



FINANCIAL AUDIT REPORT





State Audit Office of Georgia

„Approved by“

Head of Social Sector Audit Department

Mariam Zaalishvili

M. Zaalishvili

31 January 2025 Year

N 3/36

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Audit report of the consolidated financial statements
of the Ministry of Education, Science and Youth of
Georgia for the reporting period ending on December
31, 2023

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Terms and Abbreviations

Accounting Instruction – Instruction approved by the Order №108 of the Minister of Finance of Georgia, dated May 5, 2020, on “The Approval of the Instruction on Financial Accounting and Reporting Based on International Public Sector Accounting Standards (IPSAS) for Budgetary Organizations.”

Gori University – LEPL (Legal Entity under Public Law) – Gori State University

TSU – LEPL – Ivane Javakhishvili Tbilisi State University

Ministry – Ministry of Education, Science and Youth of Georgia

Agency – LEPL – Educational and Scientific Infrastructure Development Agency

IPSAS – International Public Sector Accounting Standards

Sokhumi University – LEPL – Sokhumi State University

Technical University – LEPL – Georgian Technical University

Skills Agency – LEPL – Professional Skills Agency

Fund – LEPL – Shota Rustaveli National Science Foundation of Georgia

General Information About the Auditee

The Ministry is the body responsible for implementing unified state policies in education, science and youth development. The Ministry coordinates and supervises the activities of all subordinate entities within its jurisdiction. It ensures the enhancement of general, vocational and higher education, fosters the development of all branches of science, creates an ecosystem supportive of youth development in collaboration with the youth, and participates in implementing the priority directions of the state's language policy.¹

The Ministry's system includes:

- Structural units of the Ministry;
- Territorial bodies – Educational Resource Centers;
- Legal entities under public law and non-commercial legal entities under private law operating within the Ministry's management sphere;
- Higher educational institutions established by the Government of Georgia on the Ministry's recommendation, scientific-research institutions established by the Government of Georgia, and vocational and general educational institutions established by or with the participation of the Ministry.²

Table №1: Actual expenditures from both Budgetary and Self-generated Funds for Code 32 00 in 2023 (thousand GEL)

Category	Budgetary Funds	Self-generated Funds	Total	%
Total	2,081,244	483,451	2,564,696	100%
Salaries	30,434	162,108	192,541	8%
Goods and Services	196,672	192,514	389,186	15%
Subsidies	96,633	634	97,267	4%
Grants	88,515	2,729	91,244	4%
Social Protection	5,940	1,529	7,469	0%
Other Expenses	1,394,847	24,324	1,419,171	55%
Increase in Non-Financial Assets	268,204	99,614	367,817	14%

The Ministry implemented state programs through 10 codes.

Table №2. Total Actual Expenditures for Programs Implemented Under Code 32 00 in 2023 (thousand GEL)

Code	Program title	Actual expenditures	%
32 00	Ministry of Education, Science and Youth of Georgia	2,564,696	100%
32 01	Development of State Policy and Program Management in Education and Science	68,279	3%
32 02	Preschool and General Education	1,362,812	53%
32 03	Vocational Education	140,303	5%
32 04	Higher Education	583,579	23%
32 05	Promotion of Science and Scientific Research	76,021	3%
32 06	Inclusive Education	45,390	2%
32 07	Infrastructure Development	268,910	10%

32 08	Innovation, Inclusion, and Quality Project – Georgia I2Q (WB)	12,490	0%
32 09	Vocational Education I (KfW)	4,449	0%
32 10	Modern Skills for Better Employment Sector Development Program – Project (ADB)	2,462	0%

¹ The Ordinance №524 of the Government of Georgia dated December 26, 2023, Article 2, Paragraph 1.

² The Ordinance №524 of the Government of Georgia dated December 26, 2023, Article 5, Paragraph 1.

State Audit Office Opinion to the Management of the Ministry of Education, Science and Youth of Georgia

Opinion on Financial Statement

Opinion

Qualified Opinion on Financial Statement

The State Audit Office of Georgia conducted an audit of the Ministry of Education, Science and Youth of Georgia and units under its control³(together - group) consolidated financial statements which comprise consolidated the statement of financial position as at December 31, 2023, and consolidated the statement of financial performance, consolidated statement of changes in net assets/equity, consolidated statement of the comparison of budget and actual amounts and disclosure notes to the financial statements,⁴ including a summary of significant accounting policies.

In our opinion, except for the effects of the matter described in the “Basis for Qualified Opinion” section of our report, consolidated financial statements of the Ministry of Education, Science and Youth of Georgia taking into account all material aspects, have been prepared in accordance with the proper principles of accounting and presentation of financial statements established by the legislation of Georgia for budgetary organizations.⁵

³ See Appendix: Consolidated Units.

⁴ The Ministry of Finance of Georgia Order N24, dated February 4, 2021, Approving the Instructions on the Preparation and Submission of Financial Statements for Budgetary Organizations, Notes N1-N22.

⁵ instructions approved by the Minister of Finance of Georgia of May 5, 2020 No. 108 on "The production of financial accounting and reporting by public sector organizations based on international accounting standards of the public sector" and the instructions approved by the Minister of Finance of Georgia on "The procedure for preparation and submission of financial statements of budgetary organizations" approved by Order No. 24 of February 4, 2021.

1. Basis of Qualified Opinion

1.1 Financial Reporting

Both **TSU** and **Gori University** utilize MS Excel⁶ for maintaining accounting records. This increases the risk of errors caused by human factors, as well as risks related to data security and retention. Moreover, processing the existing files requires significant time and human resources.

The following amounts are reported in the 2023 financial statements of **TSU** and **Gori University**:

Table №3. Amounts Reported in the Financial Statements

Category	Final Balances and Total Turnover for the Reporting Period	
	TSU	Gori State University
Assets	437,982,487	10,703,094
Liabilities	24,066,795	338,726
Equity	413,915,692	10,364,368
Revenues	269,234,035	5,840,945
Expenses	106,146,757	5,923,524

As a result, we were unable to obtain assurance regarding the existence, occurrence, completeness, and accuracy of the amounts reported in the financial statements of TSU and Gori University as of December 31, 2023.

1.2 Intra-Group Transactions

In consolidated financial statements, intra-group revenues and expenses related to transactions between units within the economic entity should be eliminated.⁷ However, the following transactions resulting from funds transferred prior to 2023 were not eliminated:

- Transactions between **the Agency** and organizations under the Ministry's control, totaling 7,873,112 GEL;
- Transactions between **the Fund** and organizations under the Ministry's control, totaling 9,036,031 GEL;
- Transactions between **the Skills Agency** and organizations under the Ministry's control, totaling 2,544,071 GEL.

As a result, expenses and revenues in the consolidated financial statements submitted as of December 31, 2023, were overstated by 19,453,214 GEL.

Additionally, from the amounts eliminated by the Ministry, 150,190,072 GEL resulted from non-monetary transactions. Based on the provided information, the data regarding assets issued and received does not match. According to the Ministry, the smallest amount was eliminated. Due to classification differences during the accounting of asset recipients and issuers, and the complexities of elimination, the classification of the following items in the consolidated financial statements has been changed: "Inventories" are understated by 20,541,352 GEL; "Fixed Assets" are understated by

⁶ In 2023, the LEPL – Ivane Javakhishvili Tbilisi State University purchased the "Oris" software product license under Contract N760/06. Additionally, Gori University purchased software under Contract N124 in June 2024.

⁷ IPSAS 35, Article 40.

75,613,881 GEL; “Other Long-Term Non-Financial Assets” are overstated by 96,155,233 GEL. This information is also reflected in the Ministry’s disclosure notes.

Despite these shortcomings, it is important to recognize significant steps taken by the Ministry⁸ in 2023 to identify eliminated amounts for the improvement of financial accounting. Subsequently, substantial parts of monetary and non-monetary transactions, totaling 1,403,471,332 GEL have been eliminated.

1.3 Receivables, Liabilities, Expenses, and Revenues from Tuition Fees

Universities apply varying accounting policies for recording tuition fee operations. The following shortcomings were identified in tuition fee accounting:

- **Technical University:** The 2023 financial statements reflect revenues from tuition fees totaling 39,380,592 GEL, receivables of 8,716,060 GEL, and liabilities of 2,649,557 GEL. The university recognized 2,471,330 GEL as expenses of doubtful (bad) debts/impairment/write-downs under the government ordinance.⁹ It is worth noting that the university undertook significant efforts in 2023 to account for funds generated from tuition fees, but the process remains incomplete. Obligations from prior years, amounting to 2,569,936 GEL, remain unchanged, and the corresponding list of individuals is not provided. A list of receivables from tuition fees as of December 31, 2022, was submitted, totaling 3,662,078 GEL. According to the university’s report, the receivable balance as of December 31, 2023, was 11,187,390 GEL, of which 1,930,065 GEL was recorded in the accounting system. This required an adjustment of the opening balance by 9,257,325 GEL. However, detailed information (i.e., the list of specific individuals) for opening balances or accrued revenue for the reporting period has not been submitted. Additionally, the university had not completed procedures for writing off debts, as per the government ordinance, and verifying the accuracy of recorded obligations.
- **Sokhumi University:** The 2023 financial statements reflect receivables from tuition fees totaling 853,073 GEL, revenues of 5,516,994 GEL, and no recorded liabilities. According to the university, tuition fees are accrued based on information provided by the student registration department, which records tuition fees for the period from September 1 of the previous year to September 1 of the current year. Due to the inability to extract precise and complete data from the student database for past dates, it was not possible to calculate or reconcile revenues, receivables, and liabilities accurately. Additionally, according to the information provided, 556,898 GEL was written off in 2023 under a government ordinance,¹⁰ however, this amount has not been reflected in the financial statements.
- **Gori University:** The 2023 financial statements show receivables from tuition fees totaling 711,632 GEL, liabilities of 67,213 GEL, revenues of 4,531,228 GEL, and doubtful (bad) debts/impairment/write-downs amounting to 218,529 GEL.

⁸ According to the accounting policy approved by Order N1 23 0001780988 of the Ministry on December 29, 2023, annex forms have been created, which address the issues of the elimination of receivables/payables, revenues, and expenses.

⁹ Ordinance N378 of the Government of Georgia: "On Measures to Support the Education of Status-Suspended Students with Financial Liabilities in Higher Educational Institutions of Georgia."

¹⁰ Ordinance N378 of the Government of Georgia: "On Measures to Support the Education of Status-Suspended Students with Financial Liabilities in Higher Educational Institutions of Georgia."

Cases were identified where the university's opening balances were incorrect. According to the university, the written-off and outstanding balances contain inaccuracies, which are being processed and corrected during the current period.

- **Shota Meskhia Zugdidi State University:** The 2023 financial statements reflect receivables from tuition fees totaling 534,457 GEL. The university has been performing offsetting of receivables and liabilities, which does not comply with the requirements of the standard.¹¹

As a result, we could not obtain assurance regarding the existence, occurrence, completeness, or accuracy of the final balances of revenues, expenses, liabilities, and receivables from tuition fees as presented in the consolidated financial statements as of December 31, 2023.

1.4 Receivables and Liabilities

Technical University:

- On July 20, 2017, the university signed a tripartite subsidiary loan agreement with the Ministry of Finance and the Ministry of Education and Science for 7,000,000 euros. Per the agreement,¹² the Ministry of Finance will re-lend the loan allocated to Georgia under the credit agreement to the university. The university is required to make payments to an account specified¹³ by the Ministry of Finance and fully reflect the liabilities¹⁴ associated with the subsidiary loan in its financial documentation. Additionally, in accordance with government decrees №824¹⁵ and №693,¹⁶ the loan was deferred without penalties. The amount specified in the loan agreement is not reflected, and the final liability balance is reduced by 20,827,100 GEL.
- The university recognized annual income of 8,556 GEL from JSC Bank of Georgia instead of 236,000 GEL, increasing the final liability balance by 227,444 GEL.
- A supplier debt imposed by a court ruling is not recorded, reducing the final receivables balance by 889,875 GEL.
- A liability from property taxes (1,234,243 GEL) and receivables from profit tax (355,321 GEL) are recorded, which, according to the organization, represent prior years' accounts. These will be reviewed during the ongoing year-end registry count process. As a result, we were unable to obtain assurance regarding the accuracy and existence of the given amounts.
- Short-term (current) non-monetary receivables from non-financial asset shortages- documentation regarding the outstanding balance of 153,168 GEL recorded on account 1-15-5000 has not been provided. We were unable to obtain assurance regarding the accuracy and existence of 153,168 GEL.

¹¹ IPSAS 1, Article 48.

¹² Article 2 of the Agreement.

¹³ Article 3, Clause 6 of the Agreement.

¹⁴ Article 4, Clause 3(v) of the Agreement.

¹⁵ May 1, 2023.

¹⁶ May 20, 2024.

Agency:

- A liability arising from the purchase of portable computers is not reflected. Instead of recognizing the liability, receivables were reduced, decreasing final receivables and liabilities by 6,127,192 GEL.¹⁷
- Construction work was recorded incorrectly, increasing final balances of receivables and liabilities by 3,000 GEL and 1,334,768 GEL, respectively.
- Receivables and liabilities arising from supplier construction-rehabilitation activities were misreported, increasing final balances by 363,805 GEL in receivables and 219,453 GEL in liabilities, respectively.
- Work on connecting to a distribution network was not recorded, reducing liabilities and increasing receivables by 200,000 GEL.
- Services rendered under the student transportation program were erroneously recorded twice, increasing the final liability balance by 514,900 GEL.
- Costs for services provided to a specific municipality under the abovementioned transportation program were incorrectly recorded, increasing the final liability balance by 232,665 GEL.
- Advance payments and contract guarantees returned before 2023 were not reduced, increasing receivables by 314,309 GEL.
- 1,152,141 GEL in advance payments to suppliers made between 2013 and 2016 is recorded, but supporting documentation for either the return of these funds or completion of services is absent.

As of December 31, 2023, the consolidated financial statements understate final receivables by 6,135,953 GEL and liabilities by 24,625,062 GEL. Additionally, we were unable to obtain assurance regarding the accuracy and existence of 508,489 GEL in receivables, 1,234,243 GEL in liabilities, and accuracy and rights and obligations of 1,152,141 GEL in receivables.

1.5 Property, Plant, and Equipment

The Public School N138 of Tbilisi has retrospectively recorded the construction/rehabilitation works received from the agency as a period expense totaling 1,210,091 GEL. **Consequently, the final balance of property, plant, and equipment has been reduced.**

The Public School N102 of Tbilisi has similarly recorded the construction/rehabilitation works received from the agency as a period expense totaling 1,474,511 GEL. The school failed to provide information explaining why or what type of works were considered period expenses. **As a result, we could not obtain assurance regarding the completeness of the property, plant, and equipment presented in the financial statements.**

The Technical University:

- Did not complete the year-end registry count process required by the Law in 2023. Furthermore, according to the minutes of the registry count commission for buildings and constructions, certain existing buildings are not reflected in the extracts of the public registry. The registry count process for reference accounts remains incomplete, meaning that assets identified during the 2022 registry count as needing to be written off were not fully recorded.

¹⁷ Portable computers have been purchased through state procurement as part of the Human Capital Program of Georgia.

- It recorded property, plant, and equipment with a historical cost of 25,242,425 GEL and a final book value of 13,401,062 GEL that have been in storage since 2018, have not been put into operation, yet continue to accrue depreciation.
- Increased the value of an asset by 3,409,446 GEL based on transfer-acceptance acts signed with the supplier organization, despite expert conclusions and court decisions showing that the actual completed work amounted to 866,801 GEL less than recorded. This has led to an overstatement of the final balance of the asset.

Organizations have not recorded buildings and land, which, according to the National Agency of Public Registry, are registered under their ownership or permanent use. Examples include:

- **Public schools in Gori** have not recorded 111,691 sq. m of land.
- **LEPL Ilia State University** has not recorded 326,746 sq.m of property, including non-agricultural land. Also 6,185 sq. m of non-agricultural and 11,565 sq. m of agricultural land. These are recorded at a nominal registration value of GEL 50 and have not been appraised at their fair value.
- **LEPL Community College "Aisi"** has not recorded 100,024 sq. m of land.
- **LEPL College "Modus"** has not recorded 34,022 sq. m of land.

As a result, we could not obtain assurance regarding the existence, completeness, and accuracy of the final balance of property, plant, and equipment amounting to 88,617,350 GEL as presented in the consolidated financial statements as of December 31, 2023.

1.6 Other Long-Term Non-Financial Assets

For the Agency:

- The final balance of "Other Long-Term Non-Financial Assets" is overstated by 1,331,768 GEL due to incorrectly recorded construction works.
- The final balance of "Other Long-Term Non-Financial Assets" is understated by 400,000 GEL due to unrecorded work for connection to the distribution network.
- Has not recorded 134,244 sq. m of land and 10,008 sq. m of buildings used for housing educational institutions.
- The Construction and Rehabilitation of Educational Facilities has been accounted for, with a balance of 5,823,439 GEL unchanged between 2022 and 2023, representing completed construction work that has not yet been transferred to educational institutions.¹⁸ additionally assets valued at 3,421,513 GEL were not accepted by the educational institutions,¹⁹ as of December 31, 2023, resulting in delays in the transfer process. According to the accounting instructions outlined in the standard,²⁰ organizations are required to assess the presence of impairment indicators. However, in 2023, the organization did not review the existence of such indicators.

¹⁸ Out of which, the agency is unable to decode non-financial assets amounting to 1,520,048 GEL.

¹⁹ According to the explanation provided by the Internal Audit and Monitoring Service, communication was carried out by them with the Ministry and the management of the aforementioned educational institutions. As a result, in six cases, an acceptance-delivery act was signed, while work is still ongoing on the remaining cases. Additionally, based on the information provided by the selected educational institutions, their refusal to accept the works is due to the inadequate execution of rehabilitation by the supplier companies.

²⁰ IPSAS 21, Article 27, and IPSAS 26, Article 25.

As of December 31, 2023, the final balance of "Other Long-Term Non-Financial Assets" in the consolidated financial statements is overstated by 931,768 GEL. Additionally, we were unable to obtain assurance regarding the classification and accuracy of the final balance of 9,244,952 GEL for 'Other Long-term Non-financial Assets.

1.7 Revenue and Expenses

For the Technical University:

- Instead of recognizing 236,000 GEL in annual revenue, only 8,556 GEL was recognized. **As a result,, revenue from exchange transactions is understated by GEL 227,444.**
- As of December 31, 2023, the financial statements reflect property, plant, and equipment with a book value of 13,401,062 GEL, which has been stored since 2018 and has not yet been put into use. Despite being unutilized, depreciation has been charged on these assets, **resulting in an overstatement of the current period's depreciation expense by 2,294,766 GEL.**²¹
- An error in retrospective adjustment of property tax has **reduced external transfers and other operating expenses by 318,376 GEL.**

We conducted our audit in accordance with the International Standards of Supreme Audit Institutions (ISSAI). The responsibilities assigned to us by these standards are described in detail in the section of our report titled "Auditor's Responsibilities for the Audit of the Financial Statements." In compliance with the requirements of the International Organization of Supreme Audit Institutions (INTOSAI), we are independent auditors of the audited organization and have adhered to other ethical obligations established by INTOSAI. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for expressing a qualified opinion.

²¹ Order N289 of the Minister of Finance of Georgia dated 02.12.2020, Article 4.

2. Other matters

2.1 Financial Accounting

Sokhumi University:

- The university does not record the quantity and unit cost of received and consumed inventories. As a result, it is impossible to determine the method used for inventory accounting.²²
- Amortization has not been accrued for some "intangible assets," including items like accreditation/authorization.²³ Additionally, the balance includes assets that are not in use. Information about impairment indicators for these assets is not reflected in the year-end registry count report either.
- Not all items of property, plant, and equipment have been assigned unique identifying numbers. For some of them, the depreciation expense for 2023 is inaccurate. Due to past damage to the university's accounting software, it could not provide details on the accumulated depreciation calculations.

