Auditor's Responsibility for the Audit of Financial Statements* section of our report. We are independent in relation to the Company in accordance with the *Code of Ethics of Professional Accountants* of the International Ethics Standards Board for Accountants (IESBA Code), and we have fulfilled our other ethical obligations in accordance with the IESBA Code.

We did not observe the stock counting as of December 31, 2019. Due to the pandemic situation, the audit procedures were carried out remotely based on the submitted scanned copies of primary accounting documents.

The impact on the financial statements is not so significant as to be a basis for a qualified opinion (conditionally positive opinion).

**Key Audit Issues**

We have determined that, besides the issue set out in the *Grounds for a Qualified Opinion* section of our report, there are no other key audit issues that should be outlined in our report.



### **Responsibility of the management and those charged with governance for the financial statements**

The management is responsible for the preparation and fair presentation of these financial statements in accordance with the International Financial Reporting Standards as well as for the internal control system, which the management considers necessary for the preparation of financial statements that are free from material misstatement due to fraud or error.

In preparing the financial statements, the management is responsible for assessing the Company's ability to continue as a going concern, for disclosing, as appropriate, information related to business continuity, and for preparing the financial statements based on the going concern assumption, unless the management intends to liquidate the Company or to cease its activity, or when it does not have any other realistic alternative, except liquidation or cessation of activity.

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

### **Auditor's Responsibility for the Audit of Financial Statements**

Our objective is to obtain reasonable assurance that the financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that contains our opinion. Reasonable assurance means a high degree of assurance, but is not a guarantee that an audit conducted in accordance with the International Standards on Auditing always reveals material misstatement, if any. Misstatements may result from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to affect the economic decisions of users taken in reliance upon these financial statements.

As part of an audit conducted in accordance with the International Standards on Auditing, we apply professional judgment and maintain professional skepticism throughout the audit. In addition, we perform the following:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error; develop and conduct audit procedures in response to such risks; obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of failure to reveal a material misstatement resulting from fraud is higher than the risk of failure to reveal a material misstatement resulting from errors since fraud may include collusion, forgery, deliberate omission, misrepresentation or circumvention of internal control system;

- Reach an understanding of the internal control system, which is relevant for the audit, in order to develop audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion regarding the effectiveness of the Company's internal control system

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management;

- Draw a conclusion on the appropriateness of the management's use of a going concern principle and, based on the audit evidence obtained, whether there is material uncertainty relating to any events or conditions which may result in significant doubts regarding the Company's ability to continue as a going concern. If we draw a conclusion that material uncertainty exists, we are obliged to pay attention in our auditor's report to the disclosure of relevant information in the financial statements or, if such disclosure is improper, modify our opinion. Our conclusions are based on the audit evidence obtained prior to the date of our auditor's report. However, future events or conditions may cause to Company to lose its ability to continue as a going concern;

- Evaluate the presentation of the financial statements as a whole, its structure and content, including the disclosure of information, and whether the financial statements represent the underlying operations and events in such a way as to ensure their reliable presentation.

We communicate with those charged with corporate governance regarding, among other things, the planned scope and timing of the audit, as well as significant audit findings, including significant deficiencies in the internal control system that we identify during the audit process.

We also provide those charged with corporate governance with a statement that we have complied with all relevant ethical requirements for independence and informed these persons of all relationships

and other issues that can reasonably be considered to influence the auditor's independence, and, where necessary, appropriate precautions.

Out of issues we have communicated to those charged with corporate governance, we determine the issues of the most importance for the audit of the financial statements for the current period and, therefore, are the key audit issues. We describe these issues in our audit report, except when public disclosure of information on such issues is prohibited by the law or regulations, or when, in extremely rare cases, we draw a conclusion that information about any issue should not be disclosed in our report, since it can reasonably be assumed that negative consequences of such disclosure will exceed the publicly significant usefulness thereof.

**Auditor,  
Director**  
**Asia KZT Audit Company LLP**  
*Y-17 C Street, Office 1, Nur-Sultan*



*Auditor's Qualification Certificate No. МФ-0000291 dated November 9, 2015  
issued by the Auditor Certification Commission of the Union of Auditors  
of Kazakhstan*

**Assistant Auditor**

**U.D. Dosmagambetova**



**Approval date of the Audit Report of**

**Independent Auditors June 26, 2020**



**National Centre for Neurosurgery JSC**  
**Financial Statements for the year ended on December 31, 2019**

**Statement of Financial Position of the National Centre for Neurosurgery JSC as of December 31, 2019**

Item	Note	At the end of the reporting period 31.12.2019	At the beginning of the reporting period 31.12.2018
<b>Non-current assets</b>			
Property, plant and equipment	6.1	6 598 011	6 234 208
Intangible assets	6.2	11 976	6 005
Advances paid	6.3	1 524 985	1 524 985
Other financial assets	6.4	41 580	41 580
Long-term finance lease receivables	6.5	193 195	3 507
<b>Total non-current assets</b>		<b>8 369 747</b>	<b>7 810 285</b>
<b>Current assets</b>			
Inventories	6.6	585 983	668 863
Accounts receivable	6.7	231 707	262 306
Prepayment for corporate income tax			-
Prepayment for other taxes	6.8		
Cash and cash equivalents	6.9	3 853 513	4 022 385
Other current assets	6.10	6 906	17 627
<b>Total current assets</b>		<b>4 678 109</b>	<b>4 971 181</b>
<b>Total assets</b>		<b>13 047 856</b>	<b>12 781 466</b>
<b>Capital and liabilities</b>			
Authorized capital	6.11	9 223 040	9 223 040
Additional paid-in capital	6.12		
Reserve capital	6.13	409 259	409 259
Retained earnings	6.14	424 969	433 175
<b>Total capital</b>		<b>10 057 268</b>	<b>10 065 474</b>
<b>Non-current liabilities</b>			
Long-term accounts payable			-
Government subsidies	6.15	2 360 588	2 402 802
<b>Total long-term liabilities</b>		<b>2 360 588</b>	<b>2 402 802</b>
<b>Current liabilities</b>			
Government subsidies	6.16	47 088	51 961
Accounts payable	6.17	387 026	61 342
Payables to employees	6.18	17 214	41 268
Advances received			
Other current liabilities	6.19	178 672	158 619
<b>Total current liabilities</b>		<b>630 000</b>	<b>313 190</b>
<b>Total capital and liabilities</b>		<b>13 047 856</b>	<b>12 781 466</b>

Chairman of the Management Board

Chief Financial Officer

Chief Accountant

S.K. Akshulakov

K.A. Kairlenov

A.A. Yermaganbetova

*National Centre for Neurosurgery JSC  
Financial Statements for the year ended on December 31, 2019*

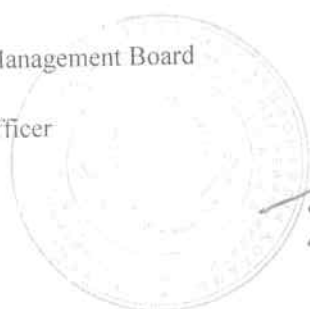
**Statement of Profit and Loss and Other Comprehensive Income of the National Centre for Neurosurgery  
JSC for the year ending on December 31, 2019**

Indicator	For the reporting period 2019	For the previous period 2018
Revenue from the provision of services	5 334 367	4 769 105
Cost of services rendered	(5 166 901)	(4 902 215)
<b>Gross profit (loss)</b>	<b>(167 466)</b>	<b>(133 110)</b>
General and administrative expenses	(400 256)	(347 220)
Income from government subsidies	47 088	51 961
Other income	240 125	38 633
Other expenses	(191 636)	(36 979)
<b>Loss from operating activities</b>	<b>( 137 213)</b>	<b>(426 715)</b>
Foreign exchange loss/gain, net	(14 978)	310 142
Finance income	154 967	138 539
Impairment loss of fixed assets		
Loss/(gain) from disposal of property, plant and equipment		
Other gains and losses		
<b>Profit before tax</b>	<b>2 776</b>	<b>21 966</b>
Corporate income tax expenses		
<b>Profit for the reporting year</b>	<b>2 776</b>	<b>21 966</b>
Other comprehensive income for the reporting year		
<b>Total comprehensive income for the reporting year</b>	<b>2 776</b>	<b>21 966</b>

Chairman of the Management Board

Chief Financial Officer

Chief Accountant



*(Handwritten signatures)*

S.K. Akshulakov

K.A. Kairlenov

A.A. Yermaganbetova



*National Centre for Neurosurgery JSC  
Financial Statements for the year ended on December 31, 2019*

**Statement of Cash Flows of the National Centre for Neurosurgery JSC (direct method) for the year ending on December 31, 2019**

