

Contents

INDEPENDENT AUDITOR'S REPORT ON THE "GIPA - Georgian Institute of Public Affairs" 3

Opinion 5

Statement of Financial Position 5

Statement of Comprehensive Income 6

Statement of Changes in Equity 7

Statement of Cash Flows 8

Notes to the Financial Statements 9

1. Background GIPA - Georgian Institute of Public Affairs 9

2. Basis of accounting 9

3. Review of significant accounting policies 10

5. Cash and cash equivalents 15

6. Prepaid and payable 16

7. Liabilities to donors 18

8. Revenue 17

9. The commercial expenses 13

10. Grant expenses 18

11. Non-operating income 20

12. Non-operating expenses 21

13. A functioning enterprise 21

14. Subsequent events of the reporting period 22

Statement of Cash flows (direct method) 22

GIPA - Georgian Institute of Public Affairs

**FINANCIAL STATEMENTS
and Independent Auditor's Report**

For The Year Ended December 31, 2019

Contents INDEPENDENT AUDITOR'S REPORT

INDEPENDENT AUDITOR'S REPORT NNLE „GIPA - Georgian Institute of Public Affairs" ... 3

Opinion..... 3

Statement of Financial Position 5

Statement of Comprehensive Income 6

Statement of Changes in Equity..... 7

Statement of Cash Flows 8

Notes to the Financial Statements..... 9

1. Background..... 9

2. Basis of accounting..... 9

3. Review of significant accounting policies..... 10

5. Cash and cash equivalents 16

6. Prepaid and payable tax liabilities..... 16

7. Liabilities to donors..... 16

8. Revenue 17

9. The commercial expenses 19

10. Grant expenses 19

11. Non-operating income..... 20

12. Non-operating expenses..... 21

13. A functioning enterprise..... 21

14. Subsequent events of the reporting period..... 21

Statement of Cash Flows (direct method)..... 22

Georgia. We have fulfilled our other responsibilities under these ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary (not clear) to enable the

INDEPENDENT AUDITOR'S REPORT

NNLE „GIPA - Georgian Institute of Public Affairs"

Opinion

We have audited the following accompanying financial statements of **NNLE „GIPA - Georgian Institute of Public Affairs"**, the statement of financial position as of December 31, 2019, the statement of comprehensive income, statement of changes in equity, statement of cash flows for the year then ended and a summary of significant accounting policies and other explanatory information.

In our opinion, the financial statements, in all material respects, provide true and fair view of financial position of **NNLE „GIPA - Georgian Institute of Public Affairs"** as of December 31, 2019, and (of) its financial performance and its cash flows for the year then ended, in accordance with International Financial Reporting Standards.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of **NNLE „GIPA - Georgian Institute of Public Affairs"** in compliance with the relevant ethical requirements, which refers to financial statements audited by us in Georgia. We have fulfilled our other responsibilities under those ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control, as management determines is necessary (not clear) to enable the

preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Statement of Financial Position

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or the Company or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

The objectives of our audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Konstantine Kiknadze

On behalf of TGS-KK Group
 N11 Ar. Qurdiani st. Tbilisi
 September 23, 2020



NNLE „GIPA - Georgian Institute of Public Affairs"

Statement of Financial Position

Reporting Currency - GEL

		31.12.2019	31.12.2018
Assets		7,552,717	7,082,278
Current Assets		3,207,350	2,779,296
Cash	5	2,036,480	1,789,186
Accounts receivable		908,329	866,985
Prepaid expenses		210,367	47,069
Inventory		3,643	18,770
Tax receivables	6	48,532	57,287
Long-Term Assets		4,345,367	4,302,982
Property and equipment	4	4,300,839	4,254,018
Other intangible assets	4	44,527	48,964
Liabilities and Equity		7,552,717	7,082,278
Current Liabilities		779,285	466,298
Accounts payable		166,534	55,104
Unearned revenue from donors	7	612,751	411,194
Funds (Equity)		6,773,432	6,615,980
Equity		6,773,432	6,615,980

M. Ioseliani

 Rector
Marine Ioseliani
 23 September 2020
 Tbilisi, Georgia



V. Qavtaradze

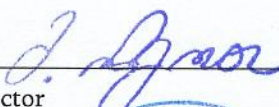
 Chief Accountant
Vasil Qavtaradze
 23 September 2020
 Tbilisi, Georgia

