

**Partnership for Human Rights  
(PHR)**

**The Financial Statements  
for the Year Ended December 31, 2022**

**and**

**Independent Auditors' Report**

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**Statement of Management's Responsibilities**

Management of the Partnership for Human Rights is responsible for accompanying financial statements.

This responsibility includes:

- Preparation of financial statements in accordance with financial standard for non-entrepreneurial (non-profit) legal entities approved under the order №9 of the head of the Service for Accounting, Reporting and Auditing Supervision.
- Selection of suitable accounting policies and their consistent application;
- Making judgments and estimates, which are reasonable and prudent;
- Preparation of financial statements based on the assumption of going concern of the entity, if the actual situation does not make this assumption inappropriate.

Management is also responsible for:

- Creation, implementation and maintaining effective internal control system;
- Keeping proper accounting records in compliance with local regulations;
- Taking such steps as are reasonably open to them to safeguard the assets of the Organization;
- Prevention and detection of fraud and other irregularities.

The present financial statements for the year ended December 31, 2022 had been approved by the management and signed on February 16, 2023:

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**Ana Abashidze**

Chairman

Partnership for Human Rights

---

**Olgha Mikadze**

Financial Manager

Partnership for Human Rights

**Statement of Management's Responsibilities**

Management of the Partnership for Human Rights is responsible for accompanying financial statements.

This responsibility includes:

- Preparation of financial statements in accordance with financial standard for non-entrepreneurial (non-profit) legal entities approved under the order №9 of the head of the Service for Accounting, Reporting and Auditing Supervision.
- Selection of suitable accounting policies and their consistent application;
- Making judgments and estimates, which are reasonable and prudent;
- Preparation of financial statements based on the assumption of going concern of the entity, if the actual situation does not make this assumption inappropriate.

Management is also responsible for:

- Creation, implementation and maintaining effective internal control system;
- Keeping proper accounting records in compliance with local regulations;
- Taking such steps as are reasonably open to them to safeguard the assets of the Organization;
- Prevention and detection of fraud and other irregularities.

The present financial statements for the year ended December 31, 2022 had been approved by the management and signed on February 16, 2023:



**Ana Abashidze**

Chairman

Partnership for Human Rights



**Olga Mikadze**

Financial Manager

Partnership for Human Rights

**INDEPENDENT AUDITORS' REPORT****To the Management of Partnership for Human Rights****A.Politkovskaia St. #41****Tbilisi, Georgia*****Opinion***

We have audited the financial statements of "Partnership for Human Rights" (the "Organization"), which comprise the statement of financial position, as at December 31, 2022, and the statements of activities, statement of changes in net assets, statement of functional expenses and statement of cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects the financial position of the Organization as at December 31, 2022, and of its financial performance and its cash flows for the year then ended in accordance with the Financial Standard for non-entrepreneurial (non-profit) legal entities approved under the order N9 of the head of the Service for Accounting, Reporting and Auditing Supervision.

***Basis for our 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 Standalone Financial Statements section of our report. We are independent of the Organization in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the standalone financial statements in Georgia, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

***Responsibilities of Management and Those Charged with Governance for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with financial standard for non-entrepreneurial (non-profit) legal entities approved under the order №9 of the head of the Service for Accounting, Reporting and Auditing Supervision, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Organization'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 Organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Organization's financial reporting process.

***Auditors' Responsibility for the Audit of the Financial Statements***

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

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

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

**INDEPENDENT AUDITORS' REPORT (Continued)**

**Auditors' Responsibility for the Audit of the Financial Statements (Continued)**

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Organization's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Organization to cease to continue as a going concern;
- Evaluate the overall presentation, structure and content of the financial statement, including the disclosures, and whether the financial statement represents the underlying transactions and events in a manner that achieves fair presentation.

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

**Mikheil Abaiadze / Certified Auditor / Partner**

Audit firm registration number: SARAS-F-320544

Auditor registration number: SARAS-A-865011

February 16, 2023

**Tbilisi, Georgia**



Partnership for Human Rights (PHR)  
Statement of Financial Position  
For the year ended December 31, 2022  
Amounts expressed in Georgian Lari

|   | Notes | 31-Dec-22      | 31-Dec-21      |
|---|-------|----------------|----------------|
| <b>Assets</b>                           |       |                |                |
| <b>Current Assets</b>                   |       |                |                |
| Cash and bank                           | 4     | 110,636        | 439,941        |
| Grants receivable                       | 5     | 416,180        | 10,263         |
| Advances Paid                           | 6     | 13,700         | -              |
| Other assets                            |       | 8,740          | 7,391          |
| <b>Total current assets</b>             |       | <b>549,255</b> | <b>457,595</b> |
| <b>Non Current Assets</b>               |       |                |                |
| Fixed assets                            | 7     | 18,601         | 26,926         |
| <b>Total non current assets</b>         |       | <b>18,601</b>  | <b>26,926</b>  |
| <b>Total assets</b>                     |       | <b>567,856</b> | <b>484,521</b> |
| <b>Current Liabilities</b>              |       |                |                |
| Deferred grant income                   | 8;9   | 524,178        | 449,373        |
| Other liabilities                       | 10    | 1,909          | 525            |
| <b>Total current liabilities</b>        |       | <b>526,087</b> | <b>449,898</b> |
| <b>Total liabilities</b>                |       | <b>526,087</b> | <b>449,898</b> |
| Net assets                              |       | 41,769         | 34,623         |
| <b>Total liabilities and net assets</b> |       | <b>567,856</b> | <b>484,521</b> |

The financial statement is approved and signed on February 16, 2023:


\_\_\_\_\_  
**Ana Abashidze**  
Chairman  
Partnership for Human Rights


\_\_\_\_\_  
**Olgha Mikadze**  
Financial Manager  
Partnership for Human Rights

Partnership for Human Rights (PHR)  
 Statement of Financial Position  
 For the year ended December 31, 2022  
 Amounts expressed in Georgian Lari

|   | Notes | 31-Dec-22      | 31-Dec-21      |
|---|-------|----------------|----------------|
| <b>Assets</b>                           |       |                |                |
| <b>Current Assets</b>                   |       |                |                |
| Cash and bank                           |       |                |                |
| Grants receivable                       | 4     | 110,636        | 439,941        |
| Advances Paid                           | 5     | 416,180        | 10,263         |
| Other assets                            | 6     | 13,700         | -              |
|   |       | 8,740          | 7,391          |
| <b>Total current assets</b>             |       | <b>549,255</b> | <b>457,595</b> |
| <b>Non Current Assets</b>               |       |                |                |
| Fixed assets                            | 7     | 18,601         | 26,926         |
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| <b>Total assets</b>                     |       | <b>567,856</b> | <b>484,521</b> |
| <b>Current Liabilities</b>              |       |                |                |
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| Other liabilities                       | 10    | 1,909          | 525            |
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| <b>Total liabilities</b>                |       | <b>526,087</b> | <b>449,898</b> |
| Net assets                              |       | 41,769         | 34,623         |
| <b>Total liabilities and net assets</b> |       | <b>567,856</b> | <b>484,521</b> |