Indicator	For the reporting period 2019	For the previous period 2018
<b>I. Cash flow from operating activities</b>		
<b>1. Cash inflow, total</b>	<b>5 939 431</b>	<b>6 247 744</b>
including:		
proceeds from services rendered	4 231 661	3 636 209
Advances received from buyers, customers	1 159 976	1 171 706
Interest received	133 969	128 227
Other proceeds	413 825	1 311 602
<b>2. Cash outflow, total</b>	<b>(5 822 046)</b>	<b>(6 066 839)</b>
including:		
payments to suppliers for goods and services	(3 003 531)	(2 833 838)
advances paid to suppliers of goods and services	(28 877)	(25 413)
payroll payments	(1 761 790)	(1 580 621)
interest paid		
payments under insurance contracts		
income tax and other payments to budget	(314 736)	(536 489)
other payments	(713 112)	(1 090 478)
<b>3. Net cash flows from operating activities</b>	<b>117 385</b>	<b>180 905</b>
<b>II. Cash flow from investing activities</b>		
<b>1. Cash inflow, total</b>	<b>-</b>	
including:		
closing of bank deposits		
proceeds from sale of apartments under finance lease agreements		
acquisition of property, plant and equipment and intangible assets		
sale of equity instruments of other organizations (except for subsidiaries) and participatory interest in joint ventures		
sale of debt instruments of other organizations		
compensation for loss of control over subsidiaries		
sale of other financial assets		
futures and forward contracts, options and swaps		
dividend received		
interest received		
other proceeds		
<b>2. Cash outflow, total</b>	<b>(275 274)</b>	<b>(448 271)</b>
including:		
acquisition of property, plant and equipment and intangible assets	(275 274)	(448 271)
acquisition of intangible assets		
acquisition of other non-current assets		
acquisition of equity instruments of other organizations (except for subsidiaries) and participatory interest in joint ventures		
acquisition of debt instruments of other organizations		
acquisition of control over subsidiaries		

**National Centre for Neurosurgery JSC**  
**Financial Statements for the year ended on December 31, 2019**

acquisition of other financial assets		
granting of loans		
futures and forward contracts, options and swap		
investment in associated and subsidiary organizations		
<b>3. Net cash flows from investing activities</b>	<b>(275 274)</b>	<b>(448 271)</b>
<b>III. Cash flow from financing activities</b>		
<b>1. Cash inflow, total</b>	<b>-</b>	
including:		
government subsidies		
issue of shares		
payment of dividends		
issue of shares and other financial instruments		
procurement of loans		
interest received		
other proceeds		
<b>2. Cash outflow, total</b>	<b>(10 983)</b>	<b>(3 633)</b>
including:		
repayment of loans		
payment of interest		
payment of dividends	(10 983)	(3 633)
payments to owners on shares of the organization		
other payments		
<b>3. Net cash flows from financing activities</b>	<b>(10 983)</b>	<b>(3 633)</b>
4. Effect of currency/tenge exchange rates		
<b>5. Increase +/- decrease in cash</b>	<b>(168 582)</b>	<b>(270 999)</b>
<b>6. Cash and cash equivalents at the beginning of the reporting period</b>	<b>4 022 385</b>	<b>4 293 384</b>
<b>7. Cash and cash equivalents at the end of the reporting period</b>	<b>3 853 513</b>	<b>4 022 385</b>

Chairman of the Management Board

Financial Director

Chief Accountant



S.K. Akshulakov

K.A. Kairlenov

A.A. Yermaganbetova



**National Centre for Neurosurgery JSC**  
**Financial Statements for the year ended on December 31, 2019**

**Statement of Changes in Equity of the National Centre for Neurosurgery JSC for 2019**

content	authorized capital	additional paid-in capital	reserve capital	retained earnings (uncovered loss)	total capital
<b>Balance as of December 31, 2018</b>	<b>9 223 040</b>	<b>385 734</b>	<b>23 525</b>	<b>433 175</b>	<b>10 065 474</b>
Changes in accounting policies and errors					-
Restated balance					-
Total income for the year					-
Dividends					-
Disposal of investments					-
Income (loss) not recognized in the statement of profit and loss					-
Tax effect					-
Total income for the year				2 776	2 776
Dividend				(10 983)	(10 983)
Payment of shares (contributions to the share capital)	-				-
Additional paid-in capital	-				-
Paid-in capital in excess of par value					-
<b>Balance as of December 31, 2019</b>	<b>9 223 040</b>	<b>385 734</b>	<b>23 525</b>	<b>424 969</b>	<b>10 057 268</b>

Chairman of the Management Board

Financial Director

Chief Accountant

S.K. Akshulakov

K.A. Kairlenov

A.A. Yermaganbetova

**NOTES  
to the Financial Statements of the National Centre for Neurosurgery JSC  
for the period ended on December 31, 2019**

**1. Legal status of the National Centre for Neurosurgery JSC**

National Centre for Neurosurgery Joint-Stock Company was established as the Republican State Enterprise “Republican Scientific Centre for Neurosurgery” pursuant to the Decree of the Government of the Republic of Kazakhstan No. 268 dated March 19, 2008. On December 9, 2008, the Company was reorganised into the Republican Research Centre for Neurosurgery JSC with 100% state participation in the charter capital.

Pursuant to the decision of the Board of Directors No. 9 dated November 20, 2013, the Republican Scientific Centre for Neurosurgery JSC was renamed as the National Centre for Neurosurgery JSC. Until March 31, 2016, the sole shareholder of the Company was the National Medical Holding JSC.

In accordance with the Decree of the Government No.162 dated March 31, 2016 and the letter No. 04-1853 dated December 12, 2016, the National Medical Holding JSC transferred the stock of shares of the National Centre for Neurosurgery JSC to the Committee of State Property and Privatization of the Ministry of Finance of the Republic of Kazakhstan. The transfer was registered in the Information and Accounting Center JSC in accordance with order No. 2855204 dated December 12, 2016.

On January 25, 2017, the Committee of State Property and Privatization of the Ministry of Finance of the Republic of Kazakhstan transferred the state-owned stake of the National Centre for Neurosurgery JSC to the Ministry of Healthcare and Social Development of the Republic of Kazakhstan in accordance with the act of acceptance of ownership and use rights.

In carrying out its activities, the Company is guided by the Constitution of the Republic of Kazakhstan, the legislation of the Republic of Kazakhstan and the Charter of the Company.

The Company is a legal entity; it has its own seal, an independent balance sheet, bank accounts and a letterhead. To achieve its objectives, the Company is authorized to enter into transactions, acquire property and personal non-property rights, bear contractual and other obligations, be a plaintiff and a defendant in court in accordance with the Charter and the legislation of the Republic of Kazakhstan.

By the decision of the sole shareholder dated August 3, 2018 No. 581, a restated Charter of the Company was approved.

The Charter defines the name, location, legal status, objectives, functions and basic principles of activity, the procedure for the formation and competence of the Company’s bodies.

The Company’s goal is to use modern methods of diagnosis and treatment of patients with neurosurgical and related diseases aimed at reducing disability and mortality rates in the Republic of Kazakhstan, as well as to introduce and disseminate modern technologies in the field of medical science and education.

The core activities of the Company include the provision of specialized medical care in case of neurosurgical diseases, as well as the conduct of scientific research and the introduction of modern medical technologies in the field of neurosurgery and their transfer to the healthcare system of the Republic of Kazakhstan.

In the event that a special permit (license, certificate) is required to carry out a certain type of activity, the Company carries out this type of activity only after obtaining an appropriate permit (license, certificate).

The management bodies of the Company are:

- supreme body – the Sole Shareholder;
- management body – the Board of Directors;
- executive body – the Management Board;
- supervisory body – the Internal Audit Service.

## **2. Arrangement of accounting procedures and formation of accounting policies**

Maintenance of accounting records and preparation of financial statements of the Company is carried out in accordance with the legislation of the Republic of Kazakhstan on accounting and financial reporting as well as the accounting policy.

The accounting policy of the Company provides specific principles, foundations, regulations, rules and practices adopted by the Company for keeping accounting records and preparation of separate financial statements, including the compilation of comparative information for previous reporting periods, in accordance with the requirements of the legislation of the Republic of Kazakhstan on accounting and financial statements.

The accounting policy was applied consistently to all presented years, unless otherwise specified.

## **3. Financial statements, elements of financial statements**

These financial statements have been prepared in accordance with the International Financial Reporting Standards (“IFRS”).

The conceptual basis for the preparation and presentation of financial statements defines two fundamental principles: accrual method of accounting and going concern. These principles represent a conceptual basis, the foundation for the development and assessment of accounting principles of financial reporting.

The financial statements are a structured representation of the Company’s financial position and financial results. The purpose of financial reporting is to provide information on the financial position, financial results and cash flows of the Company, which will be useful to a wide range of users when making economic decisions. The financial statements also provide the results of managing the Company’s resources.

The Company prepares and analyzes financial statements, the complete set of which includes:

- 1) Statement of Financial Position (balance sheet);
- 2) Statement of Profit or Loss and Other Comprehensive Income;
- 3) Statement of Cash Flows;
- 4) Statement of Changes in Equity;
- 5) Notes to the financial statements.

Elements of financial statements include assets, equity, liabilities, income and expenses.

Assets are resources controlled by an organization as a result of past events, from which it expects to receive economic benefits in the future. Assets of the enterprise are composed of intangible assets, fixed assets, accounts receivable, cash, inventories.

A liability is an obligation of an entity (debtor) to perform a certain action in favor of another entity (creditor), such as: transfer property, perform work, pay money, etc., and the creditor has the right to demand the debtor to fulfill its obligations.

Equity is the assets of the Company after deducting its liabilities.

Income and expenses are elements directly related to the measurement of financial indicators.

The balance sheet shows the financial position of the Company and provides information on its assets, liabilities and equity. Depending on the nature of business operations, assets and liabilities in the balance sheet are divided into short-term (current) and long-term (non-current).

An asset is classified as a current asset if:

- it is expected to be sold or used within 12 months from the reporting date;
- it is held primarily for sale purposes;
- it is cash or cash equivalents that have no restrictions on use.

All other assets are classified as non-current.

A liability is classified as short-term (current) if:

- it is payable within 12 months after the reporting date;
- it is held primarily for sale purposes.

The Statement of Profit or Loss and Other Comprehensive Income characterizes the financial results of the Company for the reporting period. The Company applies the functional method of cost analysis. This implies the classification of expenses depending on their function as a component of the cost of finished products (goods, works, services) sold, distribution costs and administrative expenses. The report includes an income and expense analysis using a classification based on the nature of income and expenses.