NNLE „GIPA - Georgian Institute of Public Affairs“

Statement of Comprehensive Income


Reporting Currency - GEL

		2019	2018
Operating Income	8	5,693,325	6,300,305
Income from grants		4,591,763	3,431,434
Income		10,285,088	9,731,739
Gross profit		10,285,088	9,731,739
Commercial expenses	9	5,988,521	5,861,004
Grant expenses	10	4,196,677	3,431,434
Total operating expenses		10,185,198	9,292,438
Non-Operating Income	11	1,034,791	1,307,652
Other Expenses	12	973,053	1,196,485
Total non-operating profit / loss		61,737	111,167
Profit		161,627	550,468
<u>Income tax</u>			82,570
<u>Net Profit</u>		<u>161,627</u>	<u>467,898</u>



 Rector
Marine Joseliani
 23 September 2020
 Tbilisi, Georgia





 Chief Accountant
Vasil Qavtaradze
 23 September 2020
 Tbilisi, Georgia

NNLE „GIPA - Georgian Institute of Public Affairs"

Statement of Changes in Equity

Reporting Currency - GEL

	Equity	Profit / Loss	Total
Balance at 31 December 2018	5,988,993	626,987	6,615,980
Increase/ Decrease	626,987	(469,535)	157,452
Balance at 31 December 2019	6,615,980	157,452	6,773,432

Rector

Marine Ioseliani

23 September 2020

Tbilisi, Georgia



Chief Accountant

Vasil Qavtaradze

23 September 2020

Tbilisi, Georgia

Vasil Qavtaradze



Vasil Qavtaradze
Chief Accountant
Vasil Qavtaradze
23 September 2020
Tbilisi, Georgia

NNLE „GIPA - Georgian Institute of Public Affairs“

Statement of Cash Flows

Reporting Currency - GEL

	2019	2018
Earnings before tax	-469,535	649,650
Corrections:		
Depreciation and amortization	423,627	384,041
Cash from operating activities before the change in operating assets and liabilities	-45,908	1,033,691
Change in trade and other receivables	-195,888	-24,408
Change in inventories	15,127	8,734
Change in investments	-19	-99,248
Change in trade and other payables	312,987	-1,009,343
Change in tax liabilities		-82,305
Total cash from operating activities	86,300	-172,879
Cash flows from investing activities		
Decrease/(increase) in other non-current assets	-466,011	-835,994
Total cash flows from investing activities	-466,011	-835,994
Cash flows from financing activities		
Equity increase	626,987	-20,246
Total cash flows from financing activities	626,987	-20,246
Net change in cash and cash equivalents	247,275	-1,029,119
Cash and cash equivalents at the beginning of the year	1,689,937	2,719,056
Cash and cash equivalents at the end of the year	1,937,212	1,689,937

Note: please find attached Statement of Cash Flows (direct method) annex N1.

Rector

Marine Ioseliani

23 September 2020

Tbilisi, Georgia



Chief Accountant

Vasil Qavtaradze

23 September 2020

Tbilisi, Georgia

3 [Signature]

The reporting period of GIPA covers the calendar year from January 1 to December 31. Preparation of financial statements in accordance with IFRS, requires certain estimates and judgments. From the management of the university has to formulate and make the most responsible accounting estimates based on reasonable

NNLE „GIPA - Georgian Institute of Public Affairs"

Notes to the Financial Statements

1. Background

NNLE „GIPA - Georgian Institute of Public Affairs" was founded on September 18, 2001. Identification Code: 20429341. Legal Address: Georgia, Tbilisi, Mtatsminda district, Marie Brosset St. No. 2. The main sphere is educational activities. The University implements educational programs of all levels of academic education, based on the existing legislation. The following schools are represented in the university structure:

- School of Governance;
- Caucasus School of Journalism and Media Management;
- School of Law and Politics;
- School of Social Sciences.

The University also has a Department of Rural Development and Vocational Education, which aims at implementing grant projects and vocational education programs, funded by foreign and local donors and governments. The initial aim of the Department is to introduce modern agricultural and rural development practices and increase the levels of education and existing capacities while providing support for institutional development in all of the regions of Georgia.

The conceptual plan for the development of the university and its policy is defined by its highest governing body - a board, consisting of Georgian and American representatives from public sector, and academic society. The chief executive officer is the Rector of the Institute, appointed by the Board.

2. Basis of accounting

Statement of compliance

GIPA carries out accounting in accordance with Georgian legislation and prepares financial statements in Georgian lari (GEL) in accordance with International Financial Reporting Standards (IFRS).

The reporting period of GIPA covers the calendar year from January 1 to December 31.