LEPL "Ilia Tsinamdzgvrishvili College":

- Incorrectly pairs corresponding accounts, which prevents the bookkeeping records from being complete.²⁴ Additionally, the college did not provide fuel usage limit orders for 2023.

LEPL Community College "Aisi":

- The method for calculating the value of inventories is unclear in certain cases. According to the auditee, inventory consumption is recorded cumulatively on December 30 and 31. However, these entries include multiple individual transactions for each account throughout the year.²⁵
- For assets acquired in 2023, full annual depreciation has been accrued rather than prorating it monthly.²⁶

College "Horizon" (Non-Entrepreneurial (Non-Commercial) Legal Entity):

- Accounting entries are incomplete, and in some cases, the turnover of accounts for receivables and payables is omitted.²⁷
- Depreciation expenses contain inaccuracies. Additionally, for assets acquired in 2023, full annual depreciation has been accrued rather than prorating it monthly.²⁸

LEPL College "Modus":

- No documentation or information was provided regarding the recognition operations for revenues of 136,627 GEL and expenses of 136,622 GEL.

The Ministry's consolidated financial statements include the balances of assets from vocational schools, colleges, scientific centers, and institutes that were liquidated in

²² IPSAS 12, Article 37.

²³ IPSAS 31, Article 106.

²⁴ Accounting Instruction, Article 5.

²⁵ IPSAS 12, Article 37.

²⁶ Order N289 of the Minister of Finance of Georgia dated 02.12.2020, Article 4, Clause 3.

²⁷ Accounting Instruction, Article 5.

²⁸ Order N289 of the Minister of Finance of Georgia dated 02.12.2020, Article 4, Clause 3.

previous years. These total 513,224 GEL.²⁹ To assess whether these recorded balances meet the recognition criteria for assets and to implement further measures,³⁰ the Ministry has created a working group. Based on the materials obtained, results are periodically reflected in the financial statements.

2.2 Intangible Assets

An intangible asset is an identifiable, non-monetary asset without physical substance.³¹ Entities shall assess whether the useful life of an intangible asset is finite or indefinite.³² Intangible assets with an indefinite useful life shall not be amortized;³³ however, as per the requirements of the standard, for an intangible asset assessed as having an indefinite useful life, the entity shall disclose the carrying amount of that asset and the reasons supporting this assessment.³⁴ Additionally, it is mandatory to conduct annual impairment testing,³⁵ and the useful life of intangible asset with an indefinite lifespan should be reassessed each reporting period to determine whether events and conditions continue to support the assessment of an indefinite useful life.³⁶

As of December 31, 2023, the agency recorded intangible assets amounting to 881,627 GEL, acquired between 2010 and 2017. These include project-related, cost-estimation, geological, and geodetic survey documentation. Out of this total, for intangible assets worth 654,600 GEL, the organization has not accrued amortization or evaluated whether they meet the classification criteria for intangible assets. According to the organization, construction work under the recorded projects has been completed, and the transfer of the remaining balances is underway. The remaining 227,027 GEL worth of intangible assets has been identified as missing during the year-end registry count process.

As a result, we could not obtain sufficient assurance about the existence, rights and obligations, accuracy, and classification of the GEL 881,627 balance of intangible assets reported in the consolidated financial statements as of December 31, 2023.

2.3 Written-off Debts

Under Ordinance.N378 of the Government of Georgia, dated October 3, 2023, on "Measures to Support the Education of Students with Financial Debts and Suspended Status at Higher Educational Institutions of Georgia," the amounts written off and transferred revealed irregularities involving 47 individuals.³⁷ These individuals did not meet the criteria outlined in the ordinance, specifically, they were not holders of Georgian citizenship, neutral identification documents, or neutral travel documents.³⁸

2.4 Year-end registry count

Year-end registry count is a control mechanism aimed at identifying shortages, surpluses, and damaged or unusable fixed assets. Conducting it is critical to ensuring that all assets and liabilities reflected in financial statements genuinely exist and that

²⁹ Short-term – 35,909 GEL, and long-term – 477,315 GEL.

³⁰ Write-offs, adjustments, etc.s

³¹ IPSAS 31, Article 16.

³² IPSAS 31, Article 87.

³³ IPSAS 31, Article 106.

³⁴ IPSAS 31, Article 121.

³⁵ IPSAS 31, Article 107.

³⁶ IPSAS 31, Article 108.

³⁷ 12 individuals in private legal entities, and 35 individuals in higher educational institutions subordinate to the Ministry.

³⁸ Government Ordinance N 378 dated 03.10.2023, Article 2, Clauses (a) and (b).

the organization fully accounts for all assets and liabilities it owns. Comprehensive registry count procedures enhance the accuracy and fairness of financial statements while improving asset management efficiency.

- According to the minutes of the **agency's** registry count commission, a shortage of 617,599 GEL, a surplus of 13,836 GEL, and assets worth 51,059 GEL were identified that need to be written off. For reference accounts, a shortage of 381,514 GEL (at historical value) and a surplus of 4,004 GEL were discovered. Additionally, 355 surplus stock items were identified, though their value is yet to be determined. The documentation for responding to the given cases is provided. Identified deficiencies in the year-end registry count process were the following:
 - The registry sheets list annual depreciation charges instead of accumulated depreciation/amortization, leading to inaccurate results.
 - The organization has not determined doubtful or bad debts, verified the authenticity of monetary and non-monetary liabilities, or initiated measures to write off unreal liabilities.
 - Registry count of dozens of assets recorded under "fully depreciated/amortized assets in operation" and "property, plant, and equipment" have not been conducted.
 - Registry sheets do not specify responsible individuals, locations, or unique identifying numbers for all assets.
 - Discrepancies exist between registry sheets and accounting data.

Selective Registry Count Findings by the Audit Team:

- Some assets are grouped together in records, with no information available on their exact quantities, making it impossible to verify their accuracy.³⁹
- Certain assets remain recorded despite no longer being under the entity's ownership.⁴⁰
- **Technical University:** In 2023, based on the year-end registry count report, the university wrote off 514,978 GEL (historical value) and 17,981 GEL (net book value) of intangible assets. However, the report has not been approved by the management.⁴¹
- **LEPL Ilia State University:** The year-end registry count of receivables and liabilities had not been completed as of the reporting period.⁴²
- **LEPL Community College "Aisi":** The college recorded depreciated assets in 2023, which are still in use. During year-end registry count, the organization did not review the useful life of these assets to determine whether adjustments were necessary.⁴³

³⁹ A total of 115,321 GEL.

⁴⁰ A total of 78 204 GEL.

⁴¹ Order N364 of the Minister of Finance of Georgia dated 31.12.2021, Article 3, Clause 1(v).

⁴² Order N364 of the Minister of Finance of Georgia dated 31.12.2021, Article 4, Clause 1.

⁴³ Order N364 of the Minister of Finance of Georgia dated 31.12.2021, Article 5, Clause 11(d).

2.5 Disclosure Notes

Agency:

- The agency recorded a liability instead of an advance payment. As a result, the increase and decrease of receivables and liabilities were misclassified in the financial statement notes, totaling 6,291,890 GEL.
- The agency reported 387,363 GEL in the reference account for "fully depreciated/amortized assets in use," which has been carried historically since 2017, but it lacks information about the nature of these assets.

In **Technical University** discrepancies were found between the assets received under custodial responsibility, fully depreciated/amortized assets in use, reference account registries, and the opening balances reported in the financial statements, amounting to 314,121 GEL and 467,752 GEL. The university indicated the time constraint that prevented identifying the differences in the reference accounts.

In **Sokhumi University**, the final year-end registry count report identifies 800,933 GEL worth of off-balance-sheet assets which were not reflected in the financial statement reference accounts. Of these 147,002 GEL in assets were marked for write-off in the report.

LEPL College "Modus" recorded 583,064 GEL in revenue received from the agency as exchange transaction revenue instead of under the revenues from grants account.

2.6 Georgia Human Capital Program

On March 30, 2022, an agreement was signed between the Government of Georgia and the International Bank for Reconstruction and Development (hereafter Bank), for the proposed loan of "Georgia Human Capital Program," (hereafter Program), which was ratified by the Parliament of Georgia on June 17, 2022. On November 15, 2022, a framework agreement was signed between the French Development Agency and Georgia on the allocation of credit resources, which became effective on April 4, 2023. As stipulated in the Additional Instructions: Disbursement and Financial Information Letter, in article II: Each audit of the Financial Statements shall cover the period of one fiscal year of the Borrower. The audited Financial Statements for each such period shall be furnished to the Bank.

Management of the Ministry is responsible for the information in Appendix N1. In the mentioned appendix, the expenses incurred within the Program in 2023 are presented according to the cash basis.

We do not express any form of opinion regarding other information related to the Program expenditures,⁴⁴ we express opinion on the consolidated financial statements of the Ministry for the reporting period ending on December 31, 2023.

Within the framework of the consolidated financial audit, the audit team have studied the information provided by the Ministry regarding the expenditures disclosed in Appendix N1. In particular, sufficient and appropriate evidence has been obtained through the following audit procedures: documentary inspection and enquiry with responsible parties.

As a result, no material misstatements were identified in the Program expenditures disclosed in Appendix N1 in relation to the consolidated financial statements of the Ministry for the reporting period ending on December 31, 2023.

⁴⁴ Appendix N1.

3 Management's and Auditor's Responsibility

Management's Responsibilities for Financial Reporting/Statement

Management is responsible for the preparation and fair presentation of the attached Consolidated Financial Statements in accordance with the instructions approved by the Minister of Finance of Georgia of May 5, 2020 N108 "On the production of financial accounting and reporting by public sector organizations based on international accounting standards of the public sector" and the instructions approved by the Minister of Finance of Georgia "On the procedure for preparation and submission of financial statements of budgetary organizations" approved by Order N24 of February 4, 2021, and for such internal control as management determines is necessary to enable the preparation of the Consolidated Financial Statements that is free from material misstatement, whether due to fraud or error.

In preparing the Consolidated Financial Statements, management is responsible for assessing the entity's ability to continue to provide public services as a going concern and, where necessary, disclosing all significant going concern issues and applying that accounting principle unless the government decides to liquidate the entity or termination of activity. Management is responsible for overseeing the preparation of the consolidated financial statements.

Auditor's Responsibility for Financial Reporting/Statement

Our objective is to obtain reasonable assurance about whether the Consolidated Financial Statements contains a material misstatement, whether due to fraud or error and to issue an audit report that includes an audit opinion. Reasonable assurance is a high level of assurance, but it is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement. Misstatements may result 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 of the cost statements. As part of an audit conducted in accordance with ISSAI requirements, we use professional judgment and maintain professional skepticism during the audit. In addition:

We identify and assess the risks of material misstatement of the Consolidated Financial Statement, whether due to fraud or error, determine and perform appropriate audit procedures for those risks, and obtain sufficient appropriate audit evidence to support our opinion. The risk that a material misstatement caused by fraud will not be detected is higher than that caused by error because fraud may involve collusion, forgery, intentional omission, misrepresentation, or disregard of established internal controls;

We study the functioning of internal control to develop such audit procedures that are appropriate to the existing circumstances, and not to express an opinion on the effective operation of internal control;

We evaluate the appropriateness of the accounting policy and the reasonableness of the accounting estimates and explanations provided by the management;

We conclude, based on the appropriateness of management's use of the going concern basis of accounting, and based on the audit evidence obtained - whether there is material uncertainty related to these events and conditions that would cast significant doubt on the Ministry's or/and subordinate units' (units under its control) ability to continue operating. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to appropriate disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained as of the date of the audit report; However,

future events or conditions may call into question the viability of the Ministry and/or its subordinate entities.

We evaluate the presentation of the Consolidated Financial Statements as a whole, its structure and content, as well as whether the Consolidated Financial Statements provides the criteria for the fair presentation of operations and events.

Obtain sufficient appropriate audit evidence on the financial information of organizations subordinate to the Ministry, to be able to express an opinion on the Consolidated Financial Statement. We are responsible for leading, supervising, and implementing the audit process. We are also fully responsible for our audit report;

Among other things, we provide the management with information about the scope and terms of the audit, as well as important results raised during the audit process, including important deficiencies identified in the internal control system.

Auditors

Signature

Mariam Tcholakava
Chief Auditor



Mikheil Godoladze
Leading Auditor



Nino Tabagari
Auditor



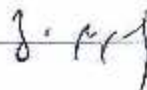
Otar Muchiashvili
Auditor



Giorgi Molashvili
Auditor



Giga Dalakishvili
Senior Auditor-Assistant



Appendix

Financial Statements forms and notes

- Statement of Financial position
- Statement of Financial Performance
- Statement of Changes in Net Assets/Equity
- Statement of Comparison of Budget and Actual Amounts
- Notes to Financial statement


REF	Name of Organization
X1	Cover sheet
F1	Reporting of financial condition
F2	Reporting of financial results
F3	Reporting of cash flow movement
F4	Reporting of net asset capital change
F5	Reporting of budgetary and actual amount comparision
S1	Remark N1 Accounting policies and other explanatory remarks
S2	Remark N2 Cash and cash equivalents
S2a	Remark N2a current investments and short-term debitorial liabilities
S3	Remark N3 Material supplies
S4	Remark N4 other short-term (current) assets*
S5	Remark N5 Long-term financial assets
S6	Remark N6 Fixed assets
S7	Remark N7 Investment property
S8	Remark N8 Intangible assets
S9	Remark N9 Preferential Service Arrangements
S10	Remark N10 Financial lease assets and liabilities
S11	Remark N 11 other long-term non-financial assets
S12	Remark N12 short-term and long-term financial liabilities
S13	Remark N13 creditorial debts, accounts and other liabilities
S14	Remark N14 Incomes from payments, grants and etc.
S15	Remark N15 Income from exchange operations
S16	Remark N16 Devaluation expenses and devaluation retroative income of doubtful(hopeless) claims/devaluation/cost
S17	Remark N17 Charged expenses, grants and subsidies
S18	Remark N18 Miscellaneous income and expenses
S19	Remark N19 cash from taxes*
S20	Remark N20 Reconciliation of net cash flow from operating activities (comparison) with surplus/(deficit)*
S21	Remark 21 Reconciliation of net cash from actual funds and operating, investing and financial activities (comparison)
S22	Remark N22 Categories administered on behalf of the State1
Addon 1	Statement of financial condition
Addon 2	Statement of financial results

Annex N1

1	Accountable entity (changes from the previous reporting period, if any)	Ministry of Education, Science and Youth of Georgia
2	Contact information of the accountable entity (address, phone, e-mail)	0102 Tbilisi, Dimitri Uznadze N 52 Tel: (995 32 2) 200 220 E-mail: pr@mes.gov.ge
3	Identification number (changes from the previous reporting period, if any)	202051224
	Organizational form	Governmental
	Source of funding	State budget, targeted grants, credits, income from economic activities and others.
6	Report type	
7	Periodicity of reporting	Annual
8	Reporting date and period	01.04.2024

1. Development of state policy and management of programs in the fields of education and science 32 01 01
2. Facilitating the implementation of the policy of the Ministry in the field of education 32 01 02
3. Development and management of the education quality 32 01 03
4. Education management information system 32 01 04
5. LEPL - Educational and Scientific Infrastructure Development Agency 32 01 05
6. Support of international relations 32 01 06
7. N(N)LE, Non-Entrepreneurial (Non-Commercial) Legal Entity Eastern Partnership European School 32 01 07
8. National Center for Educational Research 32 01 08
9. Financing of general education schools 32 02 01
10. Promotion of professional development of teachers 32 02 02
11. Providing a safe educational environment 32 02 03
12. Encouraging successful students 32 02 04
13. Providing educational and living conditions for especially talented students 32 02 05
14. Providing students with textbooks 32 02 06
15. Financial support of teachers and administrative-technical staff of occupied regions 32 02 07
16. Access to general education for accused and convicted persons 32 02 08
17. Development and support for implementation of the national curriculum 32 02 09
18. Providing public school students with transport 32 02 10
19. Program "My first computer" 32 02 11
20. Promotion of general education 32 02 12
21. Promotion of general education reform - management of the Ministry of Education and Science of Georgia 32 02 13 01
22. Provision of public schools with information and communication technologies - LEPL Management of education management information system 32 02 13 02
23. Promotion of preschool education 32 02 13 03
24. Promotion of general education reform - Office of the National Center for Professional Development of Teachers 32 02 13 04
25. Promotion of general education reform - LEPL Educational and Scientific Infrastructure Development Agency 32 02 13 07
26. Promotion of professional education development 32 03 01
27. Development of professional skills 32 03 02
28. Vocational training of the national minorities 32 03 03
29. Organization of exams 32 04 01
30. State training grant 32 04 02 01
31. State Training Master's Grant 32 04 02 02
32. Funding the education of affected students in the villages near the dividing line 32 04 02 03
33. Promotion of higher education of persons living in the occupied territories and persons with compatriot status 32 04 02 04
34. Teacher one-year training educational program 32 04 02 05
35. State scholarships for students 32 04 02 06
36. Program "Knowledge Door" (ცოდნის კარი) 32 04 02 07
37. Let's study in Georgia 32 04 02 08
38. Promotion of higher education - Manage of the Ministry of Education and Science of Georgia 32 04 03 01
39. Promotion of receiving education abroad 32 04 04
40. Promotion of higher educational institutions 32 04 05 02-12
41. Promotion of scientific grants and scientific researches 32050101, 32050102 Rustaveli Foundation 32 05 01 01- 02
42. Promotion of involvement the Georgian scientists in international programs 32 05 01 03
43. Programs of scientific institutions 32 05 02
44. Promotion of the Academy of Agricultural Sciences of Georgia 32 05 03
45. Promotion of scientific researches 32 05 04
46. Promotion of science 32 05 05
47. Promotion of inclusive education 32 06 01
48. Program for promotion of special institutions for children with special educational needs 32 06 02
49. Promotion of education of students with special educational needs 32 06 03
50. Development of human resources to support inclusive education 32 06 04
51. Development of the infrastructure of general educational institutions 32 07 01
52. Development of the infrastructure of professional educational institutions 32 07 02
53. Development of the infrastructure of the Ministry and Legal Entities of Public Law and territorial bodies included in its system 32 07 03
54. Development of infrastructure of higher educational and scientific institutions 32 07 04
55. Development of operation and maintenance system for public schools 32 07 05
56. Innovation, Inclusivity and Quality Project - Georgia IQQ (WB) 32 08
57. Vocational Education I (KfW) 32 09

58. Modern Skills for Better Employment Sector Development Program - Project (ADB) 32 10
 59. Promotion of higher educational institutions - manage of the Ministry of Education and Science of Georgia 32 04 05 01
 60. Professional education development promotion program - panel 32 03 01 01
 61. Targeted grant education 32 01 01 -G
 62. Humanitarian 32 01 01 -H
 63. Liquidated *
 64.e Elimination

10	List of main activities	The Ministry is a unified state policy implementing body. Within its competence, the Ministry coordinates and controls the activities of each link under its authority. It ensures the perfection of general, professional and higher education, the development of all fields of science and participates in the implementation of the priority directions of the state language policy.
11	Reporting currency	GEL
12	Level of rounding	Unit
13	Contact information about the person(s) responsible for preparing and submitting financial statements (address, phone, e-mail)	Nana Khmaladze 

Signature:

Accountant:

Other authorized person(s) determined by
internal policy (if any):

/signed/

Head of organization:

/signed/

2023

Period

Ministry of Education, Science and Youth of Georgia

Organization

32 00

Software code

Nana Khmaladze

Executor

Deputy Head of the Economic Department

/signed/

Signature

Mariam Tabatadze

Head

Head of the Economic Department

/signed/

Signature

Reporting of Financial Condition				
Line code	Title	Remark*	Final balance of the reporting period	Final balance of the previous reporting period 01.01.2023
Assets				
<i>Short-term assets</i>				
001	Cash flows and cash equivalents	S2	157 626 096	201 287 585
002	Current investments	S2a	9 775	9 775
003	Short-term (current) accounts receivable	S2a	162 878 456	139 351 533
004	Material supplies	S3	17 002 160	36 425 246
005	Other short-term (current) assets	S4	198 470 027	70 461 855
006	Total short-term assets		535 986 514	447 535 994
<i>Long-term assets</i>				
007	Long-term financial assets	S5	56 334 750	66 344 891
008	Main assets	S6	2 686 523 394	2 448 556 159
009	Investment property	S7	-	-
010	Nonfinancial assets	S8	19 487 598	16 352 559
011	Preferred service assets	S9	-	-
012	Financial leased assets	S10	-	-
013	Other long-term non-financial assets	S11	332 682 571	96 740 694
014	Total long-term assets		3 095 028 313	2 627 994 303
015	Total assets		3 631 014 827	3 075 530 297
Liabilities				
<i>Short-term liabilities</i>				
016	Short-term liabilities with securities	S12	-	-
017	Short-term borrowed funds	S12	-	-
018	Short-term creditor debts, except for interest	S13a	35 607 532	12 848 868
019	Interest payable	S13a	-	-
020	Current accounts	S13b	35 272	106 168
021	Other short-term liabilities	S13a	67 166 478	19 608 625
022	Liabilities with temporarily placed funds	N13a	3 368 921	2 531 993
023	Total short-term liabilities		106 178 203	35 095 654
<i>Long-term liabilities</i>				
024	Long-term liabilities with securities	S12	-	-
025	Long-term borrowed funds	S12	215 984	215 984
026	Long-term creditor debts, except for interest	S10	-	-
027	Long-term creditor debts defined under preferential service agreements	S9	-	-
028	Long term accounts	S13b	81 568	70 757
029	Long-term creditor debts	S13a	1 858 921	835 521
030	Total long-term liabilities		2 156 473	1 122 262
031	Total liabilities		108 334 676	36 217 916
Net Assets/capital				
031	Authorized capital	F4	-	-
032	Undistributed surplus/deficit	F4	3 522 680 151	3 039 312 381
033	Reserves	F4	-	-
034	Total net assets/capital		3 522 680 151	3 039 312 381
035	Total liabilities and net assets/capital		3 631 014 827	3 075 530 297
Reference reports				
036	Fixed assets received from operating leases	01	1 382 964	1 166 950
037	Assets received for responsible deposit	02	8 689 352	4 783 608
038	Written off debts of insolvent debtors	03	18 543 773	15 936 288
039	Material supplies written off in costs in operation	04	223 029 441	206 314 373
040	Contingent assets	05	2 747 176	4 974 098
041	Contingent liabilities	06	12 400	12 376
042	Creating capital with own funds	07	902 199	3 409 357
043	Fully depreciated/amortized assets in operation	08	128 073 631	132 923 267
044	Overdue debts	09	36 279 210	44 089 742
045	Movable property to be transferred for disposal	10	827 826	714 833
046	Bank guarantees	11	256 989	236 364
047	Written off creditor debts	12	791 996	785 334

Other authorized person(s) (if any) determined by internal policy:

/signed/ Nana Khmaladze

Head of the organization:

/signed/ Mariam Tabatadze

Remark*	Final balance of the reporting period 31.12.2022г.	Difference, including	1	2	4	5	8
			32 01 01	32 01 02	32 01 04	32 01 05	32 02 01
			Panel	Resource Center	Management	Infrastructure	Schools
S2	201 287 683	(98)	-	-		-	-
S2a	9 775	-		-		-	-
S2a	126 489 040	12 862 493	-	-	-	694 992	-
S3	36 643 054	(217 808)	3 470	-	-	(3)	2 993
S4	74 912 792	(4 450 937)	-	-	-	(4 468 099)	-
	439 342 344	8 193 650	3 470	-	-	(3 773 110)	2 993
		-		-		-	-
S5	66 345 443	(552)		-		-	-
S6	2 380 815 579	67 740 580	1 781	100 933	-	1 205	24 592 882
S7	-	-		-		-	-
S8	16 347 391	5 168	-	-	-	-	-
S9	-	-		-		-	-
S10	-	-		-		-	-
S11	131 691 573	(34 950 879)		-		(39 670 480)	4 744 604
	2 595 199 986	32 794 317	1 781	100 933	-	(39 669 275)	29 337 486
	3 034 542 330	40 987 967	5 251	100 933	-	(43 442 385)	29 340 479
		-		-		-	-
		-		-		-	-
S12	-	-		-		-	-
S12	-	-		-		-	-
S13a	13 369 655	(520 787)		-	-	(532 177)	-
S13a	-	-		-		-	-
S13b	106 168	-		-		-	-
S13a	19 414 679	193 946		-		-	-
N13a	2 531 982	11		-		-	-
	35 422 484	(326 830)		-	-	(532 177)	-
		-		-		-	-
S12	-	-		-		-	-
S12	215 984	-		-		-	-
S10	-	-		-		-	-
S9	-	-		-		-	-
S13b	70 757	-		-		-	-
S13a	835 521	-		-		-	-
	1 122 262	-		-		-	-
	36 544 746	(326 830)		-	-	(532 177)	-
		-		-		-	-
F4	-	-		-		-	-
F4	2 997 997 584	41 314 797	5 251	100 933	-	(42 910 208)	29 340 479
F4	-	-		-		-	-
	2 997 997 584	41 314 797	5 251	100 933	-	(42 910 208)	29 340 479
	3 034 542 330	40 987 967	5 251	100 933	-	(43 442 385)	29 340 479
		-		-		-	-
01	1 166 950	-	-	-	-	-	-
02	4 783 608	-	-	-	-	-	-
03	15 936 288	-	-	-	-	-	-
04	206 314 373	-	-	-	-	-	-
05	4 985 732	(11 634)	-	-	-	-	-
06	12 376	-	-	-	-	-	-
07	3 409 357	-	-	-	-	-	-
08	133 612 756	(689 489)	-	-	-	-	-
09	47 824 529	(3 734 787)	-	-	17	(2 004 780)	(313 502)
10	714 833	(0)	-	-	(0)	-	-
11	236 364	-	-	-	-	-	-
12	785 334	-	-	-	-	-	-

10	25	35	39	40	41	42	57	
32 02 03	32 03 01	32 04 02 07	32 04 05	32 05 01-02	32050103	32 05 02	32 10	Total
Mandatory	College	Knowledge door	Higher education institutions	Rustaveli Foundation	Involvement of Georgian scientists	SKI	(ADB)	

(50)	-		-	(48)		-	-	(98)
	-		-			-	-	-
50	-		12 149 652	48	17 740	-	11	12 862 493
-	460		(224 728)	-	-	-	-	(217 808)
-	25 003		(7 841)	-	-	-	-	(4 450 937)
-	25 463		11 917 083	-	17 740	-	11	8 193 650

-	-		-	-		-	-	
	-	(552)	-	-	-	-	-	(552)
-	1 306 409		12 697 698	-	-	29 039 672	-	67 740 580
	-		-	-	-	-	-	-
-	791		4 377	-	-	-	-	5 168
	-		-	-	-	-	-	-
	-		-	-	-	-	-	-
	(25 003)		-	-	-	-	-	(34 950 879)
-	1 282 197	(552)	12 702 075	-	-	29 039 672	-	32 794 317
-	1 307 660	(552)	24 619 158	-	17 740	29 039 672	11	40 987 967

-	-		-	-		-	-	
	-		-	-	-	-	-	-
	-		-	-	-	-	-	-
-	-		11 390	-	-	-	-	(520 787)
	-		-	-	-	-	-	-
	-		-	-	-	-	-	-
	-		193 946	-	-	-	-	193 946
	-		-	-	-	-	11	11
-	-		205 336	-	-	-	11	(326 830)

-	-		-	-		-	-	
	-		-	-	-	-	-	-
	-		-	-	-	-	-	-
	-		-	-	-	-	-	-
	-		-	-	-	-	-	-
	-		-	-	-	-	-	-
	-		-	-	-	-	-	-
-	-		205 336	-	-	-	11	(326 830)

-	-		-	-	-	-	-	-
	-		-	-	-	-	-	-
-	1 307 660	(552)	24 413 822	-	17 740	29 039 672	-	41 314 797
	-		-	-	-	-	-	-
-	1 307 660	(552)	24 413 822	-	17 740	29 039 672	-	41 314 797
-	1 307 660	(552)	24 619 158	-	17 740	29 039 672	11	40 987 967

-	-		-	-		-	-	-
-	-		-	-		-	-	-
-	-		-	-		-	-	-
-	-		-	-		-	-	-
-	-	(11 634)	-	-		-	-	(11 634)
-	-	-	-	-		-	-	-
-	-	-	-	-		-	-	-
-	-	-	(689 489)	-		-	-	(689 489)
-	(90 337)	-	-	-		-	(1 326 185)	(3 734 787)
-	-	-	-	-		-	-	(0)
-	-	-	-	-		-	-	-
-	-	-	-	-		-	-	-

Statement of financial results							
Line code	Title	Remark*	Turnover of the reporting period			Turnover of the previous reporting period	
			Budget funds	Non-budgetary funds	Total	Total	
Incomes							
001	Tax incomes	S14 a	-	-	-	-	-
002	Social contributions		-	-	-	-	-
003	Revenue from sanctions, fines and penalties	S14 c	1 007 687.00	1 626 360.00	2 634 047.00	5 468 159.00	-
004	Income from grants	S14 b	124 634 808.00	41 780 938.00	166 415 746.00	220 413 063.00	-
005	Income from external transfers not elsewhere classified	S14 c	97 040 561.00	70 161 534.00	167 202 095.00	6 315 072.00	-
006	Incomes from internal transfers	S14 c	2 081 244 156.00	-	2 081 244 156.00	1 697 345 357.00	-
007	Income from exchange transactions other than interest and income from sale of long-term assets	S15 a	-	269 104 716.00	269 104 716.00	253 924 583.00	-
008	Profit from the sale of long-term assets	S15b S17a**	-	2 390 303.00	2 390 303.00	3 000 000.00	-
009	Interest income	S15a	-	16 339 351.00	16 339 351.00	15 443 521.00	-
010	Doubtful (hopeless)Claims/Devaluation/Decresing of cost by retroactive incomes	S16	97 981.00	280 109.00	378 090.00	51 149.00	-
011	Different incomes	S18	315 313.00	15 456 664.00	15 771 977.00	8 329 105.00	-
012	Total incomes		2 304 340 506.00	417 139 975.00	2 721 480 481.00	2 210 290 009.00	-
Costs							
013	Salary	S17a	30 721 033.00	1 158 287 919.00	1 189 008 952.00	1 080 297 520.00	-
014	Goods and services	S17a	200 035 673.00	327 376 283.00	527 411 956.00	425 439 648.00	-
015	Grants	S17b	97 998 077.00	4 422 091.00	102 420 168.00	108 410 894.00	-
016	Subsidies	S17b	86 339 214.00	3 132 350.00	89 471 564.00	76 589 002.00	-
017	External transfers and other operating expenses	S17b	157 191 442.00	19 781 721.00	176 973 163.00	171 302 629.00	-
018	Expenses with internal transfers	S17a	24 954 146.00	10 144 652.00	35 098 798.00	33 971 385.00	-
019	Depreciation and amortization	S17a	47 770 648.00	25 793 910.00	73 564 558.00	64 683 867.00	-
020	Social assistance/assurance	S17a	5 959 229.00	12 873 689.00	18 832 918.00	15 478 868.00	-
021	Loss received from sale of long-term non-financial assets	S15b S17a**	-	-	-	-	-
022	Interest expenses (finance expenses)	S17a	-	39 462.00	39 462.00	31 030.00	-
023	Doubtful (hopeless)Claims/Devaluation/Decresing of cost by retroactive incomes	S16	8 114 516.00	12 180 108.00	20 294 624.00	11 298 418.00	-
024	Miscellaneous expenses	S18	596 459.00	4 400 089.00	4 996 548.00	8 032 282.00	-
023	Total costs		659 680 437.00	1 578 432 274.00	2 238 112 711.00	1 995 535 543.00	-
024	Period surplus (deficit)		1 644 660 069.00	(1 161 292 299.00)	483 367 770.00	214 754 466.00	-

*Detailed information related to the articles of the financial results statement is described in the specified remarks

** The difference between the income and expenses received from the sale of long-term assets is described

Signature

Accountant:

Other authorized person(s) (if any)determined by internal policy:

/signed/

Nana Khmaladze

Head of the organization:

/signed/

Mariam Tabatadze

	Difference
Total	
-	
-	
3 579 794.00	1 888 365.00
192 718 220.00	27 694 843.00
6 575 711.00	(260 639.00)
1 697 345 357.00	-
253 288 271.00	636 312.00
3 000 000.00	-
15 139 754.00	303 767.00
39 515.00	11 634.00
8 320 848.00	8 257.00
2 180 007 470.00	30 282 539.00
-	-
1 080 258 270.00	39 250.00
410 531 136.00	14 908 512.00
101 419 535.00	6 991 359.00
76 575 301.00	13 701.00
171 836 860.00	(534 231.00)
33 558 549.00	412 836.00
64 595 699.00	88 168.00
15 478 868.00	-
-	-
31 030.00	-
10 625 403.00	673 015.00
8 032 282.00	-
1 972 942 933.00	22 592 610.00
207 064 537.00	7 689 929.00

32 01 05	32 02 01	32 03 01	32 04 02 07	32 04 05 02-12	Total	
Infrastructure	Schools	Proffesional institutions	Knowledge door	Higher education institutions		
1 211 836.00	-	-	-	676 529.00	1 888 365.00	-
-	26 665 643.00	47 077.00	-	982 123.00	27 694 843.00	-
-	-	-	-	(260 639.00)	(260 639.00)	-
-	-	-	-	-	-	-
-	-	-	-	636 312.00	636 312.00	-
-	-	-	-	-	-	-
-	-	-	-	303 767.00	303 767.00	-
-	-	-	11 634.00	-	11 634.00	-
-	-	-	-	8 257.00	8 257.00	-
1 211 836.00	26 665 643.00	47 077.00	11 634.00	2 346 349.00	30 282 539.00	-
-	-	-	-	-	-	-
-	-	-	-	39 250.00	39 250.00	-
4 353 959.00	10 411 185.00	-	-	143 368.00	14 908 512.00	-
6 991 359.00	-	-	-	-	6 991 359.00	-
-	-	-	-	13 701.00	13 701.00	-
-	-	-	-	(534 231.00)	(534 231.00)	-
401 202.00	-	-	11 634.00	-	412 836.00	-
-	87 774.00	394.00	-	-	88 168.00	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	673 015.00	673 015.00	-
-	-	-	-	-	-	-
11 746 520.00	10 498 959.00	394.00	11 634.00	335 103.00	22 592 610.00	-
(10 534 684.00)	16 166 684.00	46 683.00	-	2 011 246.00	7 689 929.00	-

Cash flow statement*								
Line code	Title	Remark **	Turnover of the reporting period			Turnover of the previous reporting period		
			Budget funds	Non-budgetary funds	Total	Budget funds	Non-budgetary funds	Total
Net cash provided by operating activities								
001	Amounts received							
002	Taxes	N19						
003	Social contributions							
004	grants							
005	Income from property							
006	Percentage of gross receipts							
007	Funds received from sales of goods and services							
008	Sanctions, penalties and fines							
009	Other incomes							
010	Temporarily unclear amounts							
011	Outgone sums							
012	Salary of employees							
013	Amounts paid to suppliers for goods and services							
014	Grants and subsidies							
015	Social assistance							
016	Interest paid							
017	Other expenses (disbursements, expenses)							
018	Net cash provided by operating activities	N20						
Net cash flows from investing activities								
019	Purchase of fixed assets							
020	Purchase of intangible assets							
021	Purchase of other long-term assets							
022	Purchase of investments (shares).							
023	Purchase of securities							
024	Loans issued							
025	Increase of other long-term financial assets							
026	Amounts received from the sale of fixed assets							
027	Amounts received from the sale of intangible assets							
028	Amounts received from the sale of other long-term assets							
029	Amounts received from the sale of investments (shares).							
030	Sale of securities							
031	Principal amounts received from finance leases							
032	Amounts received from repayment of loans							
033	Decrease of other long-term financial assets							
034	Net cash flows from investing activities							
Net cash provided by operating activities								
034	Received amounts from the issuance of short-term government securities							
035	Received amounts from the issuance of government bonds							
036	Amounts received from the issue of securities in foreign currency							
037	Amounts received from other borrowed funds							
038	Redemption (cover) of short-term government securities							
039	Redemption (cover) of government bonds							
040	Redemption (cover) of securities in foreign currency							
041	Payment (cover) of the principal amount of the financial lease							
042	Payment (cover) of other borrowed funds							
043	Liabilities with deposits							
044	Liabilities with deposits in the treasury							
045	Liabilities with deposits in the bank							
046	Reserve fund							
047	Net cash from financing activities							
048	Net increase/(decrease) in cash and cash equivalents							
049	Cash and cash equivalents at the beginning of the period, including							
050	Unified treasury account, cash in the cashier's office and commercial bank accounts							
051	Treasury foreign exchange account							
052	Term deposits up to 3 months							
053	Profit (loss) received from exchange rate differences							
054	Cash and cash equivalents at the end of the period, including							
055	Unified treasury account, cash in the cashier's office and commercial bank accounts							
056	Treasury foreign exchange account							
057	Term deposits up to 3 months							

* The form is filled out by the entity that manages and controls cash

** Detailed information related to the items of the statement of cash flows is reflected in the specified remarks

Signature

Accountant:

Other authorized person(s) (if any)determined by internal policy:

Head of the organization:

Statement of changes in net assets/capital							
							Reporting period
Line code	Title	Remark 1	Authorized capital	Undistributed Surplus/Deficit		Reserves	Total Net Assets/Capital
				Budget funds	Non-budgetary funds		
001	Opening balance		-	4 320 069 491.00	(1 322 071 907.00)	-	2 997 997 584.00
002	Retrospective application of changes in accounting policies	S1	0	-	-	0	0.00
003	Retrospective calculation of certain errors of previous periods	S1	0	(11 517 692.00)	12 077 715.00	0	560 023.00
004	Adjustments as a result of one-time revaluation	N1	0	37 953 277.00	2 783 757.00	0	40 737 034.00
005	Adjustments as a result of other changes in capital	N1	0	18 963.00	(1 223.00)	0	17 740.00
006	Recalculated opening balance		-	4 346 524 039.00	(1 307 211 658.00)	-	3 039 312 381.00
Change in net assets/capital							
007	Capital contributions		-	-	-	-	-
008	Withdrawal of capital		-	-	-	-	-
009	Increase/decrease in reserves	N5	-	-	-	-	-
010	Surplus/deficit for the period		-	1 644 660 069.00	(1 161 292 299.00)	-	483 367 770.00
011	Funds to be distributed to owners		-	-	-	-	-
012	Final balance		-	5 991 184 108.00	(2 468 503 957.00)	-	3 522 680 151.00

3 522 680 151.00

Previous reporting period							
Line code	Title	Remark *	Authorized capital	Undistributed Surplus/Deficit		Reserves	Total Net Assets/Capital
				Budget funds	Non-budgetary funds		
001	Opening balance		19 527.00	3 041 671 724.00	(262 363 235.00)	-	2 779 328 016.00
002	Retrospective application of changes in accounting policies	S1	-	(121 513.00)	(1 393 380.00)	-	(1 514 893.00)
003	Retrospective calculation of certain errors of previous periods	S1	-	(43 850 486.00)	48 470 982.00	-	4 620 496.00
004	Adjustments as a result of one-time revaluation	N1	-	5 949 785.00	2 569 170.00	-	8 518 955.00
005	Adjustments as a result of other changes in capital	N1	-	-	-	-	-
006	Recalculated opening balance		19 527.00	3 003 649 510.00	(212 716 463.00)	-	2 790 952 574.00
Change in net assets/capital							
007	Capital contributions		-	-	-	-	-
008	Withdrawal of capital		19 527.00	-	-	-	-
009	Increase/decrease in reserves	N5	-	-	-	-	-
010	Surplus/deficit for the period		-	1 316 419 981.00	(1 109 355 444.00)	-	207 064 537.00
011	Funds to be distributed to owners		-	-	-	-	-
012	Final balance		-	4 320 069 491.00	(1 322 071 907.00)	-	2 997 997 584.00

7 689 929.00

* Detailed information regarding the items in the statement of net assets/changes in capital is reflected in the specified remark.