The Statement of Cash Flows provides information on the receipt and disposition of money during the reporting period, the operating, investment and financial performance of the Company for the reporting period. The Statement of Cash Flows is presented using the direct method of calculation.

The Statement of Changes in Equity provides information on structural and quantitative changes in the Company's equity for the reporting period. These changes represent the total profit and loss resulting from the Company's operations during the reporting period.

The financial statements of the Company are presented in Kazakhstan tenge, which is the functional currency of the Company, with a unit of measurement of thousand tenge. Tenge is the currency of the main economic environment where the Company operates.

When preparing the financial statements, operations in currencies other than the functional currency of the Company, tenge, are accounted at the market exchange rate being in effect at the date of operations.

At each reporting date, monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at the exchange rate effective at the reporting date.

Weighted average exchange rates set by the National Bank are used as official exchange rates of the Republic of Kazakhstan. The following exchange rates were applied in the preparation of the financial statements:

Currency exchange rates from 31.12.2018 to 31.12.2019:

Date	National Bank			KASE		
	USD	RUB	EUR	USD	RUB	EUR
31.12.2018	384.20	5.52	439.37	332.33		
31.12.2019	381.18	6.17	426.85	332.33		

A fiscal year of the Company is a calendar year (from January 1 to December 31).

#### **4. Principles of preparation and presentation of financial statements**

##### **4.1 Principle of accrual**

The financial statements of the Company (except for the Statement of Cash Flows) are prepared in accordance with the principle of accrual, which is ensured by the recognition of the results of business transactions, as well as events that are not the result from business activities of the Company but which affect its financial position upon their completion, irrespective of the time of payment. Transactions and events are recorded in the accounting records and are included in the financial statements for the periods to which they relate. The financial statements of the Company prepared on the accrual basis provide users with information not only about past transactions related to the payment and receipt of money, but also about obligations to pay money in the future and about resources representing money that will be received in the future.

#### **4. Principles of preparation and presentation of financial statements**

##### **4.2 Principle of doing business as a going concern**

The financial statements of the Company have been prepared on the condition that the enterprise operates and will operate in the nearest future as a going concern. Thus, it is assumed that the Company neither intends nor needs to liquidate or significantly reduce the scale of its activities. The attached financial statements do not contain any adjustments that would be necessary if the Company could not continue its operations on the going concern basis.

At the same time, the Company's ability to sell its assets and continue its operations in the future may be exposed to significant influence of current and future economic and political conditions in Kazakhstan.

The management believes that the Company is able to sell its assets and repay its liabilities in the ordinary course of business, as future cash flows from operating activities will be sufficient to repay liabilities.

The attached financial statements do not contain any adjustments that would be necessary if the Company could not continue its operations on the going concern basis.

#### **4. Principles of preparation and presentation of financial statements**

##### **4.3 Principle of prudence (conservatism)**

The Principle of prudence supposes a certain degree of caution in the process of forming judgments that are necessary in making calculations in conditions of uncertainty, which makes it possible to avoid overstatement of assets or income and understatement of liabilities or expenses. Compliance with the principle of prudence prevents the occurrence of hidden reserves and overstock, the deliberate understatement of assets or income or intentional overstatement of liabilities or expenses. Negligence of this principle will result in a situation where the financial statements will cease to be neutral and, therefore, will lose reliability.

#### **4. Principles of preparation and presentation of financial statements**

##### **4.4 Materiality and aggregation**

In the financial statements of the Company, each significant class of similar items is presented separately. The Company presents separately items that differ in nature or function, except when they are non-essential.

#### **4. Principles of preparation and presentation of financial statements**

##### **4.5 Offsetting**

Assets and liabilities, as well as income and expenses, are recorded separately in the financial statements of the Company.

#### **5. Recognition of elements of financial statements**

##### **5.1 Recognition of assets**

An asset is recognized in the Company's balance sheet when there is a probability of an inflow of future economic benefits, and the value or an estimate of the asset can be measured reliably.

The asset is not recognized in the balance sheet when expenses incurred do not result in an inflow of future economic benefits to the organization. In this case, the expenses incurred should be recognized as expenses in the statement of profit and loss. Ensuring the recognition of an asset requires more than just making an assumption about the probability of inflow of future economic benefits to the enterprise.

#### **5. Recognition of elements of financial statements**

##### **5.2 Recognition of liabilities**

A liability is recognized in the Company's balance sheet if it is probable that the repayment of the liability will result in an outflow of resources containing economic benefits, and the repayment amount can be measured reliably.

#### **5. Recognition of elements of financial statements**

##### **5.3 Recognition of income**

Income is recognized in the Company's statement of profit and loss if there is an increase in future economic benefits associated with an increase in assets or a decrease in liabilities that can be measured reliably. This means that income is recognized simultaneously with the recognition of increased assets or decreased liabilities.

#### **5. Recognition of elements of financial statements**

##### **5.4 Recognition of expenses**

Expenses are recognized in the Company's statement of comprehensive income if there is a decrease in future economic benefits associated with a decrease in assets or an increase in liabilities that can be measured reliably. This means that expenses are recognized simultaneously with the recognition of increased liabilities or decreased assets.

## 5. Recognition of elements of financial statements

### 5.5 Assessment of elements of financial statements

Elements of the financial statements are recognized and carried in the balance sheet and in the statement of comprehensive income at historical cost. Assets are carried at the value of cash and cash equivalents paid for them, or at fair value proposed at the time of acquisition thereof. Liabilities are recognized at the amount of money received in exchange for a debt obligation.

## 6. Notes

### 6.1 Property, plant and equipment

The balance sheet item "Property, plant and equipment" includes:

Property, plant and equipment	Buildings and structures	Medical equipment	Machinery and equipment	Vehicles	Other property and equipment	Construction in progress	Total
<b>Initial cost</b>							
January 1, 2018	3 472 979	4 594 741	445 656	40 070	858 925	884 350	10 296 721
Receipt		406 493	914	12 848	14 528	57 722	492 505
Transfer into other assets							
Disposal		(175 226)	(4 118)	(1 126)	(51 139)		(231 609)
<b>December 31, 2018</b>	<b>3 472 979</b>	<b>4 826 008</b>	<b>442 452</b>	<b>51 792</b>	<b>822 315</b>	<b>942 072</b>	<b>10 557 617</b>
Receipt		456 255	22 220		37 913	131 261	647 649
Transfer into other assets	89 987	10 322	4 775				105 084
Disposal	(281)	(24 952)					(25 286)
<b>December 31, 2019</b>	<b>3 562 685</b>	<b>5 267 633</b>	<b>469 447</b>	<b>51 792</b>	<b>860 174</b>	<b>1 073 333</b>	<b>11 285 064</b>
<b>Accumulated depreciation and impairment</b>							
January 01, 2018	(723 163)	(2 147 163)	(347 460)	(38 026)	(780 633)	-	(4 036 445)
Depreciation for the year	(95 323)	(254 099)	(46 025)	(1 391)	(19 418)		(416 256)
Depreciation of retired assets		158 890	4 144	1 126	45 513		209 673
Transfer into other assets		(9 971)	9 934		37		-
<b>December 31, 2018</b>	<b>(818 486)</b>	<b>(2 258 399)</b>	<b>(379 407)</b>	<b>(38 291)</b>	<b>(754 501)</b>	<b>-</b>	<b>(4 249 084)</b>
Depreciation for the year	(95 251)	(267 257)	(16 642)	(1 562)	(14 049)		(394 761)
Depreciation of retired assets	281	24 726			53		25 060
Transfers							
<b>December 31, 2019</b>	<b>(913 456)</b>	<b>(2 500 930)</b>	<b>(396 049)</b>	<b>(39 853)</b>	<b>(768 497)</b>		<b>(4 618 785)</b>
<b>Reserve</b>							
Impairment allowance as of December 31, 2018		(74 325)					(74 325)
Impairment allowance as of December 31, 2019		(68 269)					(68 269)
<b>Carrying value, including impairment allowance</b>							
December 31, 2018	2 654 493	2 493 284	63 045	13 501	67 813	942 072	6 234 208
December 31, 2019	2 649 229	2 698 434	73 399	11 939	91 677	1 073 333	6 598 011

At initial recognition, property, plant and equipment are carried at cost or notional historical cost.

Recognition of a PPE item is discontinued after its disposal or in the event that future economic benefits from its use or disposal are no longer expected. Any income or expense arising from the derecognition of an asset (calculated as a difference between the net proceeds from disposal and the residual value of the asset) is included in profit or loss in the reporting period in which the asset was derecognized.

To bring the initial cost of fixed assets in line with prices effective on a certain date, asset items are revaluated. As a result of revaluation, fixed assets are carried at their current cost.

Depreciation is the value of wear and tear in the form of a systematic distribution of the depreciable cost of an asset over its useful life. To calculate depreciation, a straight-line write-off method is used.

Carrying amount is the historical cost of fixed assets less the amount of accumulated depreciation, at which the asset is carried in the accounting records.

The useful life of fixed assets is revised as necessary, and if the expectations for the use of an asset differ from previous estimates, depreciation for the current month and all subsequent months is adjusted accordingly.

As for fixed assets with a zero carrying amount, the estimated useful life and the depreciation method were not assessed in 2019.

At each reporting date, the Company checks the indicators of impairment of the carrying amount of its fixed assets.

Determination of indicators of assets impairment is based on a number of factors, such as: change in the operating potential of assets as a result of changes in the demand for services provided by such assets; technological obsolescence or physical damage to assets; deviation of actual cash flows received from operating activities from the originally planned ones; future availability of financing operational needs and acquisition of assets from the Shareholder, and other changes in conditions that indicate the impairment.