The financial statement is approved and signed on February 16, 2023:

  
 \_\_\_\_\_  
**Ana Abashidze**  
 Chairman  
 Partnership for Human Rights

  
 \_\_\_\_\_  
**Olga Mikadze**  
 Financial Manager  
 Partnership for Human Rights



**Partnership for Human Rights (PHR)**  
**Statement of Activities**  
**For the year ended December 31, 2022**  
**Amounts expressed in Georgian Lari**

|   | <b>2022</b>      | <b>2021</b>      |
|---|------------------|------------------|
| <b>Revenues</b>                             |                  |                  |
| 44010403072001 RFSU                         | 269,110          | 268,345          |
| OR2021-80711OSF Core Funding                | 216,413          | 73,090           |
| TBL 4000005149 Embassy of Netherlands       | 151,579          | 26,014           |
| UNWOMEN00098242                             | 73,941           | -                |
| G-2051-22-211-3047-20 15                    | 60,042           | -                |
| UNWOMEN00132694                             | 55,555           | -                |
| Sub-grant 40                                | 18,351           | -                |
| OSGF EINT/07/21 - 21231                     | 17,654           | 59,255           |
| OSGF EINT/02/21 - 21213                     | 10,993           | 67,759           |
| OSGF EINT 11/22-21395                       | 2,763            | -                |
| Income from donations                       | 2,203            | 500              |
| SIDA 2202                                   | 2,192            | -                |
| Women United                                | -                | 130,935          |
| OR2019-61654                                | -                | 127,276          |
| G1839-21-211-3024-20                        | -                | 63,383           |
| G185921211302420                            | -                | 36,964           |
| G-1700-17-211-3024-20                       | -                | 32,129           |
| OAK 21/06 Women's fund                      | -                | 16,638           |
| OR2018-45437                                | -                | 3,741            |
| Income from economic activities             | -                | 2,355            |
| <b>Total revenues</b>                       | <b>880,796</b>   | <b>908,384</b>   |
| <b>Expenses</b>                             |                  |                  |
| Administrative and operational expenses     | (892,285)        | (915,638)        |
| Net result from foreign exchange difference | 18,635           | (16,266)         |
| <b>Total expenses</b>                       | <b>(873,650)</b> | <b>(931,904)</b> |
| Increase/ (Decrease) in net assets          | 7,146            | (23,520)         |
| Net assets at the beginning of the year     | 34,623           | 58,143           |
| <b>Net assets at the end of the year</b>    | <b>41,769</b>    | <b>34,623</b>    |
| Temporarily Restricted Net assets           | -                | -                |
| Unrestricted Net assets                     | 41,769           | 34,623           |
| <b>Total net assets</b>                     | <b>41,769</b>    | <b>34,623</b>    |

The financial statement is approved and signed on February 16, 2023:

**Ana Abashidze**

Chairman

Partnership for Human Rights

**Olgha Mikadze**

Financial Manager

Partnership for Human Rights

Partnership for Human Rights (PHR)  
Statement of Activities  
For the year ended December 31, 2022  
Amounts expressed in Georgian Lari

|   | 2022             | 2021             |
|---|------------------|------------------|
| <b>Revenues</b>                             |                  |                  |
| 44010403072001 RFSU                         | 269,110          | 268,345          |
| OR2021-80711OSF Core Funding                | 216,413          | 73,090           |
| TBL 4000005149 Embassy of Netherlands       | 151,579          | 26,014           |
| UNWOMEN00098242                             | 73,941           | -                |
| G-2051-22-211-3047-20 15                    | 60,042           | -                |
| UNWOMEN00132694                             | 55,555           | -                |
| Sub-grant 40                                | 18,351           | -                |
| OSGF EINT/07/21 - 21231                     | 17,654           | 59,255           |
| OSGF EINT/02/21 - 21213                     | 10,993           | 67,759           |
| OSGF EINT 11/22-21395                       | 2,763            | -                |
| Income from donations                       | 2,203            | 500              |
| SIDA 2202                                   | 2,192            | -                |
| Women United                                | -                | 130,935          |
| OR2019-61654                                | -                | 127,276          |
| G1839-21-211-3024-20                        | -                | 63,383           |
| G185921211302420                            | -                | 36,964           |
| G-1700-17-211-3024-20                       | -                | 32,129           |
| OAK 21/06 Women's fund                      | -                | 16,638           |
| OR2018-45437                                | -                | 3,741            |
| Income from economic activities             | -                | 2,355            |
| <b>Total revenues</b>                       | <b>880,796</b>   | <b>908,384</b>   |
| <b>Expenses</b>                             |                  |                  |
| Administrative and operational expenses     | (892,285)        | (915,638)        |
| Net result from foreign exchange difference | 18,635           | (16,266)         |
| <b>Total expenses</b>                       | <b>(873,650)</b> | <b>(931,904)</b> |
| Increase/ (Decrease) in net assets          | 7,146            | (23,520)         |
| Net assets at the beginning of the year     | 34,623           | 58,143           |
| <b>Net assets at the end of the year</b>    | <b>41,769</b>    | <b>34,623</b>    |
| Temporarily Restricted Net assets           | -                | -                |
| Unrestricted Net assets                     | 41,769           | 34,623           |
| <b>Total net assets</b>                     | <b>41,769</b>    | <b>34,623</b>    |

The financial statement is approved and signed on February 16, 2023:

  
\_\_\_\_\_  
Ana Abashidze

Chairman

Partnership for Human Rights

  
\_\_\_\_\_  
Olga Mikadze

Financial Manager

Partnership for Human Rights

Partnership for Human Rights (PHR)  
Statement of Changes in Net Assets  
For the year ended December 31, 2022  
Amounts expressed in Georgian Lari

|  | Unrestricted<br>net assets | Temporarily restricted<br>net assets | Permanently<br>restricted net<br>assets | Total net<br>assets |
|--|----------------------------|--------------------------------------|---|---------------------|
| <b>Balance as at December 31, 2020</b> | <b>58,143</b>              | -                                    | -                                       | <b>58,143</b>       |
| Grants and donations                   | 908,384                    | -                                    | -                                       | <b>908,384</b>      |
| Financing of expenses                  | (931,904)                  | -                                    | -                                       | <b>(931,904)</b>    |
| <b>Balance as at December 31, 2021</b> | <b>34,623</b>              | -                                    | -                                       | <b>34,623</b>       |
| Grants and donations                   | 880,796                    | -                                    | -                                       | <b>880,796</b>      |
| Financing of expenses                  | (873,650)                  | -                                    | -                                       | <b>(873,650)</b>    |
| <b>Balance as at December 31, 2022</b> | <b>41,769</b>              | -                                    | -                                       | <b>41,769</b>       |