Signature

Accountant:

Other authorized person(s) (if any) determined by internal policy:

/signed/ Nana Khmaladze

Head of the organization:

/signed/ Mariam Tabatadze

Statement of budget and actual amounts comparison									
Line code	Title	Remark *	Approved budget (initial)	Adjusted budget (final)	Budget performance				
					Budget funds	Total grant	Total credit	Target grant total	Total
Budget revenues									
001	Taxes		-	-	-			-	-
002	grants		-	-	-			-	-
003	other income		-	-	-			-	-
004	Decrease in non-financial assets		-	-	-			-	-
005	Decrease in financial assets		-	-	-			-	-
006	Increase in liabilities		-	-	-			-	-
007	Total budget revenues		-	-	-			-	-
ბიუჯეტის გადასახდელები									
008	Salary		32 011 894.00	30 368 784.00	30 366 350.87	-	-	67 177.21	30 433 528.08
009	Goods and services		213 691 620.00	197 857 460.88	182 078 968.52	1 670 032.57	9 378 640.82	3 544 378.38	196 672 020.29
010	Percentage		-	-					-
011	Subsidies		89 644 388.00	89 654 373.00	89 357 652.27	-	210 152.01	7 065 694.50	96 633 498.78
012	Grants		76 397 923.00	87 154 601.12	82 095 447.00	-	4 923 926.00	1 495 379.35	88 514 752.35
013	Social assistance		5 133 000.00	5 937 874.00	5 937 228.39	-	-	2 785.71	5 940 014.10
014	Other expenses		1 363 393 913.00	1 391 679 198.00	1 391 656 256.47	-	6 673.32	3 183 888.37	1 394 846 818.16
015	Increase of non-financial assets		297 507 962.00	276 128 409.00	265 436 387.85	-	1 816 485.08	950 650.64	268 203 523.57
016	Increase of financial assets		-	-					-
017	Decrease in liabilities		-	-					-
018	Total budget payments		2 077 780 700.00	2 078 780 700.00	2 046 928 291.37	1 670 032.57	16 335 877.23	16 309 954.16	2 081 244 155.33
								-	

* The specified remark reflects the detailed information regarding the articles of comparison of budget and actual amounts reporting

Signature:

Accountant:

Other authorized person(s) (if any) determined by internal policy:

/signed/

Nana Khmaladze

Head of the organization:

/signed/

Mariam Tabatadze

Execution (%)
0%
0%
0%
0%
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0%
0%
100%
99%
108%
102%
100%
100%
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100%

Remarks to Financial Statements		
Remark N1 Accounting policies and other explanatory remarks		
1	The list of instructions and standards according to which the financial statements were prepared; Also, records of standards and instructions that could not be taken into account during the preparation/presentation of financial statements; Also, the causes of these deviations	
2	Descriptions of general accounting policies	
3	A description of changes in accounting policies reflected in the retrospective application of new accounting policies; Also, similar data regarding the comparable information of the previous reporting period	
4	A description of the material errors of the prior period(s) that have been corrected as a result of the retrospective recalculation; Also, similar data related to the comparable information of the previous reporting period	
5	Description of immaterial errors of prior period(s) that have been corrected prospectively in the statement of current period	
6	Detailed information about the material non-adjusting event, together with a preliminary estimate of the financial result, or an indication of the relevant reasons why the financial result could not be predicted	
7	Descriptions of capital adjustments resulting from one-time revaluations that have been adjusted retrospectively, together with comparable information from the previous reporting period	
8	Descriptions of other capital adjustments (resulting from business combinations, etc.) that have been adjusted retrospectively, together with comparable information from the previous reporting period	

Remark N2 Cash and cash equivalents			
Line code	Title	The final balance of the reporting period	The final balance of the previous reporting period
Cash in the national currency 1-11-0000			
010	A unified account of the treasury, including:	-	-
020	State budget funds in the national currency	-	-
030	Funds of autonomous republics and municipalities	-	-
040	Funds of the central budget of LEPL and N(N)LE, Non-Entrepreneurial (Non-Commercial) Legal Entity	-	-
050	Funds of autonomous republics and municipal budgets of LEPLs and N(N)Les	-	-
070	Other accounts in the treasury in national currency	-	-
080	Cash in cash office in national currency * 1-11-1100	14 310	5 493
090	Cash balances in commercial banks in the national currency * 1-11-2100	127 809 328	131 132 720
100	Total funds in the national currency 1-11-1000	127 823 638	131 138 213
Cash in foreign currency			
110	Treasury accounts in foreign currency	-	-
120	Cash in cash office in foreign currency * 1-11-1200	-	-
130	Cash balances in commercial banks in foreign currency n * 1-11-2420	29 802 458	70 149 372
	Total cash in foreign currency	29 802 458	70 149 372
Cash equivalents			
140	Funds placed in national currency on term deposits up to 3 months by the State Treasury	-	-
150	Funds placed in the national currency on term deposits up to 3 months by autonomous republics and municipalities	-	-
160	Funds placed in the national currency on term deposits up to 3 months by central budget LEPLs and non-entrepreneurial, non-commercial legal entities	-	-
170	Funds placed in the national currency on term deposits of up to 3 months by the budgets of autonomous republics and municipalities LEPLs and non-entrepreneurial, non-commercial legal entities.	-	-
180	Total cash equivalents	-	-
190	Total cash and cash equivalents	157 626 096	201 287 585

* Amounts shown as cash are reflected in the statements of organizations

Accounting policies:

Indicate the accounting policies used for accounting for cash and cash equivalents

Remark N2a current investments and short-term debitorial liabilities							
Line code	Title	Final balance of the reporting period			The final balance of the previous reporting period		
		Total balance value	Accumulated devaluation loss/allowances for doubtful accounts	Balance value	Total balance value	Accumulated devaluation loss/allowances for doubtful accounts	Balance value
Current investments							
010	Short term loans 1-12-1000	-	-	-	-	-	-
020	Current part of long-term loans 1-12-2000	-	-	-	-	-	-
030	Current part of finance lease receivables 1-12-3000	-	-	-	-	-	-
040	Short-term (current) securities, except shares 1-12-4000	-	-	-	-	-	-
050	Other current investments 1-12-9000	9 775.00	-	9 775.00	9 775.00	-	9 775.00
060	Total current investments	9 775.00	-	9 775.00	9 775.00	-	9 775.00
Short-term (current) debitorial liabilities and claims		-	-	-	-	-	-
070	Short-term (current) debitorial liabilities related to treasury operations 1-13-1000	-	-	-	-	-	-
080	Short-term (current) debitorial liabilities of the treasury 1-13-1100	-	-	-	-	-	-
090	Short-term (current) debitorial liabilities of budgetary organizations to the treasury 1-13-1200	85 854 602.00	-	85 854 602.00	79 076 610.00	-	79 076 610.00
100	Short-term (current) debitorial liabilities of budgetary organizations to the treasury, with budgetary funds in the national currency 1-13-1210	-	-	-	-	-	-
110	Short-term (current) debitorial liabilities of budgetary organizations to the treasury with targeted financing and grants in the national currency 1-13-1220	8 115 800.00	-	8 115 800.00	8 249 553.00	-	8 249 553.00
120	Short-term (current) debitorial liabilities of budgetary organizations to the treasury, with non-budgetary (own) funds in national currency 1-13-1230	59 797 820.00	-	59 797 820.00	53 745 409.00	-	53 745 409.00
130	Short-term (current) debitorial liabilities of budgetary organizations to the treasury, with budgetary funds in foreign currency 1-13-1240	4 764 934.00	-	4 764 934.00	8 964 909.00	-	8 964 909.00
140	Short-term (current) debitorial liabilities of budgetary organizations to the treasury with targeted financing and grants in foreign currency1-13-1250	7 837 801.00	-	7 837 801.00	2 217 156.00	-	2 217 156.00
150	Short-term (current) debitorial liabilities of budgetary organizations to the treasury, with non-budgetary (own) funds in foreign currency 1-13-1260	4 644 914.00	-	4 644 914.00	5 401 518.00	-	5 401 518.00
160	Other short-term (current) debitorial liabilities of budgetary organizations to the treasury 1-13-1270	693 333.00	-	693 333.00	498 065.00	-	498 065.00
170	Short-term (current) tax debitorial liabilities 1-13-2000	4 527 076.00	-	4 527 076.00	4 350 721.00	-	4 350 721.00
180	Revenue tax 1-13-2100	836 324.00	-	836 324.00	980 851.00	-	980 851.00
190	Profit tax 1-13-2200	572 702.00	-	572 702.00	572 646.00	-	572 646.00
200	Property tax 1-13-2300	516 114.00	-	516 114.00	492 878.00	-	492 878.00
210	VAT 1-13-2400	2 595 766.00	-	2 595 766.00	2 293 514.00	-	2 293 514.00
220	Excise duty 1-13-2500	-	-	-	-	-	-
230	Import tax 1-13-2600	-	-	-	-	-	-
240	Other payment requirements 1-13-2700	6 170.00	-	6 170.00	10 832.00	-	10 832.00
250	Short-term (current) debitorial liabilities in the pension scheme 1-13-3000	19 831.00	-	19 831.00	21 513.00	-	21 513.00
260	Short-term (current) debitorial liabilities with accrued interest and penalties 1-13-4000	4 731 006.00	-	4 731 006.00	5 841 159.00	-	5 841 159.00
270	Dividends receivable 1-13-5000	-	-	-	-	-	-
280	Short-term (current) debitorial liabilities from sales of goods and services 1-13-6000	58 428 970.00	3 770 447.00	54 658 523.00	68 874 334.00	23 197 500.00	45 676 834.00
290	Short-term (current) claims for employees and accountable persons 1-13-7000	2 684 891.00	3 351.00	2 681 540.00	2 712 432.00	11 139.00	2 701 293.00
300	Short-term (current) claims with the exit (sale) of non-financial assets 1-13-8000	-	-	-	-	-	-
310	Other short-term (current) requirements 1-13-9000	10 484 805.00	78 927.00	10 405 878.00	1 749 082.00	65 679.00	1 683 403.00
320	Gross income short-term (current) cash claims related to non-exchange operations 1-13-9500	794 964.00	198.00	794 766.00	162 400.00	198.00	162 202.00
330	Total short-term (current) debitorial liabilities and claims	166 731 181.00	3 852 725.00	162 878 456.00	162 625 851.00	23 274 318.00	139 351 533.00

Remark N2a current investments and short-term debitorial liabilities						
Line code	Title	Total balance value				
		Opening balance of the reporting period	The recalculated opening balance of the reporting period	Increase	Decrease	Final balance of the reporting period
	Current investments					
010	Short term loans 1-12-1000	-	-	-	-	-
020	Current part of long-term loans	-	-	-	-	-
030	Current part of finance lease receivables	-	-	-	-	-
040	Short-term (current) securities, except shares	-	-	-	-	-
050	Other current investments	9 775.00	9 775.00	-	-	9 775.00
060	Total current investments	9 775.00	9 775.00	-	-	9 775.00
	Short-term (current) debitorial liabilities and claims **	-	-	-	-	-
070	Short-term (current) debitorial liabilities related to treasury operations 1-13-1000	-	-	-	-	-
080	Short-term (current) debitorial liabilities of the treasury 1-13-1100	-	-	-	-	-
090	Short-term (current) debitorial liabilities of budgetary organizations to the treasury1-13-1200	78 997 091.00	79 076 610.00	2 577 038 608.29	2 570 260 616.00	85 854 602.00
100	Short-term (current) debitorial liabilities of budgetary organizations to the treasury, with budgetary funds in the national currency 1-13-1210	-	-	1 945 678 928.00	1 945 678 928.00	-
110	Short-term (current) debitorial liabilities of budgetary organizations to the treasury with targeted financing and grants in the national currency 1-13-1220	8 170 045.00	8 249 553.00	20 444 415.00	20 578 168.00	8 115 800.00
120	Short-term (current) debitorial liabilities of budgetary organizations to the treasury, with non-budgetary (own) funds in national currency 1-13-1230	53 745 409.00	53 745 409.00	563 417 002.88	557 364 592.00	59 797 820.00
130	Short-term (current) debitorial liabilities of budgetary organizations to the treasury, with budgetary funds in foreign currency 1-13-1240	8 964 898.00	8 964 909.00	23 291 713.00	27 491 688.00	4 764 934.00
140	Short-term (current) debitorial liabilities of budgetary organizations to the treasury with targeted financing and grants in foreign currency 1-13-1250	2 217 156.00	2 217 156.00	12 854 062.00	7 233 417.00	7 837 801.00
150	Short-term (current) debitorial liabilities of budgetary organizations to the treasury, with non-budgetary (own) funds in foreign currency 1-13-1260	5 401 518.00	5 401 518.00	9 169 250.41	9 925 854.00	4 644 914.00
160	Other short-term (current) debitorial liabilities of budgetary organizations to the treasury 1-13-1270	498 065.00	498 065.00	2 183 237.00	1 987 969.00	693 333.00
170	Short-term (current) tax debitorial liabilities1-13-2000	4 255 851.00	4 350 721.00	21 646 955.00	21 470 600.00	4 527 076.00
180	Revenue tax	1 133 460.00	980 851.00	19 188 014.00	19 332 541.00	836 324.00
190	Profit tax	572 749.00	572 646.00	56.00	-	572 702.00
200	Property tax	245 399.00	492 878.00	756 292.00	733 056.00	516 114.00
210	VAT	2 293 411.00	2 293 514.00	1 702 562.00	1 400 310.00	2 595 766.00
220	Excise duty	-	-	-	-	-
230	Import tax	-	-	-	-	-
240	Other tax	10 832.00	10 832.00	31.00	4 693.00	6 170.00
250	Short-term (current) debitorial liabilities in the pension scheme 1-13-3000	21 513.00	21 513.00	70 986.00	72 668.00	19 831.00
260	Short-term (current) debitorial liabilities with accrued interest and penalties 1-13-4000	4 844 940.00	5 841 159.00	5 855 081.00	6 965 234.00	4 731 006.00
270	Dividends receivable 1-13-5000	-	-	-	-	-
280	Short-term (current) debitorial liabilities from sales of goods and services 1-13-6000	57 815 528.00	68 874 334.00	179 831 791.00	190 277 155.00	58 428 970.00
290	Short-term (current) claims for employees and accountable persons 1-13-7000	2 711 892.00	2 712 432.00	8 260 988.00	8 288 529.00	2 684 891.00
300	Short-term (current) claims with the exit (sale) of non-financial assets 1-13-8000	-	-	-	-	-
310	Other short-term (current) requirements1-13-9000	1 116 543.00	1 749 082.00	99 379 896.00	90 644 173.00	10 484 805.00
320	Gross income short-term (current) cash claims related to non-exchange operations 1-13-9500	87 928.00	162 400.00	2 629 621.00	1 997 057.00	794 964.00
330	Total short-term (current) debitorial liabilities and claims	149 763 358.00	162 625 851.00	2 892 084 305.29	2 887 978 975.00	166 731 181.00

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12 862 493.00

Remark N2a current investments and short-term debitorial liabilities									
Line code	Title	Accumulated devaluation loss/allowances for doubtful accounts						Reclassification of assets (+/-)	The final balance of the reporting period
		Opening balance of the reporting period	The recalculated opening balance of the reporting period	Devaluation expense/doubtful and homeless claims expense for the year (\$16)	Retrospective income (\$16)	Annulled during exit	Decrease in accumulated value received		
	Current investments								
010	Short term loans 1-12-1000	-	-	-	-	-	-	-	-
020	Current part of long-term loans	-	-	-	-	-	-	-	-
030	Current part of finance lease receivables	-	-	-	-	-	-	-	-
040	Short-term (current) securities, except shares	-	-	-	-	-	-	-	-
050	Other current investments	-	-	-	-	-	-	-	-
060	Total current investments	-	-	-	-	-	-	-	-
	Short-term (current) debitorial liabilities and claims	-	-	-	-	-	-	-	-
070	Short-term (current) debitorial liabilities related to treasury operations1-13-1000	-	-	-	-	-	-	-	-
080	Short-term (current) debitorial liabilities of the treasury1-13-1100	-	-	-	-	-	-	-	-
090	Short-term (current) debitorial liabilities of budgetary organizations to the treasury1-13-1200	-	-	-	-	-	-	-	-
100	Short-term (current) debitorial liabilities of budgetary organizations to the treasury, with budgetary funds in the national currency 1-13-1210	-	-	-	-	-	-	-	-
110	Short-term (current) debitorial liabilities of budgetary organizations to the treasury with targeted financing and grants in the national currency 1-13-1220	-	-	-	-	-	-	-	-
120	Short-term (current) debitorial liabilities of budgetary organizations to the treasury, with non-budgetary (own) funds in national currency 1-13-1230	-	-	-	-	-	-	-	-
130	Short-term (current) debitorial liabilities of budgetary organizations to the treasury, with budgetary funds in foreign currency 1-13-1240	-	-	-	-	-	-	-	-
140	Short-term (current) debitorial liabilities of budgetary organizations to the treasury with targeted financing and grants in foreign currency 1-13-1250	-	-	-	-	-	-	-	-
150	Short-term (current) debitorial liabilities of budgetary organizations to the treasury, with non-budgetary (own) funds in foreign currency 1-13-1260	-	-	-	-	-	-	-	-
160	Other short-term (current) debitorial liabilities of budgetary organizations to the treasury 1-13-1270	-	-	-	-	-	-	-	-
170	Short-term (current) tax debitorial liabilities 1-13-2000	-	-	1 826.00	-	1 826.00	-	-	-
180	Revenue tax	-	-	1 826.00	-	1 826.00	-	-	-
190	Profit tax	-	-	-	-	-	-	-	-
200	Property tax	-	-	-	-	-	-	-	-
210	VAT	-	-	-	-	-	-	-	-
220	Excise duty	-	-	-	-	-	-	-	-
230	Import tax	-	-	-	-	-	-	-	-
240	Other tax	-	-	-	-	-	-	-	-
250	Short-term (current) debitorial liabilities in the pension scheme 1-13-3000	-	-	-	-	-	-	-	-
260	Short-term (current) debitorial liabilities with accrued interest and penalties 1-13-4000	-	-	-	-	-	-	-	-
270	Dividends receivable 1-13-5000	-	-	-	-	-	-	-	-
280	Short-term (current) debitorial liabilities from sales of goods and services 1-13-6000	23 197 500.00	23 197 500.00	11 314 041.00	277 441.00	(6 225 841.00)	-	-	3 770 447.00
290	Short-term (current) claims for employees and accountable persons 1-13-7000	11 139.00	11 139.00	2 761.00	7 797.00	2 752.00	-	-	3 351.00
300	Short-term (current) claims with the exit (sale) of non-financial assets 1-13-8000	-	-	-	-	-	-	-	-
310	Other short-term (current) requirements1-13-9000	65 679.00	65 679.00	13 248.00	-	-	-	-	78 927.00
320	Gross income short-term (current) cash claims related to non-exchange operations 1-13-9500	198.00	198.00	604 613.00	-	604 613.00	-	-	198.00
330	Total short-term (current) debitorial liabilities and claims	23 274 318.00	23 274 318.00	11 331 876.00	285 238.00	(6 221 263.00)	-	-	3 852 725.00

Accounting policies:

- a) Current investments are determined under the condition of reporting period and the reporting date of the previous reporting period
b)