If such indicators exist, the replacement cost of an asset is estimated and compared with its carrying value. If the carrying value exceeds the replacement cost of an asset, impairment is recognized. The replacement cost is determined as the greater of the following two values: the fair value of the asset less distribution costs and the value in use. In assessing the value in use, the estimated future cash flows are discounted to their present value at the pre-tax discount rate which, in the management's opinion, reflects the current market assessments of the time value of money and the risks inherent in the assets.

A change in the estimated replacement cost may result in impairment or reversal of an asset in future periods.

Construction in progress includes expenses associated with the reconstruction of the roof on the building of the National Centre for Neurosurgery located on the land plot with an area of 3.5717 ha (Resolution of the Akimat of Astana city to permit the reconstruction of the building roof dated December 18, 2014 No. 120-2117) and the reconstruction of the building with an extension to accommodate a gamma-therapeutic complex and MR-imaging equipment (Resolution of the Akimat of Astana city to permit the reconstruction of the facility dated April 17, 2018 No. 510-583).

## 6. Notes

### 6.2 Intangible assets

The flow of intangible assets for the reporting period is presented in the table below:

Indicators	Other intangible assets	Total
<b>Carrying value as of December 31, 2018</b>	<b>6 005</b>	<b>6 005</b>
Receipt	8 500	8 500
Depreciation costs	(2 529)	(2 529)
<b>Carrying value as of December 31, 2019</b>	<b>11 976</b>	<b>11 976</b>
<b>Allowance for impairment of intangible assets as of December 31, 2019</b>	<b>-</b>	<b>-</b>
<b>Carrying value as of December 31, 2019 net of impairment allowance</b>	<b>11 976</b>	<b>11 976</b>

Intangible assets include non-monetary assets that do not have a physical substance, which are intended for use over a long period of time (more than one year) in the production or sale of goods (works, services) for administrative purposes that can be determined.

At the time of recognition, intangible assets are measured at historical cost, which includes the amount of actual costs incurred for their acquisition and other costs associated with bringing the asset into a ready-to-use state as intended.

After recognition, intangible assets are carried at historical cost less depreciation. Depreciation is calculated over the estimated useful life using the straight-line method. Depreciation charges are recognized as an expense for each reporting period.

## 6. Notes

### 6.3 Advances paid

The balance sheet item “Advances paid” includes:

Advances	December 31, 2019	December 31, 2018	change
Other long-term financial investments	1 524 985	1 524 985	-
<b>Total for “Advances paid”</b>	<b>1 524 985</b>	<b>1 524 985</b>	<b>-</b>

In furtherance of the protocol resolution No. 5 dated February 16, 2016, a contract No. 253-H3 was concluded on May 25, 2016 with Diagnostics Central Asia LLP for the supply of medical equipment: “Radiotherapeutic complex for stereotactic radiosurgery of neoplasms and functional brain lesions”. Under the terms of the contract, an advance payment of 70% was paid in the amount of 1,246,000 thousand tenge. The goods shall be delivered, subject to the supplementary agreement No. 264-H3 dated October 19, 2018, within 180 calendar days from the date of the customer’s application. Under the purchase contract No. 522-H3 dated October 18, 2016 Medicus Eurasia LLP made an advance payment of 30% of the contract value in the amount of 278,985 thousand tenge. Under the terms of the contract, the delivery of goods shall be made within 120 calendar days from the date of the customer’s application.

## 6. Notes

### 6.4 Other financial assets

As of December 31, 2019, other financial assets include:

Investments	December 31, 2019	December 31, 2018	change
Other long-term financial investments	41 580	41 580	-
<b>Total for "Other financial assets"</b>	<b>41 580</b>	<b>41 580</b>	<b>-</b>

Investments include the acquisition of shares of Astanaenergосervice JSC, including:

- under the Agreement on acceptance of property into the authorized capital No. 48/12-4-AЭC/94 dated December 29, 2012, 258 ordinary shares at the price of 45,000 tenge per share were transferred for a total amount of 11,610 thousand tenge;
- under the Agreement on acceptance of property into the authorized capital No. 10-4-AЭC dated June 17, 2013, 666 ordinary shares at the price of 45,000 tenge per share were transferred for a total amount of 29,970 thousand tenge.

## 6. Notes

### 6.5 Long-term finance lease receivables

As of December 31, 2019, other long-term finance lease receivables include:

Investments	December 31, 2019	December 31, 2018	change
Other long-term financial investments	193 195	3 507	189 688
<b>Total for "Long-term finance lease receivables"</b>	<b>193 195</b>	<b>3 507</b>	<b>189 688</b>

According to the Public Procurement Contract No. 297 dated April 24, 2019, concluded with Zherbuilding LLP, the Company purchased apartments for lease out with subsequent redemption for its employees.

## 6. Notes

### 6.6 Inventories

As of December 31, 2019, inventories include:

Inventories	December 31, 2019	December 31, 2018	change
Medical consumables	196 023	268 915	(72 892)
Surgical stock	199 860	224 014	(24 154)
Medicines	48 561	60 135	(11 574)
Household goods	37 685	37 696	(11)
Spare parts	39 125	22 480	16 645
Chemical reagents	21 544	11 032	10 512
Solid inventory, utensils	3 357	2 107	1 250
Apartments for sale	-	-	-
Soft inventory	15 709	11 553	4 156
Laboratory materials	9 184	17 250	(8 066)

**National Centre for Neurosurgery JSC**  
**Financial Statements for the year ended on December 31, 2019**

Fuel	2 786	2 468	318
Materials for computing equipment	4 448	3 600	848
Stationary	4 662	1 552	3 110
Other	3 061	6 090	(3 029)
Minus: provision for obsolete and illiquid inventories	(22)	(29)	7
<b>Total for "Inventories"</b>	<b>585 983</b>	<b>668 863</b>	<b>(82 880)</b>

Inventories include the costs of providing the services for which the Company has not yet recognized the corresponding revenue. Inventories are carried at the lower of the following two values: actual cost and net realization price.

## 6. Notes

### 6.7 Accounts receivable

As of December 31, 2019, the amount under the "Accounts receivable" item was as follows:

Receivables	December 31, 2019	December 31, 2018	Change
Receivables from related parties (Department of the Committee for Payment of Medical Services)	-	-	-
Receivables from the Social Health Insurance Fund	191 799	241 615	(49 816)
Receivables from third parties, including	46 294	23 147	23 147
<i>interest on deposits with STBs</i>	<i>27 938</i>	<i>8 811</i>	<i>19 127</i>
Minus: provision for doubtful debts	(6 386)	(2 456)	(3 930)
<b>Total for "Accounts receivable"</b>	<b>231 707</b>	<b>262 306</b>	<b>(30 599)</b>
<b>including accounts receivable from lease</b>	<b>5 540</b>	<b>3 059</b>	<b>2 481</b>

Following the principle of offsetting, accounts receivable, short-term trade and other payables are recorded separately in the financial statements of the Company.

Accounts receivable of the Company are obligations of buyers or other business partners to the Company. Accounts receivable are recognized only when related income is recognized (transfer of the right of ownership under the terms of the contract). Accounts receivable are carried at historical cost less adjustments for doubtful debts, discounts and returns of goods sold. Accounts receivable are attributed to accumulated items of assets, that is, these are assets for which there is a right of claim for financial resources not yet received. These are earned but not received income from the goods shipped, work performed and services rendered.

Accounts receivable are recorded in the balance sheet in the amount of the invoice less the reserve for doubtful claims and include the amount of value added tax.

A reserve for doubtful claims on accounts receivable is created when there is objective evidence that the Company will not be able to return all amounts receivable in accordance with the original terms of the receivables.

If short-term trade and other receivables written off earlier are paid in subsequent periods, they will be recognized as income in the period when such payment was made.

Accounts receivable are interest-free and repayable within 30-90 days. As of December 31, 2019, accounts receivable are not impaired and the repayment period does not exceed the maturity as provided in the contract.

## 6. Notes

### 6.8 Overpayment for other taxes

The balance sheet item “Overpayment for other taxes” includes:

Taxes	December 31, 2019	December 31, 2018	change
Individual income tax	-	-	-
Social tax	-	-	-
Corporate income tax	-	-	-
<b>Total for “Overpayment for other taxes”</b>	-	-	-

Other taxes and other compulsory payments to the budget include the amounts of excess of taxes paid and other compulsory payments to the budget over the accrued ones, which in subsequent tax periods will be set off against future liabilities on the calculated taxes and other compulsory payments to the budget.

## 6. Notes

### 6.9 Cash and cash equivalents

As of December 31, 2019, cash and cash equivalents amount to 3,853,803.0 thousand tenge and include cash on current and deposit accounts and cash on hand.

Cash	December 31, 2019	December 31, 2018	Change
Cash on current bank accounts in US dollars	368	66 401	(66 033)
Cash on current bank accounts in tenge	709 380	350 234	359 146
Dollar deposit account with Tsesna Bank JSC	-	642 190,0	(642 190)
Dollar deposit account with Bank Center Credit JSC	-	1 273 806,0	(1 273 806)
Tenge deposit account with Bank Center Credit JSC	1 200 000	0	1 200 000
Dollar deposit account with Eurasian Bank JSC	-	1 124 310,0	(1 124 310)
Dollar deposit account with Forte Bank JSC	969 912	-	969 912
Tenge deposit account with Forte Bank JSC	-	564 135,0	(564 135)
Dollar deposit account with Halyk Bank JSC	969 912	-	969 912
Cash on hand	3 941	1 309	2 632
<b>Total for “Cash and cash equivalents”</b>	<b>3 853 513</b>	<b>4 022 385,0</b>	<b>(168 872)</b>

As of December 31, 2019, the Company does not have cash restricted for use.