Preparation of financial statements in accordance with IFRS, requires certain estimates and judgments. from the management of the university has to formulate and make the most reasonable accounting estimates based on reasoning.

Financial accounting of GIPA is carried out through the accounting software "ORIS Manager".

Basics of evaluation

The financial statements are prepared on the historical cost basis.

3. Review of significant accounting policies

The significant accounting policies used in the preparation of the financial statements are set out below. Accounting policies are applied continuously for all years unless otherwise stated.

Financial instruments

(A) Financial Assets

Financial assets are classified at fair value through the statement of profit or loss, compliance to IAS 39, loans and receivables, investments held to maturity or available-for-sale financial assets. GIPA determines the classification of its financial assets at initial recognition.

Financial assets recorded at fair value through the statement of profit or loss

Financial assets are classified at fair value through the statement of profit or loss, when the financial asset is held for trading or designated as a financial asset at fair value. It is recognised at fair value adjusted of any profit or losses arising on re-valuation, that are recognized in the statement of profit or loss.

GIPA has assets intended for service and has voluntarily classified financial assets as at fair value through the statement of profit or loss.

Derecognition of financial assets

GIPA derecognises financial assets when (a) the contractual rights to receive cash from the financial assets have expired; (b) has transferred the rights to the cash flows from the financial assets or entered into an arrangement when (i) also transferring substantially all the risks and rewards of ownership of the assets or (ii) neither transferring nor retaining substantially all the risks and rewards of ownership but not retaining control. Control is retained if the counterparty does not have the practical ability to sell the asset in its entirety to an unrelated third party without needing to impose additional restrictions on the sale.

(B) Financial Liabilities

Financial liabilities are classified as liabilities existing to GIPA. Financial liabilities are initially evaluated at fair value, decreased with transaction costs.

Derecognition of financial liabilities

GIPA derecognises financial liabilities in the case of redemption, cancellation or expiry of the period of limitation. When an existing financial liability is replaced by another, from the same lender with the substantially different terms, or the terms of existing liability are substantially modified, such amendment or modification shall be deemed to cease recognition of the original obligation and the recognition of a new obligation, and the difference between the carrying amount and the paid or payable reimbursement amount is recognized in the statement of profit and loss.

(B) Overlap

Financial assets and liabilities are overlapped and net amount is presented in the statement of financial position, only when there is a statutory right to cover the recognized amounts and GIPA intends to present the aforementioned amounts in net or sell the asset and cover the liability simultaneously.

(D) IFRS 7 - Hierarchy of valuations at fair value

IFRS 7 requires explanatory notes about the assumptions used in determining of financial assets and liabilities at fair value. The fair value hierarchy includes the following levels:

1. Level one are measurements at quoted prices (unadjusted) in active markets for identical assets or liabilities;
2. Level two measurements are valuations techniques with all material inputs observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices);
3. Level three measurements are valuations not based on observable market data (that is, unobservable inputs).

The fair value hierarchy is defined at the lowest level, which substantially affects the determination of fair value. Financial assets and liabilities are classified at one of the levels.

GIPA does not have any financial assets and liabilities at fair value, therefore they are not presented at fair value through the hierarchical valuation of fair value.

Property, plant and equipment

All items of property, plant and equipment are stated at historical cost, less accumulated depreciation. Costs of replacing significant parts are capitalized, and replacement cost values is written off.

The carrying value of property, plant and equipment are revised at the end of each reporting period to verify that they are recognized at fair value. The recoverable amount is the higher of an asset's fair value, less costs of disposal and value in use.

When the present value exceeds the designated recoverable value, the asset is written down to its recoverable value. Impairment is recognized in the relevant period and in operating expenses. Impairment losses on property, plant and equipment in previous years are revised if the assumptions used to determine the fair value of the property or the fair value less costs to sell are changed.

Profit and losses from disposal that are determined by the carrying amount comparatively to the exchange amount are recognized in the statement of profit or loss for the current year.

Depreciation is calculated using the linear method over the useful life.

Group	%
Buildings	2
Means of transportation	14
Furniture and office equipment	20

Inventories

Inventories are recorded at the lower of cost and net realizable value. Cost includes the cost of purchasing inventories and expenditures for bringing them to their required location and condition. GIPA accounts tangible assets as inventories, that are intended for use in the course of business.

Cash and cash equivalents

Cash and cash equivalents are assets that are easily convertible into cash and are subject of a slight risk to change in value. Cash and cash equivalents include balances in bank accounts.

Equity & Dividends

Equity consists of chartered capital and retained earnings. Dividend was not issued during the reporting and comparable period.