Remark N3 Material supplies								Remark N3 Material supplies							
Line code	Title	The final balance of the reporting period			The final balance of the reporting period										
		Value *	Decrease in accumulated value	Balance value	Value *	Decrease in accumulated value	Balance value								
010	Raw materials and materials 1-14-1100	1 788 530.00	-	1 788 530.00	2 082 094.00	-	2 082 094.00	2 082 094.00	-	-	-	-	-	-	-
020	Other materials and supplies 1-14-1400	11 042 121.00	-	11 042 121.00	30 197 538.00	3 459.00	30 194 079.00	30 355 856.00	3 459.00	(158 318.00)	-	-	-	-	-
030	Low cost assets 1-14-1410	8 038 823.00	-	8 038 823.00	5 321 351.00	2 236.00	5 324 423.00	5 324 423.00	2 236.00	(3 072.00)	-	-	-	-	-
060	Other materials and supplies 1-14-1420	3 003 298.00	-	3 003 298.00	24 876 187.00	1 223.00	24 874 964.00	25 031 433.00	1 223.00	(155 246.00)	-	-	-	-	-
090	Unfinished production1-14-2000	165.00	-	165.00	165.00	-	165.00	165.00	-	-	-	-	-	-	-
100	Finished product 1-14-3000	3 993 032.00	-	3 993 032.00	3 969 329.00	-	3 969 329.00	4 028 819.00	-	(59 490.00)	-	-	-	-	-
110	Goods held for sale 1-14-4000	178 312.00	-	178 312.00	179 579.00	-	179 579.00	179 579.00	-	-	-	-	-	-	-
120	Military maerial supplies 1-14-5000	-	-	-	-	-	-	-	-	-	-	-	-	-	-
130	Total	17 002 160.00	-	17 002 160.00	36 428 705.00	3 459.00	36 425 246.00	36 646 513.00	3 459.00	(217 808.00)	-	-	-	-	-

Line code	Cost of material supplies *	Opening balance of the reporting period	The recalculated opening balance of the reporting period	Receiving							Exit										The final balance of the reporting period
				By reducing advances from previous reporting periods	By current period procurement	With grants	By external transfers not elsewhere classified	By restoring the loss	By different incomes**	By other receptions***	By compensation in the form of goods	By goods and services	By subsidie s	By grants	By external transfers not elsewhere classified	By social benefits	By a defects	By creating capital on your own	By different costs **	By other exits ***	
010	Raw materials and materials 1-14-1100	2 082 094.00	2 082 094.00	5 816.00	2 802 809.00	-	8 749.00	-	13 255.00	30 378.00	-	2 852 586.00	-	-	855.00	-	-	-	29 269.00	271 861.00	1 788 530.00
020	Other materials and supplies 1-14-1400	30 355 856.00	30 197 538.00	12 745 602.00	69 552 959.00	1 334 678.00	960 986.00	1 800.00	35 026.00	330 593.00	-	53 455 215.00	-	267 752.00	48 123 187.00	-	23 493.00	-	1 854 230.00	393 184.00	11 042 121.00
030	Low cost assets 1-14-1410	5 324 423.00	5 321 351.00	2 838 151.00	19 243 784.00	871 838.00	444 815.00	1 800.00	-	173 281.00	-	17 453 563.00	-	84 901.00	3 044 343.00	-	-	-	127 829.00	145 561.00	8 038 823.00
060	Other materials and supplies 1-14-1420	25 031 433.00	24 876 187.00	9 907 451.00	50 309 175.00	462 840.00	516 171.00	-	35 026.00	157 312.00	-	36 001 652.00	-	182 851.00	45 078 844.00	-	23 493.00	-	1 726 401.00	247 623.00	3 003 298.00
090	Unfinished production1-14-2000	165.00	165.00	-	2 248.00	-	-	-	22 146.00	-	-	-	-	-	-	-	-	-	-	24 394.00	165.00
100	Finished product 1-14-3000	4 028 819.00	3 969 329.00	-	4 048 115.00	-	37 834.00	-	24 392.00	301 311.00	18 045.00	4 245 029.00	-	-	-	-	49.00	68 478.00	-	56 348.00	3 993 032.00
110	Goods held for sale 1-14-4000	179 579.00	179 579.00	-	184 579.00	-	-	-	5 279.00	-	-	178 729.00	-	-	8 675.00	-	25.00	-	-	3 696.00	178 312.00
120	Military maerial supplies 1-14-5000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
130	Total	36 646 513.00	36 428 705.00	12 751 418.00	76 590 710.00	1 334 678.00	1 007 569.00	1 800.00	100 098.00	662 282.00	18 045.00	60 731 559.00	-	267 752.00	48 132 717.00	-	23 567.00	68 478.00	1 883 499.00	749 483.00	17 002 160.00
			(217 808.00)																		

Line code	Title	Reducing the cost of material supplies							The final balance of the reporting period
		Opening balance of the reporting period	The recalculated opening balance of the reporting period	Depreciation expenses for the year *****	Depreciation retroactive income for the year value *****	Annulled during exit	Decrease in accumulated value received	Reclassificati on of assets (+/-)	
010	Raw materials and materials 1-14-1100	-	-	6 850.00	-	6 850.00	-	-	-
020	Other materials and supplies 1-14-1400	3 459.00	3 459.00	1 323 484.00	-	1 326 943.00	-	-	-
030	Low cost assets 1-14-1410	2 236.00	2 236.00	61 497.00	-	63 733.00	-	-	-
060	Other materials and supplies 1-14-1420	1 223.00	1 223.00	1 261 987.00	-	1 263 210.00	-	-	-
090	Unfinished production1-14-2000	-	-	-	-	-	-	-	-
100	Finished product 1-14-3000	-	-	49.00	-	49.00	-	-	-
110	Goods held for sale 1-14-4000	-	-	25.00	-	25.00	-	-	-
120	Military maerial supplies 1-14-5000	-	-	-	-	-	-	-	-
130	Total	3 459.00	3 459.00	1 330 408.00	-	1 333 867.00	-	-	-
		-	-	1 330 408.00	-		-	-	-

Table 3 *****Explain the reasons for value reduction or value retroactive reduction

Table 2 *Means cost price or other amount used to determine value

Table 2 ** Incomes and expenses arising from volume, quantitative changes are reflected, as for the change in value caused by one-time valuation/revaluation, it is reflected as capital adjustment in the "Net Assets/Capital Changes" statement

Table 2 *** Reflects increase/decrease in capital contributions, investments in other units, reclassification of assets, barter and etc.

Table 2 ****In accordance with the specifics of the organization, material supplies of similar nature and use are reflected by groups (if any)

Accounting policies:

a) As of the end of the reporting period, material supplies are recognized:

IfIn the case of supplies to be distributed free of charge or at nominal value, or supplies to be used in the production process of goods to be distributed free of charge or at nominal value, by the lower amount between the cost price and the current replacement value;

IfBy the lower cost between cost price and net realizable value.

b) Costs of uniform material supplies are determined for the following groups of material supplies:

IfFirst in first out (FIFO) formula (indicate the appropriate groups);

.....

Ifby the weighted average cost formula (indicate the relevant groups);

.....

c) The cost price of heterogeneous material supplies is determined according to the method of identification of individual costs.

Remark N4 other short-term (current) assets*

Line code	Title*	The final balance of the reporting period			The final balance of the previous reporting period		
		Total balance value	Accumulated devaluation loss	Balance value	Total balance value	Accumulated devaluation loss	Balance value
010	Advance payments 1-15-1000	197 630 995.00	21 191.00	197 609 804.00	69 627 044.00	22 585.00	69 604 459.00
020	Advance payments for goods and service 1-15-1100	61 897 168.00	4 708.00	61 892 460.00	20 704 437.00	6 102.00	20 698 335.00
030	Advance payments for long-term non-financial assets 1-15-1200	110 493 850.00	15 822.00	110 478 028.00	53 152 030.00	15 822.00	53 136 208.00
040	Advance payments with payments 1-15-1300	25 239 977.00	661.00	25 239 316.00	(4 229 423.00)	661.00	(4 230 084.00)
050	Short-term (current) non-monetary claims with the transfer of non-financial assets 1-15-2000	2 081.00	-	2 081.00	2 081.00	-	2 081.00
060	Short-term (current) claims with receivables from barter operations 1-15-3000	-	-	-	-	-	-
070	Short-term (current) non-monetary claims related to non-exchange operations 1-15-4000	-	-	-	-	-	-
080	Short-term (current) non-monetary requirements with a deficit of non-financial assets 1-15-5000	858 142.00	-	858 142.00	855 315.00	-	855 315.00
090	Total	198 491 218.00	21 191.00	198 470 027.00	70 484 440.00	22 585.00	70 461 855.00

The result of the elimination

Total balance value	Accumulated devaluation loss	Total balance values	Accumulated devaluation loss
74 077 981.00	22 585.00	(4 450 937.00)	-
25 140 592.00	6 763.00	(4 436 155.00)	(661.00)
53 162 747.00	15 822.00	(10 717.00)	-
(4 225 358.00)	-	(4 065.00)	661.00
2 081.00	-	-	-
-	-	-	-
-	-	-	-
855 315.00	-	-	-
74 935 377.00	22 585.00	(4 450 937.00)	-

* Non-monetary claims on 1-15-0000 accounts are reflected

Line code	Title	Total balance value					
		Opening balance of the reporting period	The recalculated opening balance of the reporting period	Increase	Decrease	The final balance of the reporting period	
Other short-term (current) assets							
010	Advance payments	74 077 981.00	69 627 044.00	359 464 002.00	231 460 051.00	197 630 995.00	(4 450 937.00)
020	Advance payments for goods and service	25 140 592.00	20 704 437.00	103 233 993.00	62 041 262.00	61 897 168.00	(4 436 155.00)
030	Advance payments for long-term non-financial assets	53 162 747.00	53 152 030.00	138 361 273.00	81 019 453.00	110 493 850.00	(10 717.00)
040	Advance payments with payments	(4 225 358.00)	(4 229 423.00)	117 868 736.00	88 399 336.00	25 239 977.00	(4 065.00)
050	Short-term (current) non-monetary claims with the transfer of non-financial assets	2 081.00	2 081.00	-	-	2 081.00	-
060	Short-term (current) claims with receivables from barter operations	-	-	1 983 620.00	1 983 620.00	-	-
070	Short-term (current) non-monetary claims related to non-exchange operations	-	-	-	-	-	-
080	Short-term (current) non-monetary requirements with a deficit of non-financial assets	855 315.00	855 315.00	27 831.00	25 004.00	858 142.00	-
090	Total	74 935 377.00	70 484 440.00	361 475 453.00	233 468 675.00	198 491 218.00	(4 450 937.00)

Line code	Title	Accumulated devaluation loss/allowances for doubtful accounts							The final balance of the reporting period
		Opening balance of the reporting period	The recalculated opening balance of the reporting period	Devaluation expense for the year *****	Depreciation retroactive income for the year *****	Annulled during exit	Decrease in accumulated value received	Reclassification of assets (+/-)	
Other short-term (current) assets									
010	Advance payments	22 585.00	22 585.00	102 350.00	89 374.00	190 330.00	21 191.00	-	22 585.00
020	Advance payments for goods and service	6 763.00	6 102.00	101 185.00	74 795.00	174 586.00	4 708.00	-	6 763.00
030	Advance payments for long-term non-financial assets	15 822.00	15 822.00	1 165.00	-	1 165.00	15 822.00	-	15 822.00
040	Advance payments with payments	-	661.00	-	14 579.00	14 579.00	661.00	-	-
050	Short-term (current) non-monetary claims with the transfer of non-financial assets	-	-	-	-	-	-	-	-
060	Short-term (current) claims with receivables from barter operations	-	-	-	-	-	-	-	-
070	Short-term (current) non-monetary claims related to non-exchange operations	-	-	-	-	-	-	-	-
080	Short-term (current) non-monetary requirements with a deficit of non-financial assets	-	-	931.00	-	931.00	-	-	-
090	Total	22 585.00	22 585.00	103 281.00	89 374.00	191 261.00	21 191.00	-	22 585.00

Accounting policies:

Indicate the accounting policies used for recording other short-term (current) assets

Remark N5 Long-term financial assets							
Line code	Title	The final balance of the reporting period			The final balance of the previous reporting period		
		Total balance	Accumulated devaluation loss/allowance for doubtful accounts	Balance value	Total balancen	Accumulated devaluation loss/allowance for doubtful accounts	Total balance
	Long-term financial assets1-21-0000						
010	Credits and loans (with more than one year remaining until the final repayment date) 1-21-1000	-	-	-	-	-	-
020	Investments in equity instruments 1-21-2000	-	-	-	-	-	-
030	Other long-term financial assets 1-21-3000	44 538 633.00	-	44 538 633.00	51 360 491.00	-	51 360 491.00
040	Other long-term debitorial liabilities and non-cash claims 1-21-4000	11 796 117.00	-	11 796 117.00	14 984 400.00	-	14 984 400.00
050	Gross income from finance leases long-term debitorial liabilities 1-21-4100	-	-	-	-	-	-
060	Total long-term financial assets	56 334 750.00	-	56 334 750.00	66 344 891.00	-	66 344 891.00

-	-
-	-
51 361 043.00	(552.00)
14 984 400.00	-
-	-
66 345 443.00	(552.00)

Line code	Title	Opening balance of the reporting period	The recalculated opening balance of the reporting period	Increase					Decrease					The final balance of the reporting period
				By generating the current period	By the difference between exchange rate	By reclassification	By capital method	By other increase	Covering the current period	By the difference between exchange rate	By reclassification	By capital method	By other decrease *	
Long-term financial assets														
010	Credits and loans (with more than one year remaining until the final repayment date) 1-21-1000	-	-	-	-	-	-	-	-	-	-	-	-	-
020	Investments in equity instruments 1-21-2000	-	-	-	-	-	-	-	-	-	-	-	-	-
030	Other long-term financial assets 1-21-3000	51 361 043.00	51 360 491.00	-	-	-	22 000.00	-	-	-	-	3 891 834.00	2 952 024.00	44 538 633.00
040	Other long-term debitorial liabilities and non-cash claims 1-21-4000	14 984 400.00	14 984 400.00	4 303 469.00	-	-	-	-	5 937 884.00	-	1 553 868.00	-	-	11 796 117.00
050	Gross income from finance leases long-term debitorial liabilities 1-21-4100	-	-	-	-	-	-	-	-	-	-	-	-	-
060	Total long-term financial assets	66 345 443.00	66 344 891.00	4 303 469.00	-	-	22 000.00	-	5 937 884.00	-	1 553 868.00	3 891 834.00	2 952 024.00	56 334 750.00

(552.00)

Line code	Title	Accumulated devaluation loss/allowances for doubtful accounts					
		Opening balance of the reporting period	The recalculated opening balance of the reporting period	Devaluation expenses for the year ¹	Devaluation retroactive income for the year ²	Reclassification of assets (+/-)	The final balance of the reporting period
Long-term financial assets							
010	Credits and loans (with more than one year remaining until the final repayment date) 1-21-1000	-	-	-	-	-	-
020	Investments in equity instruments 1-21-2000	-	-	-	-	-	-
030	Other long-term financial assets 1-21-3000	-	-	-	-	-	-
040	Other long-term debitorial liabilities and non-cash claims 1-21-4000	-	-	-	-	-	-
050	Gross income from finance leases long-term debitorial liabilities	-	-	-	-	-	-
060	Total long-term financial assets	-	-	-	-	-	-

¹ Explain the reasons for decrease of value or retroactive decrease of value

Line code	Title	Reporting period as of December 31	Previous reporting period as of December 31
010	Long-term debitorial liabilities from finance leases	-	-
020	Total investment in finance lease	-	-
030	The present value of the minimum installments of the finance lease	-	-
040	Unearned financial income	-	-

Line code	Title	Reporting period as of December 31	Increase/decrease reflected in surplus and deficit (+/-)	Increase/decrease reflected in reserves (+/-)	Previous reporting period as of December 31
010	Investments in equity instruments	-	-	-	-
020	Investments in the state commercial enterprises	-	-	-	-
030	Investments in related entities and joint activities	-	-	-	-

Accounting policies:

- a) Long-term credits and loans are assessed at amortized cost
- b) Investments in equity instruments are measured at cost price, unless the investments are made in controlled entities, related entities or joint ventures. In such cases, they are evaluated using the capital method.
- c) Long-term debitorial liability from financial leases are recognized at the lower amount between the real (fair) value of the leased property and the current value of the minimum lease payments determined at the beginning of the lease agreement.

Remark N6 Fixed assets									Remark N6 Fixed assets								
Title		The final balance of the reporting period				The final balance of the previous reporting period											
		Value *	Accumulated wear and tear	Accumulated deviation	Balance value	Value *	Accumulated wear and tear	Accumulated deviation	Balance value	Value *	Accumulated wear and tear	Accumulated deviation	Balance value	Value *	Accumulated wear and tear	Accumulated deviation	Balance value
010	Buildings to be used for own purposes 1-22-1000	2 579 176 951.00	236 495 707.00	-	2 342 681 244.00	2 318 201 649.00	213 188 876.00	-	2 105 012 773.00	2 252 996 809.00	213 083 324.00	-	2 039 913 485.00	65 204 840.00	145 552.00	-	65 059 288.00
020	Residential houses 1-22-1100	18 679 180.00	2 163 705.00	-	16 514 980.00	18 063 419.00	2 163 705.00	-	15 899 714.00	18 063 419.00	2 163 705.00	-	15 899 714.00	62 089 743.00	(150 524.00)	-	62 240 267.00
030	Non-residential buildings 1-22-1200	1 666 293 149.00	1 728 382 892.00	652 179.00	24 118 589.00	24 118 589.00	81 736 942.00	3 805 479.00	655 475.00	1 666 293 149.00	1 728 382 892.00	1 468 217 067.00	2 039 478.00	5 039 478.00	(150 524.00)	-	5 039 478.00
040	Other buildings 1-22-1300	54 614 554.00	57 352 801.00	-	724 631.00	724 631.00	1 626 014.00	-	929 366.00	54 614 554.00	57 352 801.00	-	205 089.00	60 572 342.00	-	-	60 572 342.00
050	Land improvement 1-22-1400	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
060	Land 1-22-1500	514 025 687.00	514 402 537.00	-	75.00	75.00	313 169.00	155 699 520.00	-	514 025 687.00	514 402 537.00	-	15 157.00	665 427 314.00	-	-	665 427 314.00
070	Machinery and inventory 1-22-2000	575 799 595.00	232 602 314.00	691 138.00	342 506 143.00	337 782 972.00	194 748 882.00	693 702.00	342 340 388.00	536 900 086.00	196 155 358.00	693 702.00	340 051 026.00	575 799 595.00	232 602 314.00	691 138.00	342 506 143.00
080	Transport equipment 1-22-2100	17 996 491.00	7 618 352.00	-	10 378 139.00	15 840 318.00	6 411 283.00	-	9 429 035.00	15 662 756.00	7 049 201.00	-	8 613 555.00	17 996 491.00	7 618 352.00	-	10 378 139.00
090	Other machinery and equipment 1-22-2200	557 803 104.00	224 983 962.00	691 138.00	332 128 004.00	521 942 654.00	188 337 599.00	693 702.00	332 911 353.00	521 237 330.00	189 106 157.00	693 702.00	331 437 471.00	557 803 104.00	224 983 962.00	691 138.00	332 128 004.00
100	Information, computer, telecommunication and other devices, furniture and equipment 1-22-2310	250 765 264.00	141 201 171.00	1 475.00	109 562 618.00	225 833 263.00	115 870 651.00	4 039.00	109 558 573.00	225 447 555.00	115 864 918.00	4 039.00	109 578 598.00	250 765 264.00	141 201 171.00	1 475.00	109 562 618.00
110	Other machinery and inventory 1-22-2220	307 037 840.00	83 782 791.00	689 663.00	222 565 386.00	296 109 391.00	72 466 948.00	689 663.00	222 952 780.00	295 789 775.00	73 241 239.00	689 663.00	221 858 873.00	307 037 840.00	83 782 791.00	689 663.00	222 565 386.00
120	Military weapon systems 1-22-2300	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
130	Cultivated plants and animals 1-22-3000	1 484 204.00	148 197.00	-	1 336 335.00	1 336 335.00	133 337.00	-	1 202 998.00	943 655.00	132 587.00	-	811 068.00	1 484 204.00	148 197.00	-	1 336 335.00
140	Total	3 156 460 750.00	469 246 218.00	691 138.00	2 686 523 394.00	2 857 320 956.00	408 071 095.00	693 702.00	2 448 556 159.00	2 790 840 550.00	409 331 269.00	693 702.00	2 380 815 579.00	66 480 406.00	(1 260 174.00)	-	67 740 580.00