## 6. Notes

### 6.10 Other current assets

The balance-sheet item “Other current assets” includes:

*National Centre for Neurosurgery JSC*  
*Financial Statements for the year ended on December 31, 2019*

Assets	December 31, 2019	December 31, 2018	Change
Short-term advances paid	4 279	14 404	(10 125)
Short-term deferred expenses	2 627	3 223	(596)
<b>Total for "Other current assets"</b>	<b>6 906</b>	<b>17 627</b>	<b>(10 721)</b>

Short-term advances paid represent the transfer of funds to suppliers (contractors) against future deliveries of goods (work performed, services rendered), as well as for payment for products and services received from customers in partial readiness during the reporting period, and other short-term advances paid.

Deferred expenses include expenses incurred in the reporting period but related to future reporting periods when these expenses may result in economic benefits (income). Deferred expenses include those incurred expenses that are no longer possible to return in future periods: payments for voluntary and compulsory property and employee insurance.

Deferred expenses are written off on an even basis during the reporting period to which they relate in accordance with the calculations made. The duration of such a period is determined at the time when the deferred expenses are recorded. If the production and sales do not occur in the future periods, the expenses incurred are not capitalized but are written off as expenses of the period in which they were incurred.

## 6. Notes

### 6.11 Authorized capital

As of December 31, 2019, the balance sheet item "Authorized capital" includes the share capital:

Capital	December 31, 2019	December 31, 2018	change
Authorized capital	9 223 040	9 223 040	-
<b>Total for "Authorized capital"</b>	<b>9 223 040</b>	<b>9 223 040</b>	-

As of December 31, 2019, the number of declared and outstanding shares was:

Shares	December 31, 2019	December 31, 2018	change
Ordinary shares, pcs.	9 223 040	9 223 040	-
<b>Total</b>	<b>9 223 040</b>	<b>9 223 040</b>	-

## 6. Notes

### 6.12 Additional paid-in capital

The "Additional paid-in capital" balance-sheet item includes:

Equity	December 31, 2019	December 31, 2018	Change
Contribution of the Ministry of Health of the Republic of Kazakhstan in the form of fixed assets	385 734	385 734	-
<b>Total for "Additional paid-in capital"</b>	<b>385 734</b>	<b>385 734</b>	-

Fixed assets, intangible assets and inventories received as an additional capital contribution are recognized as additional paid-in capital and are carried at fair value upon initial recognition. Such assets are recognized in the financial statements of the Company from the moment when benefits and risks associated with the use of such assets are transferred to the Company. Subsequently, upon issue of shares on account of transferred assets, the par value of shares issued is transferred from additional paid-in capital to the authorized capital.

The cost of social, cultural and utility facilities not included in the authorized capital of the Company is recorded in the "Additional paid-in capital" item (clause 5 of the Regulation on the transformation of state-owned enterprises into open joint-stock companies approved by the resolution of the Cabinet of Ministers of the Republic of Kazakhstan No. 328 dated April 23, 1993).

## 6. Notes

### Reserve capital

As of December 31, 2019, the amount of the "Reserve capital" item of the balance sheet includes the amount of reserves formed in accordance with the constituent documents:

Equity	December 31, 2019	December 31, 2018	Change
Capital reserves	23 525	23 525	-
<b>Total for "Reserve capital"</b>	<b>23 525</b>	<b>23 525</b>	<b>-</b>

## 6. Notes

### 6.14 Retained earnings

As of December 31, 2019, the amount of the "Retained earnings" item of the balance sheet is 414,842 thousand tenge, including:

Content	retained earnings (uncovered loss)		
	past periods	reporting period	Total
<b>Balance as of December 31, 2018</b>	<b>407 921</b>	<b>433 175</b>	<b>(25 254)</b>
Payment of dividend	(346)	(10 983)	10 637
Total income for the year	7 267	2 776	4 491
<b>Balance as of December 31, 2019</b>	<b>414 842</b>	<b>424 969</b>	<b>(10 127)</b>

Retained earnings are formed on an accrual basis from the beginning of the Company's operations.

Annually, the Sole Shareholder of the Company resolves to approve the financial statements and distribute the net income based on the operating results, including:

Basis	period	net income	Distribution			Total
			cover of loss	payment of dividend	at the disposal of the Company	
Decision of the Board of Directors of NMH JSC dated May 26, 2015 No. 3	2014	59 104	59 104		-	59 104
Decision of the Board of Directors of NMH JSC dated May 6, 2016 No. 6	2015	674 615	132 463	134 923	407 229	674 615
Order of the Ministry of Health of the Republic of Kazakhstan dated July 17, 2016 No. 520	2016	692		346	346	692
Order of the Ministry of Health of	2018	7 267		3 633	3 634	7 267

**National Centre for Neurosurgery JSC**  
**Financial Statements for the year ended on December 31, 2019**

the Republic of Kazakhstan dated August 7, 2017 No. 485						
Order of the Ministry of Health of the Republic of Kazakhstan dated July 22, 2018 No. 392	2019	21 966		10 983	10 983	21 966
<b>Total</b>		<b>763 644</b>	<b>191 567</b>	<b>149 885</b>	<b>422 192</b>	<b>763 644</b>

## 6. Notes

### 6.15 Government subsidies

As of December 31, 2019, the balance sheet item “Government subsidies” includes the following:

Subsidies	December 31, 2019	December 31, 2018	Change
Balance as of January 1	2 402 802	2 454 763	
Received during the year		-	
Recorded in profit and loss	(47 088)	(51 961)	
Short-term portion	42 214	51 961	
<b>Total for “Government subsidies”</b>	<b>2 360 588</b>	<b>2 402 802</b>	

Government subsidies are recognized if there is reasonable assurance that they will be received and that all related conditions will be met. If a subsidy is granted to finance certain expenses, it should be recognized as income in the same periods as the corresponding expenses that the subsidy should compensate, on a systematic basis. If a subsidy is granted to finance an asset, it should be recognized as deferred income and recorded in the statement of comprehensive income on an annual basis in equal shares over the estimated useful life of the asset.

If the Company receives subsidies in a non-monetary form, the asset and subsidies are recognized in gross amounts at nominal value and are recorded in the financial statement of comprehensive income on an annual basis in equal shares over the estimated useful life of the asset. If loans or similar subsidies are granted by the government or related organizations at an interest rate below the current market rate, the effect of such a favorable interest rate is considered an additional government subsidy.

The Company received government subsidies to purchase medical equipment under the financing agreement: No. 108/4-2012/78 dated November 2, 2012, No.081-2013/47 dated June 21, 2013, No. 254-2014/147 dated December 12, 2014, No. 269-2014/157 dated December 25, 2014, No. 346-2016/139 dated September 26, 2016, as well as to repair the building road. The Company does not have any unfulfilled conditions or contingent liabilities in connection with these subsidies. During 2019, the Company recognized income amortization in the amount of 47,088 thousand tenge.

## 6. Notes

### 6.16 Government subsidies (current portion)

The current portion of the “Government subsidies” item includes the depreciation of income within the amortization amount of corresponding acquired fixed assets:

Subsidies	December 31, 2019	December 31, 2018	change
Short-term deferred income	47 088	51 961	(4873)
<b>Total for “Government subsidies”</b>	<b>47 088</b>	<b>51 961</b>	<b>(4 873)</b>

## 6. Notes

### 6.17 Accounts payable

As of December 31, 2019, the balance sheet item “Accounts payable” includes the following:

Debt	December 31, 2019	December 31, 2014	Change
Accounts payable to suppliers and contractors	387 026	61 342	325 684
<b>Total for “Accounts payable”</b>	<b>387 026</b>	<b>61 342</b>	<b>325 684</b>

Accounts payable are recognized if there is a basis for the Company to assume obligations to suppliers of goods (work, services) under concluded contracts, issued invoices or work completion certificates. Accounts payable increased due to the receipt of medical equipment in December 2019 with a payment term of 30 calendar days.

In accordance with the principle of offsetting, accounts payable are recognized separately in the financial statements of the Company.

## 6. Notes

### 6.18 Payables to employees

As of December 31, 2019, payables to employees include:

payables	December 31, 2019	December 31, 2018	Change
Provision for unused vacation	15 681	12 767	2 914
Wages payable	1 324	25 455	(24 131)
Liabilities for pension contributions	209	3 046	(2 837)
<b>Total for “Payables to employees”</b>	<b>17 214</b>	<b>41 268</b>	<b>(24 054)</b>

Short-term provisions for employee’ vacations are recognized if the Company has a current liability (legal or constructive) resulting from a past event, if there is a significant probability that repayment of liabilities will require an outflow of economic benefits, and a reliable estimate of the amount of such liabilities can be made.

At each reporting date, the Company revises the provision and, if necessary, adjusts it to reflect the best estimate. If the revision reveals that repayment of liabilities no longer requires an outflow of economic resources, the provision is restored by recognizing the specified amount as income.

## 6. Notes

### 6.19 Other current liabilities

As of December 31, 2019, other current liabilities include:

Liabilities	December 31, 2019	December 31, 2018	change
Other accounts payable	134 481	92 348	42 133
Advances received	14 825	3 676	11 149
Other	29 366	62 595	(33 228)

Total for "Other current liabilities"	178 672	158 619	20 054
---------------------------------------	---------	---------	--------

## 6. Notes

### 6.20 Income

Income is the gross receipts of economic benefits for the period, which arise in the ordinary course of business of the Company and result in an increase in equity.