The financial statement is approved and signed on February 16, 2023:

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**Ana Abashidze**

Chairman

Partnership for Human Rights

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**Olgha Mikadze**

Financial Manager

Partnership for Human Rights

Partnership for Human Rights (PHR)  
 Statement of Changes in Net Assets  
 For the year ended December 31, 2022  
 Amounts expressed in Georgian Lari

|  | Unrestricted net assets | Temporarily restricted net assets | Permanently restricted net assets | Total net assets |
|--|-------------------------|-----------------------------------|-----------------------------------|------------------|
| <b>Balance as at December 31, 2020</b> | <b>58,143</b>           | -                                 | -                                 | <b>58,143</b>    |
| Grants and donations                   | 908,384                 | -                                 | -                                 | 908,384          |
| Financing of expenses                  | (931,904)               | -                                 | -                                 | (931,904)        |
| <b>Balance as at December 31, 2021</b> | <b>34,623</b>           | -                                 | -                                 | <b>34,623</b>    |
| Grants and donations                   | 880,796                 | -                                 | -                                 | 880,796          |
| Financing of expenses                  | (873,650)               | -                                 | -                                 | (873,650)        |
| <b>Balance as at December 31, 2022</b> | <b>41,769</b>           | -                                 | -                                 | <b>41,769</b>    |

The financial statement is approved and signed on February 16, 2023:

Ana Abashidze

Chairman

Partnership for Human Rights

Olga Mikadze

Financial Manager

Partnership for Human Rights

**Partnership for Human Rights (PHR)**  
**Statement of Functional Expenses**  
**For the year ended December 31, 2022**  
**Amounts expressed in Georgian Lari**

| Description                               | 44010403072<br>001RFSU | Unwomen<br>00132694 | G-2051-22-<br>211-3047-20<br>15 PROLOG | OSGF<br>EINT/02/21<br>- 21213 | OSGF<br>EINT/07/2<br>1 - 21231 | OSGF<br>EINT/11/2<br>2 - 21395 | Womens fund<br>in Georgia<br>SIDA/22/02 | Human<br>Rights<br>House Sub-<br>Grant 40 | TBL<br>400000514<br>9 | OR2021-<br>80711 | Unwomen<br>00098242 | Own<br>funds  | Total<br>Expenses<br>2022 | Total<br>Expenses<br>2021 |
|---|------------------------|---------------------|--|-------------------------------|--------------------------------|--------------------------------|---|---|-----------------------|------------------|---------------------|---------------|---------------------------|---------------------------|
| Payroll                                   | 181,081                | 53,760              | 47,947                                 | 2,444                         | 2,163                          | 2,665                          | 1,112                                   | -   | 85,500                | 132,462          | 55,075              | -             | 564,207                   | 487,097                   |
| Trainers and research fee                 | 12,786                 | -                   | -                                      | 2,139                         | 11,971                         | -                              | -                                       | 3,600                                     | 12,740                | 27,894           | -                   | -             | 71,130                    | 170,493                   |
| Office rent                               | 7,210                  | -                   | -                                      | -                             | -                              | -                              | -                                       | -   | -                     | 21,337           | -                   | -             | 28,547                    | 29,131                    |
| Transportation                            | 9,976                  | -                   | 5,400                                  | -                             | -                              | -                              | -                                       | 2,500                                     | 500                   | 5,270            | 3,850               | -             | 27,496                    | 22,304                    |
| Advertisement & video shooting for donors | 3,850                  | -                   | -                                      | 4,206                         | -                              | -                              | 1,036                                   | -   | 5,175                 | 2,200            | 4,090               | -             | 20,557                    | 24,264                    |
| Hotel                                     | 590                    | -                   | 100                                    | -                             | -                              | -                              | -                                       | 12,239                                    | -                     | 3,157            | -                   | 2,816         | 18,901                    | 3,854                     |
| Translation                               | 1,301                  | -                   | 1,915                                  | -                             | 3,276                          | -                              | -                                       | -   | 3,423                 | 3,042            | 4,380               | -             | 17,336                    | 10,195                    |
| Computer costs                            | 14,400                 | -                   | 178                                    | -                             | -                              | -                              | -                                       | -   | -                     | 591              | -                   | 32            | 15,201                    | 18,757                    |
| Payroll pension fund 2%                   | 3,622                  | 1,075               | 959                                    | 49                            | 240                            | 53                             | 22                                      | -   | 1,710                 | 2,649            | 1,101               | -             | 11,481                    | 9,653                     |
| Conference cost                           | 5,080                  | -                   | -                                      | -                             | -                              | -                              | -                                       | -   | 5,312                 | -                | -                   | -             | 10,392                    | 34,496                    |
| Fuel and car maintenance                  | -                      | 712                 | -                                      | -                             | -                              | -                              | -                                       | -   | -                     | 4,955            | 3,593               | -             | 9,261                     | 12,072                    |
| Depreciation                              | -                      | -                   | -                                      | -                             | -                              | -                              | -                                       | -   | -                     | -                | -                   | 8,170         | 8,170                     | 7,551                     |
| Peerdium                                  | 3,950                  | -                   | 1,273                                  | -                             | -                              | -                              | -                                       | -   | -                     | 2,461            | -                   | -             | 7,684                     | 5,395                     |
| Small grants                              | 6,024                  | -                   | -                                      | -                             | -                              | -                              | -                                       | -   | -                     | -                | -                   | -             | 6,024                     | -                         |
| Communication                             | 2,181                  | -                   | -                                      | -                             | -                              | -                              | -                                       | -   | 159                   | 3,579            | -                   | -             | 5,919                     | 6,777                     |
| office maintenance                        | -                      | -                   | -                                      | -                             | -                              | -                              | -                                       | -   | -                     | 2,693            | 1,668               | -             | 4,360                     | -                         |
| Stationary                                | 835                    | -                   | -                                      | -                             | -                              | -                              | -                                       | -   | 470                   | 2,526            | -                   | -             | 3,831                     | 4,078                     |
| Office cleaning                           | -                      | -                   | 1,276                                  | -                             | -                              | -                              | -                                       | -   | 255                   | 1,531            | -                   | -             | 3,061                     | 3,061                     |
| Snack and lunch for training              | 638                    | -                   | -                                      | -                             | -                              | -                              | -                                       | -   | 2,210                 | -                | -                   | -             | 2,848                     | 2,001                     |
| Pension fund other                        | 455                    | -                   | 69                                     | 97                            | -                              | -                              | 21                                      | -   | 991                   | 824              | 169                 | -             | 2,626                     | 3,879                     |
| Court fee and notary cost                 | 35                     | -                   | -                                      | -                             | -                              | -                              | -                                       | -   | 1,008                 | 466              | -                   | -             | 1,509                     | 1,990                     |
| Utility                                   | 600                    | -                   | 242                                    | -                             | -                              | 44                             | -                                       | -   | 51                    | -                | -                   | -             | 937                       | 3,161                     |
| Bank fees                                 | 149                    | 7                   | 42                                     | 11                            | 5                              | 2                              | 2                                       | 12  | 34                    | 66               | 15                  | 5             | 350                       | 378                       |
| Other expenses                            | 11,946                 | -                   | 643                                    | 2,047                         | -                              | -                              | -                                       | -   | 32,041                | 1,111            | -                   | 2,668         | 50,456                    | 55,052                    |
| <b>Total expenses</b>                     | <b>266,710</b>         | <b>55,555</b>       | <b>60,042</b>                          | <b>10,993</b>                 | <b>17,654</b>                  | <b>2,763</b>                   | <b>2,192</b>                            | <b>18,351</b>                             | <b>151,578</b>        | <b>218,813</b>   | <b>73,941</b>       | <b>13,692</b> | <b>892,285</b>            | <b>915,638</b>            |