Line code	Cost of fixed assets *	Opening balance of the reporting period	Opening balance of the reporting period	Receive							Exit						The final balance of the reporting period	
				By reducing advances from the previous reporting periods	By current period procurement	By substantial improvement	By grants	By external transfers not elsewhere classified	By restoring the loss	By different incomes**	By other receptions ***	By sale	By grants	By external transfers not elsewhere classified	By a deficit	By different costs**		By other exits **
010	Buildings to be used for own purposes 1-22-1000	2 252 996 809.00	2 318 201 649.00	652 179.00	24 872 128.00	-	83 766 125.00	159 689 083.00	-	655 475.00	8 383 610.00	38 688.00	7 085 450.00	480.00	-	4 584 113.00	5 244 567.00	2 579 176 951.00
020	Residential houses 1-22-1100	18 063 419.00	18 063 419.00	-	28 833.00	-	-	3 000.00	-	-	383 928.00	-	-	-	-	-	-	18 479 180.00
030	Non-residential buildings 1-22-1200	1 666 293 149.00	1 728 382 892.00	652 179.00	24 118 589.00	-	81 736 942.00	3 805 479.00	-	655 475.00	7 070 316.00	38 688.00	2 112 491.00	-	-	4 533 100.00	5 039 478.00	1 834 698 115.00
040	Other buildings 1-22-1300	54 614 554.00	57 352 801.00	-	724 631.00	-	1 626 014.00	181 084.00	-	-	929 366.00	-	609.00	-	-	35 856.00	205 089.00	60 572 342.00
050	Land improvement 1-22-1400	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
060	Land 1-22-1500	514 025 687.00	514 402 537.00	-	75.00	-	313 169.00	155 699 520.00	-	-	-	-	4 972 350.00	480.00	-	15 157.00	-	665 427 314.00
070	Machinery and inventory 1-22-2000	536 900 086.00	537 782 972.00	2 416 789.00	40 355 932.00	-	2 478 007.00	1 656 931.00	20 581.00	35 463.00	1 989 831.00	7 800.00	11 068.00	193.00	25 671.00	5 213 457.00	5 678 182.00	575 799 595.00
080	Transport equipment 1-22-2100	15 662 756.00	15 840 318.00	258 291.00	2 247 104.00	-	101 796.00	107 684.00	-	-	150 275.00	7 800.00	-	-	22 272.00	10 755.00	668 150.00	17 996 491.00
090	Other machinery and equipment 1-22-2200	521 237 330.00	521 942 654.00	2 158 498.00	38 108 288.00	-	2 376 211.00	1 549 247.00	20 581.00	35 463.00	1 839 556.00	-	11 068.00	193.00	3 399.00	5 202 702.00	5 010 032.00	557 803 104.00
100	Information, computer, telecommunication and other devices, furniture and equipment 1-22-2310	225 447 555.00	225 833 263.00	1 092 200.00	23 077 193.00	-	1 255 780.00	653 545.00	19 327.00	21 955.00	920 404.00	-	-	-	922.00	499 218.00	1 608 263.00	250 765 264.00
110	Other machinery and inventory 1-22-2220	295 789 775.00	296 109 391.00	1 066 298.00	15 031 095.00	-	1 120 431.00	895 702.00	1 254.00	13 508.00	919 152.00	-	11 068.00	193.00	2 477.00	4 703 484.00	3 401 769.00	307 037 840.00
120	Military weapon systems 1-22-2300	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
130	Cultivated plants and animals 1-22-3000	943 655.00	1 336 335.00	-	8 712.00	-	38 570.00	98 220.00	-	-	3 478.00	-	1 111.00	-	-	-	-	1 484 204.00
140	Total	2 790 840 550.00	2 857 320 956.00	3 068 968.00	65 236 232.00	-	86 192 702.00	161 444 234.00	20 581.00	690 938.00	10 376 919.00	46 488.00	7 097 629.00	673.00	25 671.00	9 797 570.00	10 922 749.00	3 156 460 750.00

Line code	Title	Accumulated depreciation of fixed assets					The recalculated opening balance of the reporting period											
		Opening balance	The recalculated opening balance of the reporting period	Depreciation expense for the year	Annulled during exit (-)	Accumulated depreciation received (+)	Reclassification of assets (+/-)	The final balance of the reporting period	Opening balance of the reporting period	The recalculated opening balance of the reporting period	Depreciation expense for the year +	Income after depreciation retroactive expense for the year +	Annulled during exit	Accumulated depreciation received	Reclassification of assets (+/-)	The final balance of the reporting period		
010	Buildings to be used for own purposes 1-22-1000	213 043 324.00	213 188 876.00	25 657 447.00	2 765 667.00	415 051.00	-	236 495 707.00	-	-	2 600 493.00	-	2 600 493.00	-	-	-		
020	Residential houses 1-22-1100	2 163 705.00	2 163 705.00	170 485.00	-	-	-	2 334 190.00	-	-	-	-	-	-	-	-		
030	Non-residential buildings 1-22-1200	1 666 293 149.00	1 728 382 892.00	23 188 847.00	2 602 153.00	356 283.00	-	218 868 535.00	-	-	2 555 188.00	-	2 555 188.00	-	-	-		
040	Other buildings 1-22-1300	12 803 537.00	13 099 613.00	2 298 115.00	163 514.00	58 768.00	-	15 292 982.00	-	-	30 148.00	-	30 148.00	-	-	-		
050	Land improvement 1-22-1400	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
060	Land 1-22-1500	-	-	-	-	-	-	-	-	-	15 157.00	-	-	15 157.00	-	-		
070	Machinery and inventory 1-22-2000	536 900 086.00	537 782 972.00	41 871 306.00	4 477 082.00	200 421.00	258 787.00	232 602 314.00	693 702.00	693 702.00	4 883 651.00	-	4 886 215.00	-	-	691 138.00		
080	Transport equipment 1-22-2100	15 662 756.00	15 840 318.00	258 291.00	2 247 104.00	128 003.00	22 272.00	17 996 491.00	-	-	-	-	-	-	-	-		
090	Other machinery and equipment 1-22-2200	521 237 330.00	521 942 654.00	2 158 498.00	38 108 288.00	-	2 376 211.00	1 549 247.00	20 581.00	35 463.00	1 839 556.00	-	11 068.00	193.00	-	5 010 032.00		
100	Information, computer, telecommunication and other devices, furniture and equipment 1-22-2310	225 447 555.00	225 833 263.00	1 092 200.00	23 077 193.00	-	1 255 780.00	653 545.00	19 327.00	21 955.00	920 404.00	-	-	-	-	250 765 264.00		
110	Other machinery and inventory 1-22-2220	295 789 775.00	296 109 391.00	1 066 298.00	15 031 095.00	-	1 120 431.00	895 702.00	1 254.00	13 508.00	919 152.00	-	11 068.00	193.00	2 477.00	4 703 484.00		
120	Military weapon systems 1-22-2300	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
130	Cultivated plants and animals 1-22-3000	943 655.00	1 336 335.00	-	8 712.00	-	38 570.00	98 220.00	-	-	3 478.00	-	1 111.00	-	-	-		
140	Total	409 331 269.00	408 071 095.00	67 543 613.00	7 242 749.00	615 472.00	258 787.00	469 246 218.00	693 702.00	693 702.00	7 484 144.00	3 478.00	7 486 708.00	-	3 478.00	691 138.00		

Table 3 ****Explain the reasons for an devaluation charge or a retroactive charge

Table 2 **Means cost price or other amount used to determine value

Table 2 **Incomes and expenses arising from volume, quantitative changes are reflected, as for the change in value caused by one-time valuation, revaluation, it is reflected as capital adjustment in the "Net Assets/Capital Changes" statement

Table 2 ** Reflects increase/decrease in capital contributions, investments in other units, reclassification of assets, barter and etc.

Accounting policies:

a) In financial statements, investment property is evaluated using the cost price model.

b) Investment property will be depreciated using the straight-line method.

c) The minimum period of useful service for depreciation is determined by the instruction approved by the order of the Minister of Finance of Georgia dated December 2, 2020 N289 "On accounting of depreciation/amortization by budgetary organizations and reflection in financial statements".

Remark N7 Investment property										Remark N7 Investment property									
Line code	Title	The final balance of the reporting period				The final balance of the previous reporting period													
		Value*	Accumulated wear and tear	Accumulated devaluation	Balance value	Value *	Accumulated wear and tear	Accumulated devaluation	Balance value										
010	Residential buildings classified as investment property 1-23-1000	-	-	-	-	-	-	-	-										
020	Non-residential buildings classified as investment property 1-23-2000	-	-	-	-	-	-	-	-										
030	Other buildings classified as investment property 1-23-3000	-	-	-	-	-	-	-	-										
040	Land improvements classified as investment property 1-23-4000	-	-	-	-	-	-	-	-										
050	Land classified as investment property 1-23-5000	-	-	-	-	-	-	-	-										
060	Total investment property	-	-	-	-	-	-	-	-										

Line code	Investment property value *	Opening balance of the reporting period	The recalculated opening balance of the reporting period	Receive								Exit						The final balance of the reporting period
				By reducing advances from the previous reporting periods	By current period procurement	By substantial improvement	By grants	By external transfers not elsewhere classified	By restoring the loss	By different incomes**	By other receptions ***	By sale	By grants	By external transfers not elsewhere classified	By a deficit	By different expenses**	by other exits ***	
010	Residential buildings classified as investment property 1-23-1000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
020	Non-residential buildings classified as investment property 1-23-2000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
030	Other buildings classified as investment property 1-23-3000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
040	Land improvements classified as investment property 1-23-4000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
050	Land classified as investment property 1-23-5000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
060	Total investment property	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Line code	Title	Accumulated depreciation of investment property							Accumulated devaluation loss on investment property							
		Opening balance of the reporting period	The recalculated opening balance of the reporting period	Depreciation expense for the year	Annulled during exit	Accumulated depreciation received	Reclassification of assets (+/-)	The final balance of the reporting period	Opening balance of the reporting period	The recalculated opening balance of the reporting period	Devaluation expense for the year ****	Income after retroactive devaluation expense for the year *****	Annulled during exit	Accumulated devaluation received	Reclassification of assets (+/-)	The final balance of the reporting period
010	Residential buildings classified as investment property 1-23-1000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
020	Non-residential buildings classified as investment property 1-23-2000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
030	Other buildings classified as investment property 1-23-3000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
040	Land improvements classified as investment property 1-23-4000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
050	Land classified as investment property 1-23-5000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
060	Total investment property	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Table 3 ****Explain the reasons for an devaluation charge or a retroactive charge
Table 2 *Means cost price or other amount used to determine value
Table 2 *Incomes and expenses arising from volume, quantitative changes are reflected, as for the change in value caused by one-time valuation/reevaluation, it is reflected as capital adjustment in the "Net Assets/Ca
Table 2 ** Reflects increase/decrease in capital contributions, investments in other units, reclassification of assets, barter and etc.

Accounting policies:

- a) In financial statements, investment property is evaluated using the cost price model.
b) Investment property will be depreciated using the straight-line method.
c) The minimum period of useful service for depreciation is determined by the instruction approved by the order of the Minister of Finance of Georgia dated December 2, 2020 N289 "On accounting of depreciation/amortization by budgetary organizations and reflection in financial statements".

Remark N8 Intangible assets																	
Line code	Title	The final balance of the reporting period				The final balance of the previous reporting period											
		Value*	Accumulated amortization	Accumulated devaluation	Balance value	Value *	Accumulated amortization	Accumulated devaluation	Balance value	Value *	Accumulated amortization	Accumulated devaluation	Balance value	Value *	Accumulated amortization	Accumulated devaluation	Balance value
Intellectual property sites 1-24-1000																	
010	Research and development 1-24-1100	169 578.00	60 315.00	-	109 263.00	122 265.00	41 141.00	-	81 124.00					122 265.00	41 141.00	-	81 124.00
020	Mineral exploration and evaluation 1-24-1200	-	-	-	-	-	-	-	-					-	-	-	-
030	Software and databases 1-24-1300	15 580 974.00	8 876 360.00	-	6 704 614.00	13 231 131.00	6 372 733.00	-	6 858 398.00					14 407 530.00	6 354 221.00	-	8 053 309.00
040	Software 1-24-1310	14 651 580.00	8 477 690.00	-	6 173 890.00	12 433 039.00	6 137 651.00	-	6 295 388.00					13 609 438.00	6 119 139.00	-	7 490 299.00
050	Databases 1-24-1320	929 394.00	398 670.00	-	530 724.00	798 092.00	235 082.00	-	563 010.00					798 092.00	235 082.00	-	563 010.00
060	Entertainment, literary and artistic original samples 1-24-1400	9 172.00	3 461.00	-	5 711.00	9 172.00	3 009.00	-	6 163.00					13 822.00	6 659.00	-	7 163.00
070	Other intellectual property products 1-24-1500	4 443 856.00	1 644 568.00	-	2 799 288.00	3 569 800.00	1 300 579.00	-	2 269 221.00					3 569 800.00	1 310 095.00	-	2 259 705.00
080	Total	20 203 580.00	10 584 704.00	-	9 618 876.00	16 932 368.00	7 717 462.00	-	9 214 906.00					18 111 417.00	5 346.00	-	10 401 301.00
Intangible non-produced assets 1-24-0000																	
090	Agreements, leases and licenses 1-24-2100	17 365 043.00	7 496 321.00	-	9 868 722.00	12 656 864.00	5 519 211.00	-	7 137 653.00					13 004 496.00	7 058 406.00	-	5 946 090.00
100	Marketable operating leases 1-24-2110	-	-	-	-	-	-	-	-					-	-	-	-
110	Permits for use of natural resources 1-24-2120	-	-	-	-	-	-	-	-					-	-	-	-
120	Permits for specific activities 1-24-2130	17 318 016.00	7 477 389.00	-	9 840 627.00	12 610 260.00	5 503 358.00	-	7 106 902.00					(86 299.00)	-	-	(86 299.00)
130	Exclusive rights to future goods and services 1-24-2140	47 027.00	18 932.00	-	28 095.00	46 604.00	15 853.00	-	30 751.00					13 023 300.00	7 042 553.00	-	5 980 747.00
140	Goodwill 1-24-2200	-	-	-	-	-	-	-	-					67 495.00	15 853.00	-	51 642.00
150	Total	17 365 043.00	7 496 321.00	-	9 868 722.00	12 656 864.00	5 519 211.00	-	7 137 653.00					13 004 496.00	7 058 406.00	-	5 946 090.00
	Total	37 568 623.00	18 081 025.00	-	19 487 598.00	29 589 232.00	13 236 673.00	-	16 352 559.00					31 117 911.00	14 770 522.00	-	16 347 391.00

Line code	Value of intangible assets *	Operating balance of the reporting period	The reconciled opening balance of the reporting period	Receive								Risk						The final balance of the reporting period
				By reducing advances from previous reporting periods	By current period procurement	By substantial improvement	By grants	By external transfers not elsewhere classified	By restoring the loss	By different incomes**	By other receptions ***	By sale	By gains	By external transfers not elsewhere classified	By a deficit	By difference cost ²	By other cost ³	
Intellectual property sites 1-24-1000																		
010	Research and development 1-24-1100	122 265.00	122 265.00	29 103.00	18 210.00	-	-	-	-	-	-	-	-	-	-	-	-	169 578.00
020	Mineral exploration and evaluation 1-24-1200	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
030	Software and databases 1-24-1300	14 407 530.00	13 231 131.00	599 958.00	2 589 244.00	-	-	-	-	-	-	-	-	-	-	-	-	15 580 974.00
040	Software 1-24-1310	13 609 438.00	12 433 039.00	599 958.00	2 453 852.00	-	-	-	-	-	-	-	-	-	-	-	-	14 651 580.00
050	Databases 1-24-1320	798 092.00	798 092.00	-	135 392.00	-	-	-	-	-	-	-	-	-	-	-	-	929 394.00
060	Entertainment, literary and artistic original samples 1-24-1400	13 822.00	9 172.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	9 172.00
070	Other intellectual property products 1-24-1500	3 569 800.00	3 569 800.00	530 273.00	349 486.00	-	-	1 492.00	-	-	-	-	-	-	-	-	-	4 443 856.00
080	Total	18 113 417.00	16 932 368.00	1 159 334.00	2 956 940.00	-	-	1 492.00	-	-	-	-	-	-	-	-	-	20 203 580.00
Intangible non-produced assets																		
090	Agreements, leases and licenses	13 004 496.00	12 656 864.00	198 151.00	4 780 920.00	-	-	-	-	-	-	-	-	-	-	-	-	17 365 043.00
100	Marketable operating leases 1-24-2110	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
110	Permits for use of natural resources 1-24-2120	(86 299.00)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
120	Permits for specific activities 1-24-2130	13 023 300.00	12 610 260.00	198 151.00	4 780 753.00	-	-	-	-	-	-	-	-	-	-	-	-	17 318 016.00
130	Exclusive rights to future goods and services 1-24-2140	67 495.00	46 604.00	-	167.00	-	-	-	-	-	-	-	-	-	-	-	-	47 027.00
140	Goodwill	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
150	Total	13 004 496.00	12 656 864.00	198 151.00	4 780 920.00	-	-	-	-	-	-	-	-	-	-	-	-	17 365 043.00
	Total	31 117 913.00	29 589 232.00	1 357 485.00	7 737 860.00	-	-	1 492.00	-	-	-	-	-	-	-	-	-	37 568 623.00

		Accumulated amortization of intangible assets							Accumulated devaluation loss on intangible assets							
Line code	Title	Opening balance of the reporting period	The reconciled opening balance of the reporting period	Depreciation expense for the year	Annulled during exit	Accumulated amortization received	Reclassification of assets (+/-)	The final balance of the reporting period	Opening balance of the reporting period	The reconciled opening balance of the reporting period	Devaluation expense for the year ⁴	Income after retroactive devaluation expense for the year ⁴	Annulled during exit	Accumulated devaluation received	Reclassification of assets (+/-)	The final balance of the reporting period
	Intellectual property sites 1-24-1000															
010	Research and development 1-24-1100	41 141.00	41 141.00	19 174.00	-	-	-	60 315.00	-	-	-	-	-	-	-	-
020	Mineral exploration and evaluation 1-24-1200	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
030	Software and databases 1-24-1300	6 354 221.00	6 372 733.00	3 395 040.00	891 413.00	-	-	8 876 360.00	-	-	12 570.00	-	-	12 570.00	-	-
040	Software 1-24-1310	6 119 139.00	6 137 651.00	3 227 362.00	887 323.00	-	-	8 477 690.00	-	-	8 480.00	-	-	8 480.00	-	-
050	Databases 1-24-1320	235 082.00	235 082.00	167 678.00	4 090.00	-	-	398 670.00	-	-	4 090.00	-	-	4 090.00	-	-
060	Entertainment, literary and artistic original samples 1-24-1400	6 659.00	3 009.00	-	-	-	-	3 461.00	-	-	-	-	-	-	-	-
070	Other intellectual property products 1-24-1500	1 310 095.00	1 300 579.00	446 160.00	102 871.00	700.00	-	1 644 568.00	-	-	1 625.00	-	-	1 625.00	-	-
080	Total	7 712 116.00	7 717 462.00	3 860 826.00	994 284.00	700.00	-	10 584 704.00	-	-	14 195.00	-	-	14 195.00	-	-
	Intangible non-produced assets															
090	Agreements, leases and licenses	7 058 406.00	5 519 211.00	2 129 693.00	152 583.00	-	-	7 496 321.00	-	-	30 720.00	-	-	30 720.00	-	-
100	Marketable operating leases 1-24-2110	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
110	Permits for use of natural resources 1-24-2120	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
120	Permits for specific activities 1-24-2130	7 042 553.00	5 503 358.00	2 126 614.00	152 583.00	-	-	7 477 389.00	-	-	30 720.00	-	-	30 720.00	-	-
130	Exclusive rights to future goods and services 1-24-2140	15 853.00	15 853.00	3 079.00	-	-	-	18 932.00	-	-	-	-	-	-	-	-
140	Goodwill	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
150	Total	7 058 406.00	5 519 211.00	2 129 693.00	152 583.00	-	-	7 496 321.00	-	-	30 720.00	-	-	30 720.00	-	-
	Total	14 770 522.00	13 236 673.00	5 990 519.00	1 146 867.00	700.00	-	18 081 025.00	-	-	44 915.00	-	-	44 915.00	-	-
			(1 533 849.00)								44 915.00	-	-			

Table 3 *** Explain the reasons for an devaluation charge or a retroactive charge

Table 2 ** Means cost price or other amount used to determine value

Table 2 * Income and expenses arising from volume, quantitative changes are reflected, as for the change in value caused by one-time valuation/reevaluation, it is reflected as capital adjustment in the "Net Assets/Capital Changes" statement

Table 2 ** Reflects increase/decrease in capital contributions, investments in other units, reclassification of assets, barrier and etc.