Income includes revenues from the provision of services, sale of finished products (goods, works) and other income arising in the ordinary course of the Company's business.

Revenues from the provision of services are recognized in the accounting period in which such services were provided, based on the degree of completion of a particular operation evaluated in proportion to the share of actually provided services in the total volume of services to be provided under the contract.

Income is recorded net of VAT and discounts.

The amount of income is measured at fair value of the consideration received or receivable. If it is not possible to reliably measure the fair value of the goods received under the barter deal, the revenue should be measured at fair value of the goods or services sold.

The structure of income included in the Statement of Profit and Loss and Other Comprehensive Income for the reporting period is presented in the table below:

Item	for the period 2019	Ratio, %	for the period 2018	Ratio, %
Guaranteed volume of free medical care, unique technology	4 742 755	82	4 139 750	78
Paid medical services	502 785	8.7	480 300	9
<b>Total medical services</b>	<b>5 245 540</b>	<b>91</b>	<b>4 620 050</b>	<b>87</b>
Research and development services	2 833	0	39 350	0,7
Government order	9 514	0.2	11 825	0,2
Science	41 296	0.7	69 262	1,3
Paid stroke, science	-	-	-	-
Paid educational services	35 184	0.6	28 618	0,6
<b>Total for educational services</b>	<b>88 827</b>	<b>1.5</b>	<b>149 055</b>	<b>2,8</b>
<b>Total for "Revenue from the provision of services"</b>	<b>5 334 367</b>	<b>92.4</b>	<b>4 769 105</b>	<b>89,8</b>
Income from disposal of assets	8 521	0.2	289	0,0
Income from gratuitously received assets (inventories)	1 338	0	1 489	0,0
Income from government subsidies	47 088	0.8	51 961	1,0
Surplus of positive exchange rate differences	-	-	310 142	5,8
Other income	230 266	4	36 855	0,8
<b>Total for "Other income"</b>	<b>287 213</b>	<b>5</b>	<b>400 736</b>	<b>7,6</b>
Interest income	176 145	3	161 148	3,1
Interest expenses	(23 022)	(0.4)	(24 207)	(0,5)
Income from finance lease	1 844	0	1 598	0,0
<b>Total for "Finance income"</b>	<b>154 967</b>	<b>2.6</b>	<b>138 539</b>	<b>2,6</b>
<b>Total income from sales of products and provision of services</b>	<b>5 776 547</b>	<b>100</b>	<b>5 308 380</b>	<b>100</b>

According to the accrual method, income is recognized in the period in which it arose, when there is a probability that the Company will receive future benefits that can be measured reliably.

Income is recognized if there is an increase in future economic benefits associated with an increase in assets or a decrease in liabilities that can be measured reliably.

This means that income is recognized simultaneously with the recognition of an increase in assets or a decrease in liabilities (for example, a net increase in assets when selling goods or services, or a decrease in liabilities in case of refusal to repay a debt).

## 6. Notes

### 6.21 Expenses

Expense means a decrease in economic benefits during the reporting period, which may be in the form of an outflow or depletion of assets, or an increase in liabilities leading to the capital reduction.

Expenses include expenditures necessary to obtain income from sales (expenses included in the cost), general and administrative expenses, distribution costs, financing and other expenses (losses) arising in the ordinary course of the Company's business.

Expenses included in the cost are expenses associated with the provision of services, manufacture of products, production of goods, as well as expenses associated with the performance of work.

General and administrative expenses are expenses associated with the overall management, as well as expenses for general and administrative purposes.

Distribution costs are costs associated with the sale of services, products, works and goods.

Other expenses (losses) are other items within the definition of expenses, which may or may not arise in the course of the Company's core activities.

The expenditure pattern in the context of accounting items included in the Statement of Profit and Loss and other Comprehensive Income of the Company is presented in the table below:

Item	For the period 2019	Ratio, %	For the period 2018	Ratio, %
Cost of services rendered	5 166 901	89,5	4 902 215	92,7
General and administrative expenses	400 256	6,9	347 220	6,6
Other expenses, including	191 636	3,3	36 979	0,7
<i>Asset disposal expenses</i>	<i>1 808</i>		<i>21 937</i>	<i>0,4</i>
<i>Other expenses</i>	<i>189 828</i>		<i>15 042</i>	<i>0,3</i>
Foreign exchange loss/gain	14 978	0,3	-	-
<b>Total expenses</b>	<b>5 773 771</b>	<b>100</b>	<b>5 286 414</b>	<b>100</b>

Expenses are recognized in the accounting records subject to the following conditions:

- the amount of expenditure can be reliably determined;
- there is a decrease in the future economic benefits associated with a decrease in assets or an increase in liabilities.

This means that expenses are recognized in the reporting period in which an increase in liabilities or a decrease in an asset is recognized.

The breakdown of expenses included in the cost of services rendered is presented in the table below:

expense item	for the reporting period 2019		for the previous period 2018	
	amount	Ratio, %	amount	Ratio, %
Wage and related taxes	1 888 922	35,27	1 754 966	35,80
Surgical stock	1 429 590	26,7	1 099 570	22,43

**National Centre for Neurosurgery JSC**  
**Financial Statements for the year ended on December 31, 2019**

Depreciation and amortization	391 157	7,57	422 077	8,6
Medical consumables	504 422	9,76	741 866	15,13
Medicines	142 256	2,75	135 248	2,76
Maintenance and repair	160 837	3,11	127 895	2,6
Public utilities	102 118	1,98	101 842	2,08
Provision for unused vacation	129 303	2,5	105 088	2,14
Food (catering services)	51 814	1,0	57 959	1,18
Fuel	2 952	0,06	3 742	0,09
Taxes, except income tax	14 715	0,29	3 826	0,09
Other	348 815	6,75	348 136	7,10
<b>Total for "Cost of services rendered"</b>	<b>5 166 901</b>	<b>100</b>	<b>4 902 215</b>	<b>100</b>

The breakdown of general and administrative expenses in the context of cost items is presented in the table below:

expense item	for the reporting period 2019		for the previous period 2018	
	amount	ratio, %	amount	ratio, %
Wage and related taxes	332 563	83,09	287 114	82,69
Provision for unused vacation	21 224	5,3	19 615	5,65
Maintenance expenses	10 705	2,67	9500	2,74
Bank services	9 117	2,28	6 277	1,80
Consulting services	1 442	0,36	2 126	0,61
Travel expenses	2 371	0,59	303	0,09
Training expenses	987	0,25	613	0,18
Communication services	736	0,18	804	0,23
Stationary	629	0,16	1 247	0,36
Taxes, except income tax	-	-	-	-
Depreciation and amortization	66	0,02	112	0,03
Other	20 416	5,1	19 509	5,62
<b>Total for "General and administrative expenses"</b>	<b>400 256</b>	<b>100</b>	<b>347 220</b>	<b>100</b>



## 6. Notes

### 6.22 Contingent and contractual liabilities

#### *A. Taxation*

The existing tax laws allow for various interpretations and are subject to frequent changes. Interpretation by tax authorities of tax laws in relation to transactions and activities of companies may not coincide with the interpretation of such laws by the management of the Company. As a result, tax authorities can challenge the correctness of applying tax laws, and the Company may be charged with additional taxes, penalties and fines.

#### *B. Environmental issues*

At present, Kazakhstan is toughening the environmental laws and the position of state bodies regarding compliance thereof. Penalties for violation of the environmental legislation of the Republic of Kazakhstan can become quite severe. The Company assesses its liabilities related to compensation for environmental damage. The liabilities identified are immediately recognized in the financial statements.

#### *C. Insurance issues*

The insurance market of the Republic of Kazakhstan is currently at the development stage, and many forms of insurance coverage that are common in other regions of the world are not yet available in general. The Company does not have full coverage for its operations, insurance in case of shutdown in the process of providing services, or third-party liability insurance in case of damage to property or the environment resulting from accidents at facilities of the Company or related to its activities. Until the Company has sufficient insurance coverage, there is a risk that the loss or destruction of certain assets can have a material adverse effect on the Company's operations and financial position. The Company's management believes it is not required to create additional reserves other than those accrued and recognized in these financial statements.

#### *D. Litigation*

During the year, the Company was not involved in litigation (as a plaintiff) arising in the ordinary course of business. In the management's opinion, there are no ongoing legal proceedings or unresolved legal claims that could have a material adverse effect on the operating results or the financial position of the Company, and which would not have been accrued or disclosed in these financial statements.

## 6. Notes

### 6.23 Events after the reporting date.

Pursuant to the Decree of the President of the Republic of Kazakhstan No. 285 dated March 15, 2020, a state of emergency and quarantine were introduced in the Republic of Kazakhstan and crowded facilities suspended their activities.

At the time of the audit, the Company was closed due to quarantine. It is expected that the closure will be temporary, but there is significant uncertainty regarding its duration. Thus, the Company expects that this issue will have a negative impact on its operating results. However, financial impact and its duration cannot be reasonably estimated at this time.

There were no other significant events in the Company between the reporting date and the date of approval of the financial statements, which could have a significant impact on the financial statements of the Company.

## **Conclusion**

The Company is classified as a public interest entity and places its financial statements in the depository of financial statements.

The financial statements to be published have been prepared in the forms approved by Order of the Minister of Finance of the Republic of Kazakhstan No. 404 dated June 28, 2018 and are presented below.

