

Approved by

Director of Charity Foundation
Source of Revival
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FIXED ASSET MANAGEMENT POLICY
CHARITY FOUNDATION SOURCE OF REVIVAL
(CFSR)

Kharkiv – 2025

1. GENERAL PROVISIONS

1.1. This Policy defines the procedure for accounting, registration, safekeeping, transfer and control of fixed assets owned or held by the Charitable Organization “Charity Foundation Source Of Revival” (hereinafter – the Foundation) in accordance with the applicable laws of Ukraine.

1.2. This Policy applies to all fixed assets owned or capitalized on the balance sheet of the Foundation, including assets acquired with grant funding, charitable donations or other sources of financing.

1.3. The purpose of this Policy is to:

- ensure efficient and transparent management of fixed assets;
- minimize the risk of loss, damage, or improper use of property;
- comply with donor requirements regarding accounting and reporting for assets acquired with their funding;
- ensure readiness for internal and external audits.

1.4. Fixed assets are defined as tangible assets used in the activities of the Foundation for more than one year and meeting the recognition criteria under the Foundation’s accounting policy.

1.5. All procedures provided by this Policy are implemented in compliance with applicable Ukrainian legislation, including the National Accounting Standards, the Tax Code, and other regulatory legal acts.

1.6. In the event assets are acquired using donor funds, the Foundation commits to ensure proper accounting, marking, reporting and access to information by the donor’s request.

1.7. The final stage of the life-cycle of fixed assets (disposal, decommissioning, transfer for destruction or recycling) is governed by a separate document – the “Policy on Disposal of Fixed Assets and Material Resources of the Foundation”.

2. ACCOUNTING AND IDENTIFICATION OF FIXED ASSETS

2.1. Fixed assets are considered to be tangible assets with a value exceeding UAH 5,000, which have a useful life longer than one year.

2.2. All fixed assets must be:

- accounted for in the Foundation’s books;
- entered into the Fixed Assets Register;
- assigned inventory numbers (tags or stickers with unique codes).

2.3. The Fixed Assets Register is maintained in either digital or paper form and must include at least the following data:

- asset name;
- model / type;
- serial number (if available);
- date of acquisition;
- book value;
- source of financing;
- storage location;
- name of responsible person;

- date of transfer to user;
- status of the asset (new, operational, depreciated, disposed, etc.).

3. ACQUISITION AND PUTTING INTO OPERATION

3.1. Acquisition of fixed assets is carried out in accordance with an approved budget, procurement procedures, and with approval of the responsible person.

3.2. Upon receipt of the assets:

- the accountant records them in the accounting system;
- the asset is tagged with a unique inventory number;
- a Fixed Asset Acceptance and Transfer Certificate is prepared.

3.3. One copy of the Certificate is stored in the financial department, and the other is kept by the responsible employee.

4. TRANSFER, RELOCATION AND USE

4.1. Fixed assets are transferred for temporary use to Foundation employees under personal liability.

4.2. In case of relocation of the asset or change of the responsible person, a new Acceptance and Transfer Certificate is issued.

4.3. Transfer of fixed assets to third parties is prohibited without a written approval from the Foundation's Director.

5. INVENTORY

5.1. A full physical inventory of fixed assets is carried out at least once per year, or more frequently if decided by the management.

5.2. Inventory is conducted by a commission appointed by an order of the Foundation's Director.

5.3. Based on the inventory results a Inventory Report is prepared, listing all assets, their status, discrepancies, depreciation, etc.

5.4. If any assets are missing, damaged or surplus:

- an internal report is prepared;
- internal investigation is conducted;
- if needed – write-off procedures or notification to donor / auditor are initiated.

6. LOSS, MALFUNCTION OR DAMAGE OF PROPERTY

6.1. In case of loss, theft or damage of a fixed asset, the responsible person must promptly notify the Foundation's management.

6.2. An investigation of the incident circumstances is carried out, a report is drawn up, and if necessary – donors or law enforcement agencies are informed.

7. FINAL PROVISIONS

7.1. All issues not regulated by this Policy shall be resolved in accordance with applicable Ukrainian legislation, the Foundation's accounting policy, and internal procedures.

7.2. Amendments and additions to this Policy are made and approved by order of the Foundation's Director.