Accounting policies:

a) In financial statements, investment property is evaluated using the cost price method.

b) Investment property will be depreciated using the straight-line method.

c) The minimum period of useful service for depreciation is determined by the instruction approved by the order of the Minister of Finance of Georgia dated December 2, 2020 N289 "On accounting of depreciation/amortization by budgetary organizations and reflection in financial statements".

Remark N9 Preferential Service Arrangements	
Title and Description of agreement #1	Financial liabilities model

Line code	Description of preferred service assets	The final balance of the reporting period				The final balance of the previous reporting period			
		Value *	Accumulated Depreciation/Amortization	Accumulated devaluation loss	Balance value	Value *	Accumulated Depreciation/Amortization	Accumulated devaluation loss	Balance value
010		-	-	-	-	-	-	-	-
020		-	-	-	-	-	-	-	-
030		-	-	-	-	-	-	-	-
040		-	-	-	-	-	-	-	-
050		-	-	-	-	-	-	-	-
060		-	-	-	-	-	-	-	-
070		-	-	-	-	-	-	-	-
080	Total	-	-	-	-	-	-	-	-

Reporting period								
Line code	Changes in balance values of preferential service assets	Total	Preferential Service agreement					
			Name of the agreement		Name of the agreement		Name of the agreement	
			Current asset of the government	Provided by a private sector partner	Current asset of the government	Provided by a private sector partner	Current asset of the government	Provided by a private sector partner
010	Opening balance	-	-	-	-	-	-	-
020	Procurement	-	-	-	-	-	-	-
030	Acceptance as a result of reclassification	-	-	-	-	-	-	-
040	Asset improvement (update)	-	-	-	-	-	-	-
050	Exit (Disposing)	-	-	-	-	-	-	-
060	Exit as a result of reclassification	-	-	-	-	-	-	-
070	Another reduction*	-	-	-	-	-	-	-
080	Final balance	-	-	-	-	-	-	-

Remark N9 Preferential Service Arrangements								
Reporting period								
Line code	Accumulated Depreciation/Amortization	Total	Preferential Service agreement					
			Name of the agreement		Name of the agreement		Name of the agreement	
			Current asset of the government	Provided by a private sector partner	Current asset of the government	Provided by a private sector partner	Current asset of the government	Provided by a private sector partner
010	Opening balance	-	-	-	-	-	-	-
020	Depreciation/amortization expense for the year	-	-	-	-	-	-	-
030	Eliminated on exit	-	-	-	-	-	-	-
040	Reclassification of assets (+/-)	-	-	-	-	-	-	-
050	Final balance	-	-	-	-	-	-	-

Reporting period								
Line code	Accumulated devaluation Loss on preferential service assets	სულ	Preferential Service agreement					
			Name of the agreement		Name of the agreement		Name of the agreement	
			Current asset of the government	Provided by a private sector partner	Current asset of the government	Provided by a private sector partner	Current asset of the government	Provided by a private sector partner
010	Opening balance	-	-	-	-	-	-	-
020	Devaluation expense of the year (retroactive) ²	-	-	-	-	-	-	-
030	Eliminated on exit	-	-	-	-	-	-	-
040	Reclassification of assets (+/-)	-	-	-	-	-	-	-
050	Final balance	-	-	-	-	-	-	-

Line code	Current liabilities (included in short-term borrowings)	Opening balance	The recalculated opening balance of the reporting period	Decrease				Final balance
				Payment of the principal amount	Cost of financing	Service cost	Total	
010	Short-term (current) liabilities	-	-	-	-	-	-	-
020	Current portion of long-term liabilities for preferential services	-	-	-	-	-	-	-
030	Preferential service agreement 1	-	-	-	-	-	-	-
040	Preferential service agreement 2	-	-	-	-	-	-	-
050	Preferential service agreement 2	-	-	-	-	-	-	-
060	Long-term liabilities	-	-	-	-	-	-	-
070	Preferential service long-term liabilities	-	-	-	-	-	-	-
080	Preferential service agreement 1	-	-	-	-	-	-	-
090	Preferential service agreement 1	-	-	-	-	-	-	-
100	Preferential service agreement 2	-	-	-	-	-	-	-

Remark N10 Financial lease assets and liabilities							
Line code	Financial leased assets	The final balance of the reporting period				The final balance of the pre	
		Value *	Accumulated Depreciation/Amortization	Accumulated devaluation loss	Balance value	Value *	Accumulated Depreciation/Amortization
010		-	-	-	-	-	-
020		-	-	-	-	-	-
030		-	-	-	-	-	-
040		-	-	-	-	-	-
050		-	-	-	-	-	-
060		-	-	-	-	-	-
070		-	-	-	-	-	-
080		-	-	-	-	-	-
090		-	-	-	-	-	-
100		-	-	-	-	-	-
110		-	-	-	-	-	-
120		-	-	-	-	-	-
130		-	-	-	-	-	-
140		-	-	-	-	-	-
150		-	-	-	-	-	-
160		-	-	-	-	-	-
170		-	-	-	-	-	-
180		-	-	-	-	-	-
190		-	-	-	-	-	-
200		-	-	-	-	-	-
210		-	-	-	-	-	-
220		-	-	-	-	-	-
080	სულ	-	-	-	-	-	-

Reporting period						
Line code	Financial leased assets	Opening balance	The recalculated opening balance of the reporting period	Increase	Decrease	Final balance
010	Current liabilities	-	-	-	-	-
020	The current portion of the amounts payable on long-term finance leases	-	-	-	-	-
030	Long-term liabilities	-	-	-	-	-
040	Amounts payable on long-term finance leases	-	-	-	-	-

[illegible]

Remark N 11 other long-term non-financial assets										Remark N 11 other long-term non-financial assets									
Line code	Title	The final balance of the reporting period				The final balance of the previous reporting period													
		Value *	Accumulated wear and tear	Accumulated devaluation loss	Balance value	Value *	Accumulated wear and tear	Accumulated devaluation loss	Balance value		Value *	Accumulated wear and tear	Accumulated devaluation loss	Balance value					
010	Values 1-27-1000	1 509 020.00	-	-	1 509 020.00	1 509 020.00	-	-	1 509 020.00		1 509 020.00	-	-	1 509 020.00		-	-	-	-
020	Tangible non-produced assets, exclude land 1-27-2000	-	-	-	-	-	-	-	-		-	-	-	-		-	-	-	-
030	Legacy assets 1-27-3000	-	-	-	-	-	-	-	-		-	-	-	-		-	-	-	-
040	Unfinished assets 1-27-4000	331 746 189.00	572 638.00	-	331 173 551.00	95 773 886.00	542 212.00	-	95 231 674.00		130 724 765.00	542 212.00	-	130 182 553.00		(34 950 879.00)	-	-	(34 950 879.00)
050	Unfinished construction 1-27-4100	-	-	-	-	-	-	-	-		12 604 460.00	-	-	12 604 460.00		(12 604 460.00)	-	-	(12 604 460.00)
060	Assets which title has not yet been acquired or accepted for transfer to other entities 1-27-4200	329 135 258.00	-	-	329 135 258.00	93 168 284.00	-	-	93 168 284.00		115 514 703.00	-	-	115 514 703.00		(22 346 419.00)	-	-	(22 346 419.00)
070	Substantial improvements to operating leased property 1-27-4300	2 610 931.00	572 638.00	-	2 038 293.00	2 605 602.00	542 212.00	-	2 063 390.00		2 605 602.00	542 212.00	-	2 063 390.00		-	-	-	-
080	Long-term non-financial assets held for sale 1-27-4400	-	-	-	-	-	-	-	-		-	-	-	-		-	-	-	-
090	Biological assets in the process of increase	-	-	-	-	-	-	-	-		-	-	-	-		-	-	-	-
100	Unfinished intangible asset	-	-	-	-	-	-	-	-		-	-	-	-		-	-	-	-
110	Costs of transferring title to non-produced assets (except land) 1-27-5000	-	-	-	-	-	-	-	-		-	-	-	-		-	-	-	-
120	Total	333 255 209.00	572 638.00	-	332 682 571.00	97 282 906.00	542 212.00	-	96 740 694.00		132 233 785.00	542 212.00	-	131 691 573.00		(34 950 879.00)	-	-	(34 950 879.00)

Line code	Title	Opening balance of the reporting period	The recalculated opening balance of the reporting period	Receive								Ret					The final balance of the reporting period	
				By reducing advances from previous reporting periods	By current period procurement	By substantial improvement	By grants	By external transfers not elsewhere classified	By receiving the loan	By creating capital on your own	By different incomes *	By other receipts *	By sale	By grants	By external transfers not elsewhere classified	By a deficit		By different costs *
010	Values 1-27-1000	1 509 020.00	1 509 020.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1 509 020.00
020	Tangible non-produced assets, exclude land 1-27-2000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
030	Legacy assets 1-27-3000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
040	Unfinished assets 1-27-4000	130 724 765.00	95 773 886.00	56 104 365.00	205 838 016.00	-	-	-	-	-	-	2 421 464.00	130 864.00	20 351 279.00	-	-	-	331 746 189.00
050	Unfinished construction 1-27-4100	12 604 460.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
060	Assets which title has not yet been acquired or accepted for transfer to other entities 1-27-4200	115 514 703.00	93 168 284.00	56 104 365.00	205 834 212.00	-	-	-	-	-	-	2 419 664.00	130 864.00	20 351 279.00	-	-	-	329 135 258.00
070	Substantial improvements to operating leased property 1-27-4300	2 605 602.00	2 605 602.00	-	3 804.00	-	-	-	-	-	-	1 800.00	-	-	-	-	275.00	2 610 931.00
080	Long-term non-financial assets held for sale 1-27-4400	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
090	Biological assets in the process of increase	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
100	Unfinished intangible asset	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
110	Costs of transferring title to non-produced assets (except land) 1-27-5000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
120	Total	132 233 785.00	97 282 906.00	56 104 365.00	205 838 016.00	-	-	-	-	-	-	2 421 464.00	130 864.00	20 351 279.00	-	-	-	333 255 209.00

Line code	Title	Accumulated depreciation of other non-financial long-term assets							Accumulated devaluation losses on other non-financial non-current assets							
		Opening balance of the reporting period	The recalculated opening balance of the reporting period	Depreciation expense for the year (if any)	Annulled during exit	Accumulated depreciation received	Reclassification on of assets (+/-)	The final balance of the reporting period	Opening balance of the reporting period	The recalculated opening balance of the reporting period	Devaluation expense for the year ⁴	Income after retroactive devaluation expenses for the year ⁴	Accumulated devaluation received	Annulled during exit	Reclassification on of assets (+/-)	The final balance of the reporting period
010	Values 1-27-1000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
020	Tangible non-produced assets, exclude land 1-27-2000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
030	Legacy assets 1-27-3000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
040	Unfinished assets 1-27-4000	542 212.00	542 212.00	30 426.00	-	-	-	572 638.00	-	-	-	-	-	-	-	-
050	Unfinished construction 1-27-4100	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
060	Assets which title has not yet been acquired or accepted for transfer to other entities 1-27-4200	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
070	Substantial improvements to operating leased property 1-27-4300	542 212.00	542 212.00	30 426.00	-	-	-	572 638.00	-	-	-	-	-	-	-	-
080	Long-term non-financial assets held for sale 1-27-4400	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
090	Biological assets in the process of increase	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
100	Unfinished intangible asset	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
110	Costs of transferring title to non-produced assets (except land) 1-27-5000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
120	Total	542 212.00	542 212.00	30 426.00	-	-	-	572 638.00	-	-	-	-	-	-	-	-

Table 3 *****Explain the reasons for an devaluation charge or a retroactive charge

Table 2 *Means cost price or other amount used to determine value

**Incomes and expenses arising from volume, quantitative changes are reflected, as for the change in value caused by one-time valuation, revaluation, it is reflected as capital adjustment in the "Net Assets/Capital Changes" statement

Table 2

Table 2 ** Reflects increase/decrease in capital contributions, investments in other units, reclassification of assets, barter and etc.

Accounting policies:
 Indicate the accounting policies used for recording other long-term non-financial assets

Remark N12 short-term and long-term financial liabilities									
Reporting year									
Line code	Liabilities	Opening balance of the reporting period	The recalculated opening balance of the reporting period	Increase		Decrease		The final balance of the reporting period	The final balance of the reporting period
				Cash registers	Other ¹	Cash registers	Other ¹		
	Short-term financial liabilities2-10-0000	-	-	-	-	-	-	-	-
010	Short-term borrowed funds with budgetary funds 2-12-1100	-	-	-	-	-	-	-	-
020	Short-term borrowed funds with budget funds in national currency 2-12-1110	-	-	-	-	-	-	-	-
030	Short-term borrowed funds with budgetary funds in foreign currency 2-12-1120	-	-	-	-	-	-	-	-
040	Short-term borrowed funds with non-budgetary funds 2-12-1200	-	-	-	-	-	-	-	-
050	Short-term borrowed funds with non-budgetary funds in the national currency 2-12-1210	-	-	-	-	-	-	-	-
060	Short-term borrowed funds with non-budgetary funds in foreign currency 2-12-1220	-	-	-	-	-	-	-	-
070	Short-term securities in the national currency 2-11-1000	-	-	-	-	-	-	-	-
080	Short-term securities in foreign currency 2-11-2000	-	-	-	-	-	-	-	-
090	Current part of long-term budgetary borrowed funds 2-12-2000	-	-	-	-	-	-	-	-
100	Current part of long-term budgetary borrowed funds in the national currency 2-12-2110	-	-	-	-	-	-	-	-
110	Current part of long-term budgetary borrowed funds in foreign currency 2-12-2210	-	-	-	-	-	-	-	-
120	Current part of long-term non-budgetary borrowed funds 2-12-2000	-	-	-	-	-	-	-	-
130	Current part of long-term non-budgetary borrowed funds in the national currency 2-12-2120	-	-	-	-	-	-	-	-
140	Current part of long-term non-budgetary borrowed funds in foreign currency 2-12-2220	-	-	-	-	-	-	-	-
	Long-term financial liabilities 2-20-0000	215 984.00	215 984.00	-	-	-	-	215 984.00	215 984.00
150	Long-term budgetary borrowed funds 2-22-1000	-	-	-	-	-	-	-	-
160	Long-term budgetary borrowed funds in the national currency 2-22-1100	-	-	-	-	-	-	-	-
170	Long-term budgetary borrowed funds in foreign currency 2-22-1200	-	-	-	-	-	-	-	-
180	Long-term non-budgetary borrowed funds 2-22-2000	215 984.00	215 984.00	-	-	-	-	215 984.00	215 984.00
190	Long-term non-budgetary borrowed funds in the national currency 2-22-2100	215 984.00	215 984.00	-	-	-	-	215 984.00	215 984.00
200	Long-term non-budgetary borrowed funds in foreign currency 2-22-2200	-	-	-	-	-	-	-	-
210	Long-term securities 2-21-0000	-	-	-	-	-	-	-	-
220	Long-term securities in the national currency 2-21-1000	-	-	-	-	-	-	-	-
230	Long-term securities in foreign currency 2-21-2000	-	-	-	-	-	-	-	-

Line code	Name of loan agreements	Loan interest %	Final cover date	Description of the loan
010				
020				
030				
040				

Table 1 * Profit/loss, debt forgiveness, write-offs, difference between the exchange rates are recorded

Accounting policies:

Indicate the accounting policies used for recording short-term and long-term financial liabilities

Remark N13 creditorial debts, accounts and other liabilities										
N13a		Opening balance of the reporting period	The recalculated opening balance of the reporting period	Increase		Increase		The final balance of the reporting period	The final balance of the reporting period	
Line code	Title			Cash registers	Other ¹	Cash registers	Other ¹			
010	Short-term creditor debts 2-13-0000	13 369 655.00	12 848 868.00	2 619 115 992.00	69 090 083.00	2 654 586 120.00	10 861 291.00	35 607 532.00	13 369 655.00	(520 787.00)
020	Payments related to treasury operations 2-13-1000	48 701.00	48 701.00	108 057.00	-	96 422.00	57 606.00	2 730.00	48 701.00	-
030	Short-term (current) creditorial debts arising from taxes 2-13-2000	3 021 653.00	2 967 218.00	102 781 828.80	9 929 649.00	113 061 073.80	139 757.00	2 477 865.00	3 021 653.00	(54 435.00)
040	Creditorial debts related to employees and scholarship holders 2-13-3000	1 227 735.00	1 276 821.00	875 827 373.20	47 676 982.00	912 809 427.20	9 960 456.00	2 011 293.00	1 227 735.00	49 086.00
050	Liabilities arising from social assistance of gross income* 2-13-3900	8 161.00	8 161.00	13 126 134.00	719 233.00	13 814 695.00	27 596.00	11 237.00	8 161.00	-
060	Short-term creditorial debts related to the provision of goods and services 2-13-4000	5 145 801.00	5 218 413.00	1 305 648 571.00	7 214 084.00	1 308 917 070.00	196 510.00	8 967 488.00	5 145 801.00	72 612.00
070	Short-term creditorial debt related to provision of non-financial assets 2-13-6000 (before update 3220)	4 959 483.00	4 383 022.00	181 425 511.00	4 195 788.00	167 959 599.00	357 790.00	21 686 932.00	4 959 483.00	(576 461.00)
080	Interest payable 2-13-5000	-	-	-	-	-	-	-	-	-
090	Other short-term (current) creditorial debts 2-13-9000	(1 033 718.00)	(1 045 307.00)	153 324 651.00	73 580.00	151 742 528.00	149 172.00	461 224.00	(1 033 718.00)	(11 589.00)
100	Other short-term (current) liabilities (2-15-0000)	19 414 679.00	19 608 625.00	173 247 019.00	3 038 399.00	120 394 463.00	8 333 102.00	67 166 478.00	19 414 679.00	193 946.00
110	Short-term (current) income received in advance 2-15-1000	19 413 825.00	19 607 771.00	173 247 019.00	3 038 399.00	120 394 278.00	8 333 102.00	67 165 809.00	19 413 825.00	193 946.00
110	Tax revenues received as short-term (current) advances 2-15-1100	7 200.00	7 200.00	-	-	-	-	7 200.00	7 200.00	-
120	Non-tax revenues received as short-term (current) advances 2-15-1200	19 406 625.00	19 600 571.00	173 247 019.00	3 038 399.00	120 394 278.00	8 333 102.00	67 158 609.00	19 406 625.00	193 946.00
130	Short-term (current) rental income received as an advance 2-15-1210	293 342.00	293 342.00	332 554.00	-	282 302.00	-	343 594.00	293 342.00	-
140	Income from short-term (current) advances received from grants and other non-exchange operations 2-15-1220	(34 621 068.00)	178 588.00	107 826 620.00	3 036 261.00	93 360 207.00	8 255 863.00	9 425 399.00	(34 621 068.00)	34 799 656.00
150	Other non-tax income received as a short-term (current) advance 2-15-1230	53 734 351.00	19 128 641.00	65 087 845.00	2 138.00	26 751 769.00	77 239.00	57 389 616.00	53 734 351.00	(34 605 710.00)
160	Short-term (current) non-monetary liabilities by receiving non-financial assets2-15-2100	-	-	-	-	-	-	-	-	-
170	Short-term (current) liabilities arising from assets to be issued as a result of barter operations 2-15-3000	-	-	-	-	-	-	-	-	-
180	Short-term (current) non-monetary liabilities related to non-exchange operations 2-15-4000	854.00	854.00	-	-	185.00	-	669.00	854.00	-
190	Liabilities with temporarily placed funds 2-16-000	2 531 982.00	2 531 993.00	15 287 199.00	31 908.00	14 471 545.00	10 634.00	3 368 921.00	2 531 982.00	11.00
200	Liabilities with funds temporarily placed in the treasury 2-16-1000	2 531 982.00	2 531 993.00	15 287 199.00	31 908.00	14 471 545.00	10 634.00	3 368 921.00	2 531 982.00	11.00
210	Liabilities with funds temporarily placed in the bank 2-16-2000	-	-	-	-	-	-	-	-	-
220	Return reserve sub-account 2-16-3000	-	-	-	-	-	-	-	-	-
230	Long-term creditorial debts 2-26-0000	835 521.00	835 521.00	1 869 121.00	-	833 712.00	12 009.00	1 858 921.00	835 521.00	-
240	Long-term creditorial debt related to the supply of goods and services	-	-	-	-	-	-	-	-	-
250	Long-term creditorial liabilities accrued by providing non-financial assets	-	-	-	-	-	-	-	-	-
260	Other long-term creditorial debts	835 521.00	835 521.00	1 869 121.00	-	833 712.00	12 009.00	1 858 921.00	835 521.00	-

N13b											
საანგარიშებო პერიოდი											
Line code	Title	Total accounts	Account 2**	Account 2**	Account 2**	Account 2**	Account 2**	Account 2**	Account 2**	Account 2**	Account 2**
Short-term accounts											
010	Opening balance	106 168.00	73 832.00	12 500.00	19 836.00	-	-	-	-	-	-
020	Increase in payments	17 117.00	15 590.00	-	-	1 527.00	-	-	-	-	-
030	Decrease in payments	87 463.00	72 013.00	2 738.00	12 712.00	-	-	-	-	-	-
040	Retroactive register of previous accounts	550.00	550.00	-	-	-	-	-	-	-	-
050	Final balance	35 272.00	16 859.00	9 762.00	7 124.00	1 527.00	-	-	-	-	-
Long-term accounts											
060	Opening balance	70 757.00	70 757.00	-	-	-	-	-	-	-	-
070	Increase in payments	10 811.00	10 811.00	-	-	-	-	-	-	-	-
080	Decrease in payments	-	-	-	-	-	-	-	-	-	-
090	Retroactive register of previous accounts	-	-	-	-	-	-	-	-	-	-
100	Final balance	81 568.00	81 568.00	-	-	-	-	-	-	-	-

Table 2

*2-13-3900 accounts payable balances are reflected

** Specify the name of the Account. e.g. Utigation expense charges, restructuring charges, etc.

Table 2

Add columns if necessary. For each payment, additionally indicate the expected terms of the corresponding cash outflows.