Chairman of the Management Board



S.K. Akshulakov

Chief Financial Officer

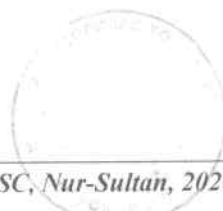


K.A. Kairlenov

Chief Accountant



A.A. Yermaganbetova



*National Centre for Neurosurgery JSC*  
*Financial Statements for the year ended on December 31, 2019*

Appendix 1  
to the order  
of the First Deputy  
Prime-Minister  
of the Republic of Kazakhstan -  
the Minister of Finance  
of the Republic of Kazakhstan  
No. 665 dated July 1, 2019

Appendix 2  
to the order of the Minister of Finance  
of the Republic of Kazakhstan  
No. 404 dated June 28, 2018.

Form

**Balance Sheet for the reporting period 2019**

**Index:** No. 1 - Б (balance)

**Frequency:** annual

**Submitted by:** organizations of public interest at financial year-end

**Submitted to:** the depository of financial statements in electronic format with the use of software

**Deadline for submission:** annually, not later than August 31 of the year following the reporting one

Note: an explanation on the completion of the report is given in the appendix to the form intended for the collection of administrative data "Accounting Balance Sheet"

**Organisation name:** National Centre for Neurosurgery Joint Stock Company  
as of December 31, 2019

thousand tenge

Assets	Line code	At the end of the reporting period	At the beginning of the reporting period
<b>I. Short-term assets:</b>			
Cash and cash equivalents	010	3 853 513	4 022 385
Short-term financial assets at amortized cost	011		
Short-term financial assets evaluated at fair value through other comprehensive income	012		
Short-term financial assets accounted for at fair value through income and losses	013		
Short-term derivative financial instruments	014		
Other short-term financial assets	015		
Short-term trade and other receivables	016	226 167	259 247
Short-term lease receivable	017	5 540	3 059
Short-term assets under contracts with customers	018		
Current income tax	019		
Inventory	020	585 983	668 863
Other short-term assets	021	6 906	17 627
<b>Total short-term assets (sum of lines from 010 to 021)</b>	<b>100</b>	<b>4 678 109</b>	<b>4 971 181</b>
Assets (or disposal groups) available for sale	101		

**National Centre for Neurosurgery JSC**  
**Financial Statements for the year ended on December 31, 2019**

<b>II. Long-term assets</b>			
Long-term financial assets at amortized cost	110		
Long-term financial assets evaluated at fair value through other comprehensive income	111		
Long-term financial assets accounted for at fair value through income and losses	112		
Long-term derivative financial instruments	113		
Investments at initial cost	114		
Investment accounted for by equity method	115		
Other long-term financial assets	116	41 580	41 580
Long-term trade and other receivables	117	1 524 985	1 524 985
Long-term lease receivables	118		
Long-term assets under contracts with customers	119		
Investment property	120		
Property, plant and equipment	121	6 598 011	6 234 208
Right-of-use asset	122		
Biological assets	123		
Exploration and appraisal assets	124		
Intangible assets	125	11 976	6 005
Deferred tax assets	126		
Other long-term assets	127	193 195	3 507
<b>Total long-term assets (sum of lines from 110 to 127)</b>	<b>200</b>	<b>8 369 747</b>	<b>7 810 285</b>
<b>Balance (line 100 + line 101 + line 200)</b>		<b>13 047 856</b>	<b>12 781 466</b>
<b>Liabilities and capital</b>	<b>Line code</b>		<b>At the end of the reporting period</b>
<b>III. Short-term liabilities</b>			
Short-term financial liabilities at amortized cost	210		
Short-term financial liabilities evaluated at fair value through income or loss	211		
Short-term derivative financial instruments	212		
Other short-term financial liabilities	213		
Short-term trade and other payables	214	387 026	61 342
Short-term estimated liabilities	215	29 115	
Current income tax liabilities	216		
Employee benefits	217	17 214	41 268

**National Centre for Neurosurgery JSC**  
**Financial Statements for the year ended on December 31, 2019**

Short-term lease payables	218		
Short-term liabilities under contracts with customers	219		
Government subsidies	220	47 088	51 961
Dividends payable	221		
Other short-term liabilities	222	149 557	158 619
<b>Total short-term liabilities (sum of lines from 210 to 217)</b>	<b>300</b>	<b>630 000</b>	<b>313 190</b>
Liabilities of disposal groups available for sale	301		
<b>IV. Non-current liabilities</b>			
Long-term financial liabilities at amortized cost	310		
Long-term financial liabilities evaluated at fair value through income or loss	311		
Long-term derivative financial instruments	312		
Other long-term financial liabilities	313		
Long-term trade and other payables	314		
Long-term estimated liabilities	315		
Deferred tax liabilities	316		
Employee benefits	317		
Long-term lease payables	318		
Long-term liabilities under contracts with customers	319		
Government subsidies	320	2 360 588	2 402 802
Other long-term liabilities	321		
<b>Total long-term liabilities (sum of lines from 310 to 321)</b>	<b>400</b>	<b>2 360 588</b>	<b>2 402 802</b>
<b>V. Capital</b>			
Authorized (share) capital	410	9 223 040	9 223 040
Paid-in capital in excess of par value	411		
Treasury stock	412		
Components of other comprehensive income	413	409 259	409 259
Undistributed income (uncovered loss)	414	424 969	433 175
Other capital	415		

**National Centre for Neurosurgery JSC**  
**Financial Statements for the year ended on December 31, 2019**

Total capital attributable to owners of the parent organization (sum of lines from 410 to 415)	420	10 057 268	10 065 474
Non-controlling interest	421		
<b>Total capital (line 420 +/- line 421)</b>	<b>500</b>	<b>10 057 268</b>	<b>10 065 474</b>
<b>Balance (line 300+line 301+line 400 + line 500)</b>		<b>13 047 856</b>	<b>12 781 466</b>

Chairman of the Management Board

Financial Director

Chief Accountant

Seal



  
 \_\_\_\_\_ S.K. Akshulakov  
  
 \_\_\_\_\_ K.A. Kairlenov  
  
 \_\_\_\_\_ A.A. Yermaganbetova

Appendix 2  
to the order  
of the First Deputy  
Prime-Minister  
of the Republic of Kazakhstan -  
the Minister of Finance  
of the Republic of Kazakhstan  
No. 665 dated July 1, 2019

Appendix 3  
to the order of the Minister of Finance  
of the Republic of Kazakhstan  
No. 404 dated June 28, 2018.

Form

**Statement of Profit and Loss for the reporting period 2019**

**Index:** No. 2 – ОИТ

**Frequency:** annual

**Submitted by:** organizations of public interest at financial year-end

**Submitted to:** the depository of financial statements in electronic format with the use of software

**Deadline for submission:** annually, not later than August 31 of the year following the reporting one

Note: an explanation on the completion of the report is given in the appendix to the form intended for the collection of administrative data "Statement of Profit and Loss"

**Organisation name:** National Centre for Neurosurgery Joint Stock Company

for the year ended on December 31, 2019

thousand tenge

Indicator	Line code	For the reporting period	For the previous period
Revenue	010	5 334 367	4 769 105
Cost of goods and services sold	011	(5 166 901)	(4 902 215)
<b>Gross profit (line 010 – line 011)</b>	<b>012</b>	<b>167 466</b>	<b>(133 110)</b>
Distribution costs	013		
Administrative expenses	014	(400 256)	(347 220)
<b>Total operating profit (loss) (+/- lines from 012 to 014)</b>	<b>020</b>	<b>(232 790)</b>	<b>(480 330)</b>
Financing income	021	177 989	162 746
Financing costs	022	(23 022)	(24 207)
Share of organization in the profit (loss) of associated organizations and joint activities accounted for by equity method	023		
Other expenses	024	(206 614)	(36 979)
Other income	025	287 213	400 736
<b>Profit (loss) before taxation (+/- lines from 020 to 025)</b>	<b>100</b>	<b>2 776</b>	<b>21 966</b>
Income tax expenses	101		
<b>Profit (loss) after taxation from continuing operations (line 100 – line 101)</b>	<b>200</b>	<b>2 776</b>	<b>21 966</b>
Income (loss) after taxation from discontinued operations	201		

*National Centre for Neurosurgery JSC*  
*Financial Statements for the year ended on December 31, 2019*

<b>Profit for the year (line 200 + line 201) attributable to:</b>	<b>300</b>	<b>2 776</b>	<b>21 966</b>
owners of the parent company			
non-controlling interest			
<b>Other comprehensive income, total (sum of lines from 410 to 420):</b>	<b>400</b>	<b>-</b>	<b>-</b>
including:			
Revaluation of debt financial instruments at fair value through other comprehensive income	410		
Share in other comprehensive income (loss) of associated organizations and joint activities accounted for by equity method	411		
Effect of changes in the deferred income tax rate of subsidiary organizations	412		
Cash flow hedge	413		
Exchange rate difference on investment in foreign organizations	414		
Hedge of net investment in foreign operations	415		
Other components of other comprehensive income	416		
Adjustments upon reclassification as part of profit (loss)	417		
Tax effect of components of other comprehensive income	418		
<b>Total other comprehensive income to be reclassified as income or expense of future periods (net of income tax) (sum of lines 410 to 418)</b>	<b>420</b>	<b>2 776</b>	<b>21 966</b>
revaluation of property, plant and equipment and intangible assets	431		
share in other comprehensive income (loss) of associated organizations and joint activities accounted for by the equity method	432		
actuarial income (loss) on pension liabilities	433		
tax effect of components of other comprehensive income	434		
revaluation of equity financial instruments at fair value through other comprehensive income	435		
Total other comprehensive income which is not subject to reclassification as income or expense of future periods (net of income tax) (sum of lines 431 to 435)	440		
Other comprehensive income (line 300 + line 400)	500		