The financial statement is approved and signed on February 16, 2023:

**Ana Abashidze**

Chairman

Partnership for Human Rights

**Olgha Mikadze**

Financial Manager

Partnership for Human Rights

Partnership for Human Rights (PHR)  
Statement of Functional Expenses  
For the year ended December 31, 2022  
Amounts expressed in Georgian Lari

| Description                               | 44010403072<br>001RFSU | Unwomen<br>00132694 | G-2051-22-<br>211-3047-20<br>15 PROLOG | OSGF<br>EINT/02/21<br>- 21213 | OSGF<br>EINT/07/2<br>1 - 21231 | OSGF<br>EINT/11/2<br>2 - 21395 | Womens fund<br>in Georgia<br>SIDA/22/02 | Human<br>Rights<br>House Sub-<br>Grant 40 | TBL<br>400000514<br>9 | OR2021-<br>80711 | Unwomen<br>00098242 | Own<br>funds  | Total<br>Expenses<br>2022 | Total<br>Expenses<br>2021 |
|---|------------------------|---------------------|--|-------------------------------|--------------------------------|--------------------------------|---|---|-----------------------|------------------|---------------------|---------------|---------------------------|---------------------------|
| Payroll                                   | 181,081                | 53,760              | 47,947                                 | 2,444                         | 2,163                          | 2,665                          | 1,112                                   | -   | 85,500                | 132,462          | 55,075              | -             | 564,207                   | 487,097                   |
| Trainers and research fee                 | 12,786                 | -                   | -                                      | 2,139                         | 11,971                         | -                              | -                                       | 3,600                                     | 12,740                | 27,894           | -                   | -             | 71,130                    | 170,493                   |
| Office rent                               | 7,210                  | -                   | -                                      | -                             | -                              | -                              | -                                       | -   | -                     | 21,337           | -                   | -             | 28,547                    | 29,131                    |
| Transportation                            | 9,976                  | -                   | 5,400                                  | -                             | -                              | -                              | -                                       | -   | -                     | 2,500            | 500                 | 5,270         | 27,496                    | 22,304                    |
| Advertisement & video shooting for donors | 3,850                  | -                   | -                                      | 4,206                         | -                              | -                              | 1,036                                   | -   | 5,175                 | 5,270            | 3,850               | -             | 20,557                    | 24,264                    |
| Hotel                                     | 590                    | -                   | 100                                    | -                             | -                              | -                              | -                                       | 12,239                                    | -                     | 2,200            | 4,090               | -             | 18,901                    | 3,854                     |
| Translation                               | 1,301                  | -                   | 1,915                                  | -                             | 3,276                          | -                              | -                                       | -   | 3,423                 | 3,042            | 4,380               | 2,816         | 17,336                    | 10,195                    |
| Computer costs                            | 14,400                 | -                   | 178                                    | -                             | -                              | -                              | -                                       | -   | -                     | 591              | -                   | 32            | 15,201                    | 18,757                    |
| Payroll pension fund 2%                   | 3,622                  | 1,075               | 959                                    | 49                            | 240                            | 53                             | 22                                      | -   | 1,710                 | 2,649            | 1,101               | -             | 11,481                    | 9,653                     |
| Conference cost                           | 5,080                  | -                   | -                                      | -                             | -                              | -                              | -                                       | -   | 5,312                 | -                | -                   | -             | 10,392                    | 34,496                    |
| Fuel and car maintenance                  | -                      | 712                 | -                                      | -                             | -                              | -                              | -                                       | -   | -                     | 4,955            | 3,593               | -             | 9,261                     | 12,072                    |
| Depreciation                              | -                      | -                   | -                                      | -                             | -                              | -                              | -                                       | -   | -                     | -                | -                   | 8,170         | 8,170                     | 7,551                     |
| Peerdium                                  | 3,950                  | -                   | 1,273                                  | -                             | -                              | -                              | -                                       | -   | -                     | -                | -                   | -             | 7,684                     | 5,395                     |
| Small grants                              | 6,024                  | -                   | -                                      | -                             | -                              | -                              | -                                       | -   | 2,461                 | -                | -                   | -             | 6,024                     | -                         |
| Communication                             | 2,181                  | -                   | -                                      | -                             | -                              | -                              | -                                       | -   | -                     | -                | -                   | -             | 5,919                     | 6,777                     |
| office maintenance                        | -                      | -                   | -                                      | -                             | -                              | -                              | -                                       | -   | 159                   | 3,579            | -                   | -             | 4,360                     | -                         |
| Stationary                                | 835                    | -                   | -                                      | -                             | -                              | -                              | -                                       | -   | -                     | 2,693            | 1,668               | -             | 3,831                     | 4,078                     |
| Office cleaning                           | -                      | -                   | 1,276                                  | -                             | -                              | -                              | -                                       | -   | 470                   | 2,526            | -                   | -             | 3,061                     | 3,061                     |
| Snack and lunch for training              | 638                    | -                   | -                                      | -                             | -                              | -                              | -                                       | -   | 255                   | 1,531            | -                   | -             | 2,848                     | 2,001                     |
| Pension fund other                        | 455                    | -                   | 69                                     | 97                            | -                              | -                              | -                                       | -   | 2,210                 | -                | -                   | -             | 2,626                     | 3,879                     |
| Court fee and notary cost                 | 35                     | -                   | -                                      | -                             | -                              | -                              | 21                                      | -   | 991                   | 824              | 169                 | -             | 1,509                     | 1,990                     |
| Utility                                   | 600                    | -                   | 242                                    | -                             | -                              | 44                             | -                                       | -   | 1,008                 | 466              | -                   | -             | 937                       | 3,161                     |
| Bank fees                                 | 149                    | 7                   | 42                                     | 11                            | 5                              | 2                              | 2                                       | -   | 51                    | -                | -                   | -             | 350                       | 378                       |
| Other expenses                            | 11,946                 | -                   | 643                                    | 2,047                         | -                              | -                              | -                                       | 12  | 34                    | 66               | 15                  | 5             | 50,456                    | 55,052                    |
| <b>Total expenses</b>                     | <b>266,710</b>         | <b>55,555</b>       | <b>60,042</b>                          | <b>10,993</b>                 | <b>17,654</b>                  | <b>2,763</b>                   | <b>2,192</b>                            | <b>18,351</b>                             | <b>151,578</b>        | <b>218,813</b>   | <b>73,941</b>       | <b>13,692</b> | <b>892,285</b>            | <b>915,638</b>            |