Taxation

Profit tax expense is the sum of the profit tax liabilities for the reporting period. The tax payable is based on taxable profit. According to the tax legislation, GIPA will be subject to the Estonian model's profit tax, from January 1, 2019, in which taxable profit differs from the profit recognised in the comprehensive income statement, because it does not include income and expenses that is not taxable or deductible in the current period and depends on the amount of the dividend issued.

Given the specifics of the Georgian tax system, for the reporting period, there are no differences between the carrying and tax values of assets and liabilities for the companies registered in Georgia, which may result the recognition of deferred tax assets or liabilities. The Company's current tax expenses related to its core business is calculated in accordance with Georgian tax law.

Revenue

Revenue is recognized at the fair value of the compensation received or receivable. The bulk of GIPA's revenues is comprised of educational activities and grants from donors. Rental income is recognised as non-operating income. Revenue is reflected in the financial statements using the accrual method.

Recognition of Costs

Costs are recognized in the comprehensive income statement, if there is a decrease in future economic benefits, associated with a decrease in the asset or an increase in the liability, that can be determined reliably.

Costs are recognized in the statement of profit or loss as incurred, if no future economic benefits are expected or if future economic benefits no longer meet the criteria to be recognized in the balance sheet.

Foreign Currency Operation

The financial statements are valued at the currency of the economic environment, in which the company operates ("functional currency"). The financial statements are presented in Georgian GEL, which is the company's functional and reporting currency.

Monetary assets and liabilities are converted into the company's functional currency in compliance with the official exchange rates, set by the National Bank of Georgia.

The table below represents the official exchange rates for the years ended December 31, 2018-2019:

	<i>US dollar</i>	<i>Euro</i>
Exchange rates for December 31, 2018	2.6766	3.0701
Exchange rates for December 31, 2019	2.8677	3.2095

Property, Plant and Equipment	Land	Unfinished construction	Premises	Vehicles	Furniture, office equipment and other assets	Library Books	Other assets	Total
Balance at 31.12.18	750,000	30,094	2,348,081	302,344	2,785,968	426,965	92,387	6,735,839
Acquisitions	16,310	135,047.25	-	0	308,299	16,025	0	475,681
Disposals	-	-	-	-	9,669	0	-	9,669
Balance at 31 December 2019	750,000	46,404	2,483,128	302,344	3,084,598	442,990	92,387	7,201,851
Accumulated depreciation	-	-	423,644	139,461	1,826,328	-	43,423	2,432,856
Charge for the period	-	-	53,274	35,300	330,617	-	4,437	423,628
Write offs	-	-	-	-	-	-	-	-
Balance at 31 December 2019	-	-	476,918	174,761	2,156,945	-	47,860	2,856,484
Balance at 31 December 2018	750,000	30,094	1,924,437	162,883	959,640	426,965	48,964	4,302,982
Balance at 31 December 2019	750,000	46,404	2,006,210	127,583	927,653	442,990	44,527	4,345,367

5. Cash and cash equivalents

Cash and cash equivalents placed on the bank accounts as of December 31, 2018-2019 may be reported as follows:

	31-12-19	31-12-18
Cash in Bank GEL	GEL 1,141,286.97	GEL 449,542.12
Cash in Bank USD	GEL 794,656.42	GEL 76,927.84
Cash in Bank EUR	GEL 100,536.30	GEL 1,262,715.83
Total:	GEL 2,036,479.69	GEL 1,789,185.79

6. Prepaid and payable tax liabilities

Prepaid and payable tax liabilities for 2018-2019 years are as follows:

	31-12-19	31-12-18
Income tax	-35,917	68,847
Personal income tax	52,856	-53,067
VAT	-172,706	-154,961
Property tax	116,538	91,197
Other Tax	-9,303	-9,303
Total:	-48,532	-57,287

7. Liabilities to donors

Liabilities to donors as of December 31, 2018-2019 can be reported as follows:

Description	31.12.2019
US DEPARTMENT	14,182
Representation of the general non-profit organization Mercy Corps in Georgia	26
LEPL - Ilia State University	(11,933)
THE FEDERAL RESERVE BANK OF NY VENDOR PA US DEPARTMENT OF THE TREASURY 401 1 4 ST SW WASHINGTON DC 2,	59
LEPL Ivane Javakhishvili Tbilisi State University	3,638
UNDP representation	27,708