*National Centre for Neurosurgery JSC  
Financial Statements for the year ended on December 31, 2019*

Other comprehensive income attributable to:			
owners of the parent company			
non-controlling interest			
Earnings per share:	600		
including:			
Basic earnings per share:			
from continuing operations			
from discontinued operations			
Diluted earnings per share:			
from continuing operations			
from discontinued operations			

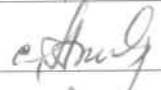


Chairman of the Management Board

Financial Director

Chief Accountant

Seal



  
 \_\_\_\_\_ S.K. Akshulakov  
  
 \_\_\_\_\_ K.A. Kairlenov  
  
 \_\_\_\_\_ A.A. Yermaganbetova

Appendix 4  
to the order  
of the First Deputy  
Prime-Minister  
of the Republic of Kazakhstan -  
the Minister of Finance  
of the Republic of Kazakhstan  
No. 665 dated July 1, 2019

**Statement of Cash Flows (direct method) for the reporting period 2019**

**Index:** No. 3 - ДДС-П

**Frequency:** annual

**Submitted by:** organizations of public interest at financial year-end

**Submitted to:** the depository of financial statements in electronic format with the use of software

**Deadline for submission:** annually, not later than August 31 of the year following the reporting one

Note: an explanation on the completion of the report is given in the appendix to the form intended for the collection of administrative data "Statement of Cash Flows (direct method)"

**Organisation name:** National Centre for Neurosurgery Joint Stock Company

for the year ended on December 31, 2019

thousand tenge

Indicator	Line code	For the reporting period	For the previous period
<b>I. Cash flow from operating activities</b>			
<b>1. Cash inflow, total (sum of lines from 011 to 016)</b>	<b>010</b>	<b>5 939 431</b>	<b>6 247 744</b>
including:			
sale of goods and services	011	4 231 661	3 636 209
other proceeds	012		
advance payments from buyers and customers	013	1 159 976	1 171 706
proceeds under insurance contracts	014		
interest received	015	133 969	128 227
other proceeds	016	413 825	1 311 602
<b>2. Cash outflow, total (sum of lines from 021 to 027)</b>	<b>020</b>	<b>(5 822 046)</b>	<b>(6 066 839)</b>
including:			
payments to suppliers for goods and services	021	(3 003 531)	(2 833 838)
advance payments to suppliers for goods and services	022	(28 877)	(25 413)
payroll payments	023	(1 761 790)	(1 580 621)
payment of interest	024		
payments under insurance contracts	025		
income tax and other payments to budget	026	(314 736)	(536 489)
other payments	027	(713 112)	(1 090 478)
<b>3. Net amount of cash assets from operating activities (line 010 – line 020)</b>	<b>030</b>	<b>117 385</b>	<b>180 905</b>
<b>II. Cash flow from investing activities</b>			
<b>1. Cash inflow, total (sum of lines from 041 to 052)</b>	<b>040</b>	-	

**National Centre for Neurosurgery JSC**  
**Financial Statements for the year ended on December 31, 2019**

including:			
sale of fixed assets	041		
sale of intangible assets	042		
sale of other long-term assets	043		
sale of equity instruments of other organizations (except for subsidiaries) and participatory interest in joint ventures	044		
sale of debt instruments of other organizations	045		
compensation for loss of control over subsidiaries	046		
withdrawal of bank deposits	047		
sale of other financial assets	048		
futures and forward contracts, options and swaps	049		
dividend received	050		
interest received	051		
other proceeds	052		
<b>2. Cash outflow, total (sum of lines from 061 to 031)</b>	<b>060</b>	<b>(275 274)</b>	<b>(448 271)</b>
including:			
acquisition of property, plant and equipment	061	(275 274)	(448 271)
acquisition of intangible assets	062		
acquisition of other long-term assets	063		
acquisition of equity instruments of other organizations (except for subsidiaries) and participatory interest in joint ventures	064		
acquisition of debt instruments of other organizations	065		
acquisition of control over subsidiaries	066		
placement of monetary deposits	067		
payment of interest	068		
acquisition of other financial assets	069		
granting of loans	070		
futures and forward contracts, options and swaps	071		
investment in associated and subsidiary organizations	072		
other payments (except deposits)	073		
<b>3. Net amount of cash assets from investing activities (line 040 – line 060)</b>	<b>080</b>	<b>(275 274)</b>	<b>(448 271)</b>
<b>III. Cash flow from financing activities</b>			
<b>1. Cash inflow, total (sum of lines from 091 to 094)</b>	<b>090</b>	-	
including:			
issue of shares and other financial instruments	091		
procurement of loans	092		
interest received	093		
other proceeds	094		
<b>2. Cash outflow, total (sum of lines from 101 to 105)</b>	<b>100</b>		
including:			
repayment of loans	101		
payment of interest	102		

**National Centre for Neurosurgery JSC**  
**Financial Statements for the year ended on December 31, 2019**

payment of dividend	103	(10 983)	(3 633)
payments to owners on shares of the organization	104		
other payments	105		
<b>3. Net amount of cash assets from financing activities (line 090 – line 100)</b>	<b>110</b>	<b>(10 983)</b>	<b>(3 633)</b>
4. Effect of currency/tenge exchange rates	120		
5. Effect of changes in the carrying value of cash and cash equivalents			
<b>5. Increase +/- decrease in cash assets (line 030 +/- line 080 +/- line 110 +/- line 120)</b>	<b>130</b>	<b>(168 872)</b>	<b>(270 999)</b>
<b>6. Cash and cash equivalents at the beginning of the accounting period</b>	<b>140</b>	<b>4 022 385</b>	<b>4 293 384</b>
<b>7. Cash and cash equivalents at the end of the accounting period</b>	<b>150</b>	<b>3 853 513</b>	<b>4 022 385</b>

Chairman of the Management Board

Financial Director

Chief Accountant

Seal



  
 \_\_\_\_\_ S.K. Akshulakov  
  
 \_\_\_\_\_ K.A. Kairlenov  
  
 \_\_\_\_\_ A.A. Yermaganbetova

*National Centre for Neurosurgery JSC  
Financial Statements for the year ended on December 31, 2019*

Appendix 5  
to the order  
of the First Deputy  
Prime-Minister  
of the Republic of Kazakhstan -  
the Minister of Finance  
of the Republic of Kazakhstan  
No. 665 dated July 1, 2019

Appendix 6  
to the Order of the Minister of Finance  
of the Republic of Kazakhstan  
No. 404 dated June 28, 2018

Form

**Statement of Changes in Equity for the reporting period 2019**

**Index:** No. 5-ИК

**Frequency:** annual

**Submitted by:** organizations of public interest at financial year-end

**Submitted to:** the depository of financial statements in electronic format with the use of software

**Deadline for submission:** annually, not later than August 31 of the year following the reporting one

**Note:** an explanation on the completion of the report is given in the appendix to the form intended for the collection of administrative data "Statement of Changes in Equity"

**Organisation name:** National Centre for Neurosurgery Joint Stock Company

**for the year ended on December 31, 2019**

thousand tenge

Component name	Line code	Capital of the parent organization				Non-controlling interest	Total capital
		Authorized (share) capital	Paid-in capital in excess of par value	Treasury stock	Components of other comprehensive income		





*National Centre for Neurosurgery JSC  
Financial Statements for the year ended on December 31, 2019*

Restated balance (line 400 +/- line 401)	500	9 223 040	-	-	409 259	433 175	-	10 047 141
Total comprehensive income, total (line 610 + line 620):	600	-	-	-	-	2 776	-	2 776
Income (loss) for the year	610					2 776		2 776
Other comprehensive income, total (sum of lines from 621 to 629):	620	-	-	-	-	-	-	-
including:								
revaluation of debt financial instruments at fair value through other comprehensive income (net of tax effect)	621							-
revaluation of equity financial instruments at fair value through other comprehensive income (net of tax effect)	622							-
revaluation of fixed assets and intangible assets (net of tax effect)	623							-
Share in other comprehensive income (loss) of associated organizations and joint activities accounted for by equity method	624							-
Actuarial income (loss) under pension liabilities	625							-
Effect of changes in the deferred income tax rate of subsidiary organizations	626							-
Cash flow hedge (net of tax effect)	627							-
Exchange rate difference on investment in foreign organizations	628							-
Hedge of net investment in foreign organizations	629							-

**National Centre for Neurosurgery JSC**  
**Financial Statements for the year ended on December 31, 2019**

Transactions with owners, total (sum of lines from 710 to 718) including:	700	-	-	-	-	-	(10 983)	(10 983)
Employee benefits in the form of shares including:	710							-
cost of employees' services								-
issue of shares for employee benefits in the form of shares								-
tax benefit under the employee benefits in the form of shares								-
Contributions from owners	711							-
Issue of own equity instruments (shares)	712							-
Issue of equity instruments associated with business combination	713							-
Equity component of convertible instruments (net of tax effect)	714							-
Payment of dividends	715						(10 983)	(10 983)
Other distributions to owners	716							-
Other transactions with owners	717							-
Changes in the participatory interest in subsidiaries without loss of control	718							-
Other transactions	719							-
<b>Balance as of 31 December of the reporting year (line 500 + line 600 + line 700 + line 719)</b>	<b>800</b>	<b>9 223 040</b>	<b>-</b>	<b>-</b>	<b>409 259</b>	<b>424 969</b>	<b>-</b>	<b>10 057 268</b>

Chairman of the Management Board



S.K. Akshulakov

Chief Financial Officer



K.A. Kairlenov

Chief Accountant



A.A. Yermaganbetova

Seal