The financial statement is approved and signed on February 16, 2023:



Ana Abashidze

Chairman

Partnership for Human Rights



Olga Mikadze

Financial Manager

Partnership for Human Rights

Partnership for Human Rights (PHR)  
Statement of Cash Flows  
For the year ended December 31, 2022  
Amounts expressed in Georgian Lari

|   | 2022             | 2021            |
|---|------------------|-----------------|
| <b><i>Cash flows from operating activities</i></b>              |                  |                 |
| Cash received from grants                                       | 585,318          | 1,298,290       |
| Other income  | -                | 5,311           |
| Cash received from donations                                    | 2,203            | -               |
| Cash paid for salaries of employees                             | (448,000)        | (394,783)       |
| Taxes paid  | (175,158)        | (168,286)       |
| Cash paid for honorarium  | (65,207)         | (73,395)        |
| Cash paid for other services rendered and other goods purchased | (34,069)         | (52,848)        |
| Cash paid for rent expenses                                     | (30,366)         | (23,305)        |
| Cash paid for Presentation, conferences and trainings           | (16,055)         | (23,227)        |
| Cash paid for transportation                                    | (37,779)         | (33,683)        |
| Cash paid for advertising expenses                              | (4,600)          | (7,671)         |
| Cash paid for office expenses                                   | (12,071)         | (13,165)        |
| Cash paid for business trips                                    | (9,591)          | (40,959)        |
| Cash paid for services rendered and goods purchased             | (40,258)         | (63,805)        |
| Bank expenses   | (713)            | (372)           |
| Other expenses  | (24,455)         | (26,118)        |
| <b><i>Net cash flows from operating activities</i></b>          | <b>(310,801)</b> | <b>381,984</b>  |
| <b><i>Cash flows from investing activities</i></b>              |                  |                 |
| Acquisition of fixed assets                                     | -                | (15,512)        |
| <b><i>Net cash flows from investing activities</i></b>          | <b>-</b>         | <b>(15,512)</b> |
| <b><i>Net outflow of cash and cash equivalents</i></b>          | <b>(310,801)</b> | <b>366,472</b>  |
| Gain/(Loss) from exchange rate changes                          | (18,504)         | (25,798)        |
| Cash and cash equivalents at the beginning of the year          | 439,941          | 99,267          |
| <b><i>Cash and cash equivalents at the end of the year</i></b>  | <b>110,636</b>   | <b>439,941</b>  |

The financial statement is approved and signed on February 16, 2023:

\_\_\_\_\_  
**Ana Abashidze**

Chairman

Partnership for Human Rights

\_\_\_\_\_  
**Olgha Mikadze**


Financial Manager

Partnership for Human Rights

Partnership for Human Rights (PHR)  
Statement of Cash Flows  
For the year ended December 31, 2022  
Amounts expressed in Georgian Lari

|   | 2022             | 2021            |
|---|------------------|-----------------|
| <b>Cash flows from operating activities</b>                     |                  |                 |
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| Cash paid for business trips                                    | (9,591)          | (40,959)        |
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| <b>Net cash flows from operating activities</b>                 | <b>(310,801)</b> | <b>381,984</b>  |
| <b>Cash flows from investing activities</b>                     |                  |                 |
| Acquisition of fixed assets                                     | -                | (15,512)        |
| <b>Net cash flows from investing activities</b>                 | <b>-</b>         | <b>(15,512)</b> |
| <b>Net outflow of cash and cash equivalents</b>                 |                  |                 |
|   | <b>(310,801)</b> | <b>366,472</b>  |
| Gain/(Loss) from exchange rate changes                          | (18,504)         | (25,798)        |
| Cash and cash equivalents at the beginning of the year          | 439,941          | 99,267          |
| <b>Cash and cash equivalents at the end of the year</b>         | <b>110,636</b>   | <b>439,941</b>  |

The financial statement is approved and signed on February 16, 2023:

  
\_\_\_\_\_  
**Ana Abashidze**  
Chairman  
Partnership for Human Rights

  
\_\_\_\_\_  
**Olga Mikadze**  
Financial Manager  
Partnership for Human Rights



## Partnership for Human Rights (PHR)

### Explanatory notes of the financial statements

For the year ended December 31, 2022

Amounts expressed in Georgian Lari

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#### 1 BASIC ACTIVITIES AND GENERAL INFORMATION

Partnership for Human Rights (PHR) ("Organization") - Non-entrepreneurial (non-commercial) legal entity (I/C 404951593) was founded in 2012. The mission of the Organization is the protection of the human rights of persons with disabilities, women, children, elderly persons and of other vulnerable groups; prevention and monitoring of human rights violations on the territory of Georgia. Harmonization of domestic legal frameworks with international legal principals and standards.

To achieve the abovementioned objectives, the Organization encourages awareness-raising, protection and observance of the human rights of the persons with disabilities, women, children, elderly persons and other representatives of vulnerable groups through:

- Coordination, exchange and dissemination of information in the field of human rights area and within the area of above mentioned objectives;
- Organizing regular conferences and meetings, trainings and seminars, publishing the brochures and publications, preparing position papers, communicating through radio and TV media, etc. for strengthening the practice of the ethical norms in the field of human rights;
- Facilitating human rights action by the persons with disabilities, women, children and of other vulnerable groups to help them realize their rights; raising of the legal awareness, providing consultancy and legal aid to these groups;
- Collaboration and negotiation with the state and private agencies, national and international organizations, for improving the human rights protection system in the country;
- Collecting and processing information about human rights status of the representatives of the vulnerable groups in the country, creating a statistical database and analyzing, issuing relevant recommendations to the responsible agencies;
- Collaboration with mass-media, dissemination information of the activities of the society through information channels and the advertising activities;
- Creating the regional centers throughout Georgia for implementation of the Organization's objectives and for supporting its activities;
- Founding the legal aid centers to provide legal consulting and legal aid at the court and at other state institutions for the representatives of the vulnerable groups mentioned above.