Commission des Communautés rue de la loi 200 b-1040 Brussels Belgium,	6,888
US DISBURSING OFC SYMBOL,	630,729
THE FRONTLINE CLUB CHARITABLE TRUST 13 NORFOLK PLACE LONDON W2 1QJ GB GB,	2,086
MIN DEZV REG ADM PUB SI FOND EURO,	(203,406)
CLOVEK V TISNI, O.P.S.,	13,747
Gndzar Zopunian	35,000
Akop Engibararian	5,500
Maitesian Malvina	48,526
Ara Movsesian	40,000
<u>ToTal</u>	<u>612,751</u>

8. Revenue

An essential part of revenue is the tuition fee income, which is reported as follows:

	2019	2018
Revenue from student programs	4,705,782	4,889,386
Revenue from the training center	741,255	714,377
Revenue from corporate training	246,287	696,542
<u>Total</u>	<u>5,693,324</u>	<u>6,300,305</u>

Revenue from student programs is reported as follows:

N	Name of the program	2019	2018
	<u>BA programs</u>	<u>GEL 2,874,635</u>	<u>GEL 2,794,062</u>
1	Business Administration	GEL 543,026	GEL 543,321
2	Audio-visual and media arts	GEL 531,440	GEL 473,820
3	Digital Media and Communication	GEL 111,335	
4	law	GEL 584,599	GEL 694,912
5	International Relations	GEL 208,350	
6	Social Sciences	GEL 702,112	GEL 1,082,008
7	Economic	GEL 39,120	
8	Psychology	GEL 84,608	
9	Sociology	GEL 18,945	
10	Political Science	GEL 51,100	
	<u>MA programs</u>	<u>GEL 1,649,664</u>	<u>GEL 1,976,237</u>
1	Business Administration	GEL 196,246	GEL 282,243
2	Public policy	GEL 103,330	GEL 145,163
3	Public administration	GEL 122,811	GEL 169,554
4	Local Government	GEL 122,174	GEL 141,121
5	Environmental protection	GEL 114,283	GEL 95,275

6	Addictology	GEL 0	GEL 0
7	Multimedia Journalism and Media Management	GEL 125,417	GEL 132,457
8	Public Relations	GEL 379,524	GEL 471,148
9	Media Technology Engineering	GEL 45,865	GEL 67,175
10	International law	GEL 108,543	GEL 131,525
11	International Relations	GEL 163,583	GEL 148,318
12	psychology	GEL 167,888	GEL 192,261
	<u>PhD</u>	<u>GEL 39,325</u>	<u>GEL 71,563</u>
1	Social Sciences	GEL 39,325	GEL 71,563
	Level-V Vocational Education Program	GEL 142,158	GEL 47,525
	Occupational Safety and Environmental Protection Technologies	GEL 142,158	GEL 47,525
	<u>All</u>	<u>GEL 4,705,782</u>	<u>GEL 4,889,386</u>

Revenue from the training center is reported as follows:

N	Description	2019	2018
1	General Management 1	58750	54900
2	General Management 2	91200	15000
3	Marketing	58800	72100
4	Financial management	35950	29850
5	HR 1	30400	106790
6	HR 2	34350	
7	HR 3	46750	
8	Business Management 1	10800	55250
9	Business Management 2	37200	
10	Healthcare 1	10780	30440
11	Healthcare 2		18060
12	Psychology of Management	19790	14710
13	Basics of Psychology (Preparatory)	18200	39150
14	PR and Event Management 1	15400	17627
15	PR and Event Management 2	16200	
16	Advertisement	21600	
17	Psychology of Communication 1		11800
18	Graphic Design 1	4200	
19	Interpersonal relationships	10370	
20	Graphic Design		82640
21	Sales Management	37810	35340
22	Business coaching		4000
23	Hotel Case Management	82390	72680
24	Tbilisi Certified Guide		10940
25	Future training for entrants		26880

26	Occupational Safety	16220	16,462.01
27	Existentialism	3900	43,812.43
28	Clinic Management	21600	35,527.48
29	Advertising and graphic design	39360	126,249.02
30	Everything about Tbilisi	16415	3,122.26
31	Strategic communication	19040	140,121.20
Grand total:		GEL 741,255	GEL 714,377

9. The commercial expenses

The commercial expenses for 2018-2019 years is reported as follows:

	2019	2018
Staff wage expense	4,456,013	4,420,130
Capital expenses	116,860	64,484
Inventory expance	48,145	52,989
Rent expense	275,640	257,974
Utility expenses	107,702	110,941
Representative expenses	49,608	100,215
Other administrative expense	934,553	854,272
Total	5,988,521	5,861,004