On March 11, 2020 the grant agreement was signed between "Swedish Association for Sexuality Education" (RFSU) and „Partnership for Human Rights" (PHR), for the grant project "Supporting women with disabilities in being, doing and becoming independent". The initial period of the grant was from February 1, 2020 to February 1, 2022. The total amount of the grant for the period is 2,100,000 SEK. On November 4, amendment of the agreement was signed. According to the amendment the additional contributed amount of the year 2022 was 210,000 SEK and budget of the year 2023 was approved with the amount of 750 000 SEK. According to the amendment the deadline of the grant is 31th December of 2023 year **(44010403072001 RFSU)**.

On September 8, 2021 the grant agreement was signed between "Open Society Foundation" and „Partnership for Human Rights" (PHR), for the grant project "Financial strengthening of the organization". The initial period of the grant was from September 15, 2021 to September 14, 2022. The total amount of the grant for the period is 100,000 USD. **(OR2021-80711)**

On August 31, 2021 the grant agreement was signed between "Embassy of Netherlands" and „Partnership for Human Rights" (PHR), for the grant project "Safeguarding female athletes from sexual harassment and sexual abuse in sports ". The initial period of the grant was from October 1, 2021 to September 30, 2022. The total amount of the grant for the period is 184,944 GEL. **(TBL 4000005149)**

On October 12, 2022 the grant agreement was signed between "United Nations Entity for Gender Equality and the Empowerment of Women" and "Partnership for Human Rights" (PHR) for the implementation of the project "UN Joint Programme for Gender Equality". The period of the grant is from October 12, 2022 to December 21, 2026. The maximum amount of grant for the period is 75,000 USD **(UNWOMEN00098242)**.

On July 25, 2022 the grant agreement was signed between "United States Agency for International Development (USAID)" and "Partnership for Human Rights" (PHR) for the implementation of the project "unpacking child code for and with children". The period of the grant is from July 15, 2022 to July 14, 2024. The maximum amount of grant for the period is 100,000 USD **(G-2051-22-211-3047-20)**.

**1 BASIC ACTIVITIES AND GENERAL INFORMATION (Continued)**

On February 08, 2022 the grant agreement was signed between "United Nations Entity for Gender Equality and the Empowerment of Women" and "Partnership for Human Rights" (PHR) for the implementation of the project "UN Joint Programme for Gender Equality". The period of the grant is from February 08, 2022 to June 30, 2022. The maximum amount of grant for the period is 24,950 USD **(UNWOMEN00132694)**.

On July 15, 2021 the grant agreement was signed between "Tbilisi Human Rights House" and „Partnership for Human Rights" (PHR), for the grant project "Capacity Development Training Grant". The initial period of the grant was from July 15, 2021 to July 15, 2022. The total amount of the grant for the period is 18,470 GEL. **(Sub-Grant Agreement 40)**

On June 25, 2021 the grant agreement was signed between "Open Society Georgia Foundation" and „Partnership for Human Rights" (PHR), for the grant project "The main challenges of the social protection system for different groups in Georgia". The initial period of the grant was from June 25, 2021 to January 25, 2022. The total amount of the grant for the period is 25,000 USD. **(EINT/07/21 - 21231)**

On April 13, 2021 the grant agreement was signed between "Open Society Georgia Foundation" and „Partnership for Human Rights" (PHR), for the grant project "Strategic Litigation for children". The initial period of the grant was from April 13, 2021 to February 13, 2022. The total amount of the grant for the period is 24,995 USD. **(EINT/02/21 - 21213)**

On December 09, 2022 the grant agreement was signed between "Open Society Georgian Foundation" and "Partnership for Human Rights" (PHR) for strengthening social protection and equality policies for different groups in Georgia". The period of the grant is from December 09, 2022 to October 09, 2023. The maximum amount of grant for the period is 29,946 USD **(EINT/11/22-21395)**.

On December 01, 2022 the grant agreement was signed between "Women Funds In Georgia " and "Partnership for Human Rights" (PHR) for the forms of invisible gender violence against women in labor migration". The period of the grant is from December 01, 2022 to August 01, 2023. The maximum amount of grant for the period is 15,000 EUR **(SIDA/22/02)**.

On July 15, 2020 the grant agreement was signed between the "United Nations Women" (UN Women) and the "Partnership for Human Rights" (PHR) for the implementation of the project "Georgia, for strengthening the voice of women and girls with disabilities". The initial period of the grant was from July 15, 2020 to September 15, 2021. The maximum amount that grant can be awarded under the Partnership for Human Rights project is \$ 76,770. **(Women United)**.

On October 16, 2019 „Foundation Open Society Institute" (FOSI) awarded „Partnership for Human Rights" (PHR) the grant for the project „Advocate the rights of persons with disabilities especially in the field of exercising their rights to legal capacity as well as defend the rights of women with disabilities and marginalized women belonging to different ethnic, religious or sexual minorities who are victims of gender-based violence". The period of the project is from September 1, 2019 to August 31, 2021. The total amount of the grant for the period is 99,984 USD. **(OR 2019-61654)**.

On March 11, 2021 the grant agreement was signed between "USAID" and „Partnership for Human Rights" (PHR), for the grant project "Safeguarding children and women from abuse and sexual harassment in sport.". The initial period of the grant was from March 15, 2021 to November 19, 2021. The total amount of the grant for the period is 21,239 USD. **(G1839-21-211-3024-20)**

On May 21, 2021 the grant agreement was signed between "USAID" and „Partnership for Human Rights" (PHR), for the grant project "Supporting evidence-based child rights practices". The initial period of the grant was from May 21, 2021 to November 24, 2021. The total amount of the grant for the period is 14,907 USD. **(G185921211302420)**

On April 14, 2020 the grant agreement was signed between „East-West Management Institute" (EWMI)" and „Partnership for Human Rights" (PHR), for the grant project "Strengthening Child Access to Justice in Georgia". The initial period of the grant was from April 15, 2020 to March 14, 2021. The total amount of the grant for the period is 42,977.83 USD. **(EWMI-G-1700-17-211-3024-20)**.

On March 22, 2021 the grant agreement was signed between "Women fund in Georgia" and „Partnership for Human Rights" (PHR), for the grant project "Prevention of sexual violence against women in young people". The initial period of the grant was from March 22, 2021 to August 21, 2021. The total amount of the grant for the period is 5,000 USD. **(OAK 21/06)**

On April 20, 2021 the grant agreement was signed between „EMC/OSGF" and „Partnership for Human Rights" (PHR), for the grant project "Promoting and Enabling Legal Capacity in Georgia". The initial period of the grant was from April 20, 2021 to September 30, 2021. The total amount of the grant for the period is 1,200 USD. **(OR2018-45437)**

## **2 SIGNIFICANT ACCOUNTING POLICIES**

### **2.1 Basis of preparation**

These financial statements have been prepared in accordance with Financial Standard for Non-entrepreneurial (non-profit) Legal Entities approved under the order №9 of the head of the Service for Accounting, Reporting and Auditing Supervision Subdivision of the Ministry of Finance of Georgia.

Based on the Organization's accounting policy, financial statements have been prepared and presented using the historical cost principle and accrual basis of accounting.

According to the historical cost principle, assets are recorded at the amount of cash or cash equivalents paid or the fair value of the consideration given to acquire them at the time of their acquisition. Liabilities are recorded at the amount of proceeds received in exchange for the obligation, or in some circumstances (for example, income taxes), at the amounts of cash or cash equivalents expected to be paid to satisfy the liability in the normal course of business.

Under accrual basis, the effects of transactions and other events are recognized, when they occur (and not as cash or cash equivalent is received or paid) and they are recorded in the accounting records and reported in the financial statements of the period to which they relate.

### **2.2 Going concern**

Management has prepared these standalone financial statements on a going concern basis. In making this judgment management considered the Companies' financial position, current intentions, positive cash flows, the profitability of operations and access to local financial resources as required for the following minimum 12 months after reporting period.

### **2.3 Currency of presented statement**

The functional currency of the Organization is national currency of Georgia – Georgian Lari (GEL). Transactions in foreign currency are initially recorded in the functional currency using the spot rate at the date of the transaction determined by National Bank of Georgia. Foreign currency monetary items at the reporting date are translated using the rate determined by National Bank of Georgia at the end of the year. All exchange differences arising on settlement are recognized in profit or loss.

Non-monetary items are not recalculated at the rate, that is at the end of the year and it is presented in the balance sheet at historical value. (It's converted into GEL at the date of the transaction).

The principal rate of exchange used for translating foreign currency monetary balances were being as follows:

|         | <u>31-Dec-22</u> | <u>31-Dec-21</u> |
|---------|------------------|------------------|
| 1 USD = | 2.7020           | 3.0976           |
| 1 EUR = | 2.8844           | 3.5040           |

### **2.4 Cash and cash equivalents**

Cash and cash equivalents are comprised of cash in bank.

### **2.5 Grant revenue and deferred grant**

The Organization recognizes deferred grant upon signing the agreement with donor. When the relevant expenses of the program are incurred and recognized, the corresponding amount is reduced from deferred grant and recognized as revenue.

### **2.6 Fixed assets**

Fixed assets and intangible assets are stated at cost, less accumulated depreciation and provision for impairment. Cost comprises of construction cost or purchase price, including non-refundable taxes, and any directly attributable costs of bringing the asset to working condition for its intended use. Any trade discounts and rebates are deducted in arriving the purchase price.

Costs of minor repairs and maintenance are expensed, when incurred. Cost of replacing major parts or components of property, plant and equipment items are capitalized and the replaced part is retired.

## 2 SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.6 Fixed assets (Continued)

All items of equipment are stated at cost less accumulated depreciation and impairment losses, if any.

At each reporting date the management assess whether there is any indication of impairment of fixed assets. If impaired, premises and equipment are written down to the higher of their value in use and fair value less costs to sell. The decrease in carrying amount is charged to profit or loss. An impairment loss recognized for an asset in prior years is reversed if there has been a change in the estimates used to determine the asset's value in use or fair value less costs to sell.

Gains and losses on disposals determined by comparing proceeds with carrying amount are recognized in profit or loss.

### 2.7 Depreciation

Depreciation on other items of fixed assets is calculated using the straight-line depreciation method, that means allocating the same amount of depreciation over its useful life, if the residual value of the asset remains unchangeable. The useful life is determined as follow:

| <u>Assets group</u>      | <u>Useful life (year)</u> |
|--------------------------|---------------------------|
| Computers and techniques | 2-5                       |
| Other fixed assets       | 2-5                       |

The residual value of an asset is the estimated amount that the Organization would currently obtain from disposal of the asset less the estimated costs of disposal, if the asset were already of the age and in the condition expected at the end of its useful life.

### 2.8 Advances Paid

Advances paid - Advances paid are initially recognized at the cost and adjusted as necessary for possible impairment. Advances are considered impaired when there is objective evidence that the company will not be able to fully receive the goods and services provided for in the original agreement between the parties.

### 2.9 Taxes

PHR, as non-governmental, non-commercial organization, pays the following taxes:

•Income tax (20%). Mentioned tax will be paid from the whole salary and from the benefits that are handled to the employees according to the Georgian tax legislation. These taxes are given in financial statements – project incomes and project expenditures as the part of salary and benefits connected to it.

### 2.10 Net asset classification

The net assets are reported in two self-balancing funds as follows:

**Unrestricted net assets** – include unrestricted revenue and contributions received without donor-imposed restrictions. These net assets are available for the operation of the organization.

**Temporarily restricted net assets** – include revenue and contributions subject to donor-imposed stipulations that will be met by the actions of the Organization. When restrictions are met, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statements of Activities and Change in Net Assets as net assets released from restrictions.

### 2.11 Revenue

Unrestricted and temporarily restricted contributions and grants are recorded as revenue, when the agreement is signed with donor. Restricted contributions and grants are recognized as unrestricted support only to the extent of actual expenses incurred in compliance with the donor-imposed restrictions and satisfaction of time restrictions. Restricted contributions and grants received in excess of expenses incurred are shown as restricted net assets in the accompanying financial statements.

**Partnership for Human Rights (PHR)**  
**Explanatory notes of the financial statements**  
**For the year ended December 31, 2022**  
**Amounts expressed in Georgian Lari**

**2 SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**2.12 Administrative and operational expenses**

Wages, salaries, contributions to the Georgian Republic state pension and social insurance funds, paid annual leave and sick leave, bonuses, and non-monetary benefits are accrued in the year in which the associated services are rendered by the employees of the Organization.

**3 SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS**

The preparation of the Organization's standalone financial statements requires management to make judgments, estimates and assumptions that effect the reported amounts of income, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of asset or liability affected in future periods.

**3.1 Tax legislation**

Georgian Tax Code and Customs Law are subject to different interpretations.