10. Grant expenses

Expenses for grants in 2019 are reported as follows:

Project Name	Income from Grants
2 - USDA Animal Health Program	39,632.41
20 - ENPARD2	2,290,311.21

21- Agro Business Management and Agro Marketing	16,462.01
23 - ABC.TEMPUS.	42,812.42
25 - Erasmus	39,597.48
28 - E-Learning	126,249.02
29 - St. Dap. Azerbaijan 2017-2019	3,145.20
30 - Youth Journalism Development in Ethnic Minority Regions	440,221.20
31 - Piloting Modern Trading	448,168.02
32 - E-School in Georgia and the south Caucasus	113,208.55
33 - St. Dap. 2018-2020	128,774.59
34 - Media Literacy	21,379.53
35 - St. Dap. 2018-2020 (for six Armenian Students)	6,838.00
36 - CTC	86,808.64
37 - Russian E-learning	154,970.95
38-St. Dap. - Press Tour for Italian Journalists	45,711.91
39-HERD (ERASMUS)	23,254.42
40-Local Action Group Tskaltubo	101,135.76
41-Multimedia Literacy Skills and Civic Development for Ethnic Minority Youth	117,832.41
43-Media Literacy Campaign	36,384.62
44-Data base of stone and pome fruit growers	32,556.13
45-CSJMM- Budget of multimedia journalism and media management for 5 Armenian students 2019 -2021	57,629.09
46-St. Dap. Azerbaijan 2019-2020	59,738.32
47-News Media Literacy Training and Georgian Social Media Reviews	8,199.64
48-Public Talk Series / Georgian Social Media Reviews	2,823.74
6 - EU Violence	147,918.09
Grand Total	4,591,763.36

11. Non-operating income

Non-operating income for 2018-2019 years is reported as follows:

	2019	2018
Rental income	85,446	58,621
Interest income	23,188	18,764
Exchange income	739,941	791,358

Income from the sale of property	0	28,150
Other income	186,216	410,760
	1,034,791	1,307,652

12. Non-operating expenses

Non-operating expenses for 2018-2019 years is reported as follows:

	2019	2018
Interest expense	12,000	12,000
Depreciation	423,627	384,167
Negative exchange rate difference	529,930	775,062
Profit tax		25,257
Other non-operating expenses	7,496	
	973,053	1,196,485

13. A functioning enterprise

The company does not intend to discontinue or substantially reduce its scope by the end of the reporting period. There are also no other circumstances that would doubt the organization's ability to continue operating in the nearest future. Accordingly, the entity is a functioning enterprise and the financial statements are prepared on the basis of the principle of a functioning enterprise.

14. Subsequent events of the reporting period

There has not been an event after the preparation of the financial statements, that would have a material effect on the financial statements and requires correction.

Statement of Cash Flows (direct method)

Reporting Currency – GEL

	2019	2018
Cash Balance		
Cash at the beginning of the period	1,789,186	2,719,056
Cash at end of period	1,937,212	1,689,938
Short-term investments	99,267	99,248
Cash change	247,294	-929,870
Cash Inflows	11,325,415	9,659,933
Cash from operations	11,302,226	9,616,713
Income from BA, MA and PHD programs	4,649,969	4,912,511
Cash from Training Center	661,057	618,570
Cash from donors	4,929,062	2,569,085
Cash from rents and other services	480,552	815,723
Difference between exchange rates	581,586	700,824
Cash from investing	23,188	43,220
Sale of property and equipment		28,150
Interest income	23,188	15,070
Cash Outflows	11,078,121	10,589,804
Operations	6,378,490	6,930,377
Salary expenses	3,458,822	3,432,697
Purchased goods and services	1,504,268	1,519,333
Staff trips and extra work	31,865	77,347
Bank service fee	35,242	14,718
Taxes paid	959,429	1,139,790
Difference between exchange rates	388,865	746,491
Grants	4,336,559	3,214,505
Salary expense	1,556,458	1,133,577
Income tax	417,076	309,771
Amounts paid to suppliers	2,303,826	1,702,337
Business trips and extra work	59,199	68,820
Financing	12,000	12,000
Interest payments	12,000	12,000
Investing	351,072	432,922
Purchase of property and equipment (Commercial)	137,623	230,847
Purchase of property and equipment (Grants)	213,449	202,075

Rector

Marine Joseliani

23 September 2020

Tbilisi, Georgia



Chief Accountant

Vasil Qavtaradze

23 September 2020

Tbilisi, Georgia