**3.2 Useful lives of fixed assets**

The Organization has used judgment in determination of useful lives of PPE, considering such factors as technical or commercial obsolesce, expected usage of the assets by reference to the assets' expected capacity of physical output and expected wear and tear, which depends on operational factors. Although the management has made his best estimate in determining the pattern of consumption of the future economic benefits embodied in the asset, they may substantially differ from actual results that may materially influence the figures presented in the financial statement.

The useful life of property, plant and equipment is reviewed annually and it is changing if needed.

**4 CASH AND BANK**

|                            | <b>31-Dec-22</b> | <b>31-Dec-21</b> |
|----------------------------|------------------|------------------|
| Georgian Lari (GEL)        | 109,278          | 200,990          |
| US Dollars (USD)           | 958              | 238,070          |
| Euro (EUR)                 | 400              | 881              |
| <b>Total cash and bank</b> | <b>110,636</b>   | <b>439,941</b>   |

**5 GRANTS RECEIVABLE**

|                                | <b>31-Dec-22</b> | <b>31-Dec-21</b> |
|--------------------------------|------------------|------------------|
| G-2051-22-211-3047-20 15       | 199,561          | -                |
| 44010403072001 RFSU            | 194,400          | -                |
| OSGF EINT 11/22-21395          | 22,219           | 9,247            |
| Irex europe lot 5 agreement 40 | -                | 1,016            |
| <b>Total grants receivable</b> | <b>416,180</b>   | <b>10,263</b>    |

**6 Advances Paid**

As of December 31, 2022, advances paid represents amounts paid in advance to suppliers.

**7 FIXED ASSETS**

|                          | <b>Computers and Techniques</b> | <b>Other fixed assets</b> | <b>Total</b>  |
|--------------------------|---------------------------------|---------------------------|---------------|
| <b>Gross Book Value</b>  |                                 |                           |               |
| <b>December 31, 2020</b> | <b>26,842</b>                   | <b>6,083</b>              | <b>32,925</b> |
| Additions                | 13,403                          | -                         | 13,403        |
| Disposals                | (2,179)                         | (712)                     | (2,891)       |
| <b>December 31, 2021</b> | <b>38,066</b>                   | <b>5,371</b>              | <b>43,438</b> |
| Additions                | -                               | -                         | -             |
| Disposals                | (5,543)                         | -                         | (5,543)       |
| <b>December 31, 2022</b> | <b>32,523</b>                   | <b>5,371</b>              | <b>37,895</b> |

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7 FIXED ASSETS (Continued)

|                                 | Computers and Techniques | Other fixed assets | Total         |
|---------------------------------|--------------------------|--------------------|---------------|
| <i>Accumulated depreciation</i> |                          |                    |               |
| <b>December 31, 2020</b>        | <b>9,040</b>             | <b>2,811</b>       | <b>11,852</b> |
| Charge for the year             | 7,550                    | -                  | 7,550         |
| Disposal                        | (2,891)                  | -                  | (2,891)       |
| <b>December 31, 2021</b>        | <b>13,699</b>            | <b>2,811</b>       | <b>16,511</b> |
| Charge for the year             | 7,272                    | 1,054              | 8,326         |
| Disposal                        | (5,543)                  | -                  | (5,543)       |
| <b>December 31, 2022</b>        | <b>15,427</b>            | <b>3,865</b>       | <b>19,294</b> |
| <i>Net book value</i>           |                          |                    |               |
| <b>December 31, 2020</b>        | <b>17,802</b>            | <b>3,272</b>       | <b>21,074</b> |
| <b>December 31, 2021</b>        | <b>24,368</b>            | <b>2,560</b>       | <b>26,926</b> |
| <b>December 31, 2022</b>        | <b>17,097</b>            | <b>1,506</b>       | <b>18,600</b> |

8 DEFERRED GRANT INCOME

| Deferred grant income              | 31-Dec-22      | 31-Dec-21      |
|------------------------------------|----------------|----------------|
| G-2051-22-211-3047-20 15           | 210,675        | 158,931        |
| 44010403072001 RFSU                | 194,400        | -              |
| EINT/11/22-21395                   | 78,112         | -              |
| SIDA/22/02                         | 40,991         | -              |
| OSFCoreFunding OR2021-80711        | -              | 236,192        |
| OSGFEINT07/21-21231                | -              | 23,670         |
| IrexEurope lots5 Subgrant 40       | -              | 18,470         |
| OSGFEINT02/21-21213                | -              | 12,110         |
| <b>Total deferred grant income</b> | <b>524,178</b> | <b>449,373</b> |

9 MOVEMENT IN DEFERRED GRANTS

| Movement in deferred grants                             | Year 2022      | Year 2021      |
|---|----------------|----------------|
| Opening balance of deferred grants                      | 449,373        | 257,026        |
| Add: Grant contracts signed in the period               | 1,028,534      | 1,146,313      |
| Less: Deferred grants transferred to the period incomes | (953,729)      | (944,647)      |
| Unused budget   | -              | (9,319)        |
| <b>Closing balance of deferred grants</b>               | <b>524,178</b> | <b>449,373</b> |

10 OTHER LIABILITIES

| Other liabilities                    | 31-Dec-22    | 31-Dec-21  |
|--------------------------------------|--------------|------------|
| Trade payables and other liabilities | 1,909        | 525        |
| <b>Total other liabilities</b>       | <b>1,909</b> | <b>525</b> |

11 CONTINGENCIES, COMMITMENTS AND OPERATING RISKS

**Legal proceedings.** For the year ended as at 31 December 2022, Organization was not involved in the legal proceedings.

**Tax legislation.** Georgian tax and customs legislation is subject to varying interpretations, and changes, which can occur frequently. Management's interpretation of such legislation as applied to the transactions and activity of the Organization may be challenged by the relevant authorities. The Georgian tax authorities may be taking a more assertive and sophisticated approach in their interpretation of the legislation and tax examinations and it is possible that transactions and activities that have not been challenged in the past may be challenged. As a result, significant additional taxes, penalties and interest may be assessed.

**12 GOING CONCERN CONSIDERATIONS**

The financial statements of the Organization were prepared in compliance with the going concern basis, meaning that Organization will be able to operate for the 12 months period after reporting date.

**13 EVENTS AFTER THE REPORTING DATE**

On 24 February 2022, Russia began a military invasion of Ukraine, in a major escalation of the Russo-Ukrainian conflict that had begun in 2014. The war is still ongoing for the date of approval of the Organization's financial statements. The invasion was widely condemned internationally. Many countries imposed new sanctions which have led to economic consequences for Russia and the world economy. The Organization does not consider the risks arising from the above-mentioned Russo-Ukrainian conflict as significant since the Company or its owners do not have any ties with either Russia or Ukraine.

There have been no other events after the reporting period which require additional disclosures or adjustments to these statements of incomes and expenditures.

**-End of Document-**