Accounting policies:

Indicate the accounting policies used for recording short-term and long-term financial liabilities

Remark N14 Income from non-exchange operations			
N14a			
Tax revenues *			
Line code	Title	Turnover of the reporting period	Turnover of the previous reporting period
010	Income tax from individuals 4-11-10000	-	-
020	Tax on profits from corporations and other enterprises 4-11-2000	-	-
030	Property tax 4-12-0000	-	-
040	VAT 4-13-0000	-	-
050	Excise duty 4-14-0000	-	-
060	Customs and import duties 4-15-0000	-	-
070	Other tax revenues 4-16-0000	-	-
080	Total	-	-

N14 b Income from grants										
Line code	Title	Turnover of the reporting period						Turnover of the previous reporting period		
		Budgetary funds			Non-budgetary funds					
		Current	Capital	Total	Current	Capital	Total	Current	Capital	Total
010	Grants received in cash form 4-31-0000	6 675 503.00	12 343 471.00	19 018 974.00	27 574 980.00	12 011 333.00	39 586 313.00	34 822 042.00	14 094 049.00	48 916 091.00
020	Received from foreign governments 4-31-1100	-	-	-	11 080.00	-	11 080.00	118 614.00	-	118 614.00
030	Received from international organizations 4-31-1200	16 362 409.00	507 937.00	16 870 346.00	779 230.00	-	779 230.00	16 563 960.00	162 726.00	16 726 686.00
040	Received from state entities 4-31-1300	(9 686 906.00)	11 835 534.00	2 148 628.00	26 784 670.00	12 011 333.00	38 796 003.00	18 139 468.00	13 931 323.00	32 070 791.00
050	Received from the state units of the same level 4-31-1310	(10 988 802.00)	604 911.00	(10 383 891.00)	23 467 157.00	11 845 629.00	35 312 786.00	12 236 344.00	8 402 447.00	20 638 791.00
060	Received from other level state units 4-31-1320	1 301 896.00	11 230 623.00	12 532 519.00	3 317 513.00	165 704.00	3 483 217.00	5 903 124.00	5 528 876.00	11 432 000.00
070	Grants received in the form of goods 4-32-0000	21 433 540.00	84 182 294.00	105 615 834.00	252 417.00	1 942 208.00	2 194 625.00	15 316 641.00	156 180 331.00	171 496 972.00
080	Received from foreign governments 4-32-1100	173 835.00	235 126.00	408 961.00	-	-	-	139 938.00	824 697.00	964 635.00
090	Received from the international organizations 4-32-1200	72 205.00	404 871.00	477 076.00	252 417.00	1 092 181.00	1 344 598.00	94 583.00	405 814.00	500 397.00
100	Received from the state entities 4-32-1300	21 187 500.00	83 542 297.00	104 729 797.00	-	850 027.00	850 027.00	15 082 120.00	154 949 820.00	170 031 940.00
110	Received from state units of the same level 4-32-1310	19 927 975.00	72 987 228.00	92 915 203.00	-	918 227.00	918 227.00	14 950 148.00	120 492 110.00	135 442 258.00
120	Received from other level state units 4-32-1320	1 259 525.00	10 555 069.00	11 814 594.00	-	(68 200.00)	(68 200.00)	131 972.00	34 457 710.00	34 589 682.00
130	Total	28 109 043.00	96 525 765.00	124 634 808.00	27 827 397.00	13 953 541.00	41 780 938.00	50 138 683.00	170 274 380.00	220 413 063.00

N14 c Income from other operations					
Line code	Title	Turnover of the reporting period			Turnover of the previous reporting period
		Budgetary funds	Non-budgetary funds	Total	
010	Revenue from sanctions, fines and penalties 4-44-0000	1 007 687.00	1 626 360.00	2 634 047.00	5 468 159.00
020	Income from external transfers not elsewhere classified 4-45-0000	97 040 561.00	70 161 534.00	167 202 095.00	6 315 072.00
030	Current transfers and other unclassified income from non-exchange operations 4-45-1000	930 195.00	4 654 255.00	5 584 450.00	4 011 552.00
040	Capital transfers and other unclassified income from non-exchange transactions 4-45-2000	96 110 366.00	65 507 279.00	161 617 645.00	2 303 520.00
050	Revenues from internal transfers 4-50-0000	2 081 244 156.00	-	2 081 244 156.00	1 697 345 357.00
060	Revenues from internal current transfers 4-52-0000	1 813 040 633.00	-	1 813 040 633.00	1 586 264 591.00
070	Income from internal capital transfers 4-51-0000	268 203 523.00	-	268 203 523.00	111 080 766.00
080	Total	2 179 292 404.00	71 787 894.00	2 251 080 298.00	1 709 128 588.00

2022	
Total	
3 579 794.00	1 888 365.00
6 575 711.00	(260 639.00)
4 272 191.00	(260 639.00)
2 303 520.00	-
1 697 345 357.00	-
1 586 264 591.00	-
111 080 766.00	-
1 707 500 862.00	1 627 726.00

1 813 040 631.76

268 203 523.57

Accounting policies:

1)Tax revenues are recognized using the accrual method.

2)

Remark N15 Income from exchange operations					
Line code	Title	Turnover of the reporting period			Turnover of the previous reporting period
		Budgetary funds	Non-budgetary funds	Total	
010	Income from property 4-41-0000	-	16 772 715.00	16 772 715.00	15 443 521.00
020	Interest income 4-41-1000	-	16 339 351.00	16 339 351.00	15 443 521.00
030	Income from dividends 4-41-2000	-	433 364.00	433 364.00	-
040	Income from rent 4-41-3000	-	-	-	-
050	Revenues from sales of goods and services 4-42-0000	-	268 671 352.00	268 671 352.00	253 406 303.00
060	Revenues from sales of goods 4-42-1000	-	8 393 018.00	8 393 018.00	3 941 908.00
070	Revenues from the provision of services 4-42-1000	-	260 278 334.00	260 278 334.00	249 464 395.00
080	Other operating income	-	-	-	518 280.00
090	Total	-	285 444 067.00	285 444 067.00	269 368 104.00

Total	
15 139 754.00	303 767.00
15 139 754.00	303 767.00
-	-
-	-
252 769 991.00	636 312.00
3 941 908.00	-
248 828 083.00	636 312.00
518 280.00	-
268 428 025.00	940 079.00

Remark N15b Income received from the sale of long-term non-financial assets					
Line code	Title	Turnover of the reporting period			Turnover of the previous reporting period
		Budgetary funds	Non-budgetary funds	Total	
010	Income from the sale of long-term assets 4-43-0000	-	2 390 303.00	2 390 303.00	3 000 000.00
020	Income from the sale of fixed assets	-	2 390 303.00	2 390 303.00	3 000 000.00
030	Income from sale of investment property	-	-	-	-
040	Income from the sale of intangible assets	-	-	-	-
050	Income from the sale of other long-term non-financial assets	-	-	-	-

Accounting policies:

Indicate the accounting policies used to account for income from exchange operations

Remark N15a Income from exchange operations other than profit/(loss) on dispose of long-term assets

Remark N16 Devaluation expenses and devaluation retroactive income							
Line code	Title	Turnover of the reporting period for 31.12.2023			Turnover of the previous reporting period		
		Budgetary funds	Non-budgetary funds	Total		Total	
	Devaluation retroactive income						
010	Revenue generated by retroactive allowance for bad debts 4-91-0000	94 503.00	280 109.00	374 612.00	48 689.00	37 055.00	11 634.00
020	Revenues arising from the retroactive reduction in the value of material supplies 4-92-0000	-	-	-	-	-	-
030	Income generated by retroactive devaluation of fixed assets 4-93-0000	3 478.00	-	3 478.00	2 460.00	2 460.00	-
040	Income arising from retroactive devaluation of investment property 4-94-0000	-	-	-	-	-	-
050	Income arising from the retroactive devaluation of intangible assets 4-95-0000	-	-	-	-	-	-
060	Revenues arising from the retroactive devaluation of concessional service assets 4-96-0000	-	-	-	-	-	-
070	Income arising from the retroactive devaluation of assets received under finance leases 4-97-0000	-	-	-	-	-	-
080	Income arising from reversal of impairment of other non-financial assets 4-98-0000	-	-	-	-	-	-
090	Income arising from retroactive devaluation of financial assets (except debitorial liabilities) 4-99-0000	-	-	-	-	-	-
100	Total devaluation retroactive incomes	97 981.00	280 109.00	378 090.00	51 149.00	39 515.00	11 634.00
	Devaluation expenses						-
110	Expenses of doubtful/hopeless Claims 5-91-0000	104 217.00	11 330 940.00	11 435 157.00	3 077 895.00	2 404 880.00	673 015.00
120	Expenses for reducing the value of material supplies 5-92-0000	1 300 824.00	29 584.00	1 330 408.00	318 529.00	318 529.00	-
130	Devaluation costs of fixed assets 5-93-0000	6 707 850.00	776 294.00	7 484 144.00	7 765 766.00	7 765 766.00	-
140	Investment property devaluation expenses 5-94-0000	-	-	-	-	-	-
150	Devaluation expenses of intangible assets 5-95-0000	1 625.00	43 290.00	44 915.00	136 228.00	136 228.00	-
160	Devaluation expenses of preferred service assets 5-96-0000	-	-	-	-	-	-
170	Devaluation expenses of financial leased assets 5-97-0000	-	-	-	-	-	-
180	Devaluation expenses of other non-financial assets 5-98-0000	-	-	-	-	-	-
190	Devaluation expenses of financial assets (except debitorial liabilities) 5-99-0000	-	-	-	-	-	-
200	Total devaluation expenses	8 114 516.00	12 180 108.00	20 294 624.00	11 298 418.00	10 625 403.00	673 015.00
Accounting policies:							
Indicate the accounting policies used to account for the devaluation							

Remark N17 Operating expenses					
N17 a					
Line code	Title	Turnover of the reporting period			Turnover of the previous reporting period
		Budgetary funds	Non-budgetary funds	Total	
010	Staff salaries 5-10-0000	30 721 033.00	1 158 287 919.00	1 189 008 952.00	1 080 297 520.00
020	Costs of goods and services 5-20-0000	200 035 673.00	327 376 283.00	527 411 956.00	425 439 648.00
030	Salary of freelancers 5-20-1000	103 003 173.70	193 764 052.00	296 767 225.70	225 792 914.00
040	Lease costs	578 727.00	657 978.00	1 236 705.00	294 762.00
050	Business trip expenses 5-20-2000	3 562 872.00	4 888 951.00	8 451 823.00	6 784 165.00
060	Depreciation and amortization costs 5-40-0000	47 770 648.00	25 793 910.00	73 564 558.00	64 683 867.00
070	Depreciation expense 5-41-0000	43 667 951.00	23 906 088.00	67 574 039.00	58 122 121.00
080	Amortization expense 5-42-0000	4 102 697.00	1 887 822.00	5 990 519.00	6 561 746.00
090	Expenses with internal transfers 5-50-0000	24 954 146.00	10 144 652.00	35 098 798.00	33 971 385.00
100	Expenditures with internal capital transfers 5-51-0000	1 254 565.00	38 688.00	1 293 253.00	3 093 689.00
110	Expenditures with internal current transfers 5-52-0000	23 699 581.00	10 105 964.00	33 805 545.00	30 877 696.00
120	Social assistance/security 5-60-0000	5 959 229.00	12 873 689.00	18 832 918.00	15 478 868.00
130	Other expenses 5-70-0000	157 191 442.00	19 821 183.00	177 012 625.00	171 333 659.00
140	Interest expenses 5-71-0000	-	39 462.00	39 462.00	31 030.00
150	Rent expenses 5-72-0000	-	-	-	-
160	External transfers not elsewhere classified 5-73-0000	157 190 634.00	19 312 429.00	176 503 063.00	170 755 746.00
170	Current transfers, which are not elsewhere classified 5-73-1000	151 121 343.00	19 292 222.00	170 413 565.00	166 460 478.00
180	Capital transfers not elsewhere classified 5-73-2000	6 069 291.00	20 207.00	6 089 498.00	4 295 268.00
190	Expenses related to the property, other than interest 5-74-0000	808.00	469 292.00	470 100.00	546 883.00
200	Expense related to sale of long-term assets 5-76-0000	-	-	-	-
210	Expense related to sale of fixed assets	-	-	-	-
220	Expense related to the sale of intangible assets	-	-	-	-
230	Expense related to sale of investment property	-	-	-	-
240	Expense related to the sale of other long-term non-financial assets	-	-	-	-
250	Other operating expenses	-	-	-	-
250	Total	466 632 171.00	1 554 297 636.00	2 020 929 807.00	1 791 204 947.00

Total	
1 080 258 270.00	39 250.00
410 531 136.07	14 908 511.93
225 768 738.51	24 175.49
294 762.00	-
6 781 645.00	2 520.00
64 595 699.00	88 168.00
58 033 953.00	88 168.00
6 561 746.00	-
33 558 549.00	412 836.00
3 093 689.00	-
30 464 860.00	412 836.00
15 478 868.00	-
171 867 890.00	(534 231.00)
31 030.00	-
-	-
171 153 048.00	(397 302.00)
166 857 780.00	(397 302.00)
4 295 268.00	-
683 812.00	(136 929.00)
-	-
-	-
-	-
-	-
-	-
-	-
-	-
1 776 290 412.07	14 914 534.93

N17 b expenses with grants										
Line code	Title	Turnover of the reporting period						Turnover of the previous reporting period		
		Budgetary funds			Non-budgetary funds					
		Current	Capital	Total	Current	Capital	Total	Current	Capital	Total
010	In monetary form 5-31-000	66 359 001.00	4 960 046.00	71 319 047.00	2 980 183.00	64 539.00	3 044 722.00	56 175 086.00	15 693 648.00	71 868 734.00
020	Issued to foreign state governments 5-31-1100	-	-	-	-	-	-	-	-	-
030	Issued to the international organizations 5-31-1200	7 067 631.00	-	7 067 631.00	347 596.00	-	347 596.00	8 466 560.00	168 444.00	8 635 004.00
040	Issued to the state units 5-31-1300	59 291 370.00	4 960 046.00	64 251 416.00	2 632 587.00	64 539.00	2 697 126.00	47 708 526.00	15 525 204.00	63 233 730.00
050	Issued to state units of the same level 5-31-1310	21 822 411.00	3 815 818.00	25 638 229.00	2 601 081.00	64 539.00	2 665 620.00	41 340 596.00	15 525 204.00	56 865 800.00
060	Issued to other level state units 5-31-1320	37 468 959.00	1 144 228.00	38 613 187.00	31 506.00	-	31 506.00	6 367 930.00	-	6 367 930.00
070	Grants in commodity form 5-32-0000	339 986.00	26 339 044.00	26 679 030.00	267 505.00	1 109 864.00	1 377 369.00	10 425 147.00	26 117 013.00	36 542 160.00
080	Issued to foreign state governments 5-32-1100	15 033.00	-	15 033.00	-	-	-	5 992.00	-	5 992.00
090	Issued to the international organizations 5-32-1200	-	-	-	-	-	-	-	-	-
100	Issued to the state units 5-32-1300	324 953.00	26 339 044.00	26 663 997.00	267 505.00	1 109 864.00	1 377 369.00	10 419 155.00	26 117 013.00	36 536 168.00
110	Issued to state units of the same level 5-32-1310	313 552.00	19 472 226.00	19 785 778.00	215 209.00	925 802.00	1 141 011.00	10 404 550.00	7 697 926.00	18 102 476.00
120	Issued to other level state units 5-32-1320	11 401.00	6 866 818.00	6 878 219.00	52 296.00	184 062.00	236 358.00	14 605.00	18 419 087.00	18 433 692.00
130	Total	66 698 987.00	31 299 090.00	97 998 077.00	3 247 688.00	1 174 403.00	4 422 091.00	66 600 233.00	41 810 661.00	108 410 894.00

N17 a					
Line code	Title	Turnover of the reporting period			Turnover of the previous reporting period
		Budgetary funds	Non-budgetary funds	Total	
010	Subsidies to public corporations 5-33-0000	-	-	-	-
020	Non-financial public corporations 5-33-1000	-	-	-	-
030	Financial public corporations 5-33-2000	-	-	-	-
040	Subsidies to private enterprises 5-34-0000	84 596.00	18 580.00	103 176.00	208 870.00
050	Non-financial private enterprises 5-34-1000	84 596.00	12 500.00	97 096.00	208 870.00
060	Financial private enterprises 5-34-2000	-	6 080.00	6 080.00	-
070	Subsidies to other sectors 5-35-0000	86 254 618.00	3 113 770.00	89 368 388.00	76 380 132.00
080	Total	86 339 214.00	3 132 350.00	89 471 564.00	76 589 002.00

Total	
-	-
-	-
-	-
208 870.00	-
208 870.00	-
-	-
76 366 431.00	13 701.00
76 575 301.00	13 701.00

Accounting policies:
 Indicate the accounting policies used to record operating expenses

Remark N18 Miscellaneous income and expenses					
Line code	Title	Turnover of the reporting period			Turnover of the previous reporting period
		Budgetary funds	Non-budgetary funds	Total	
Different incomes					
010	Profits from possession due to changes in foreign currency exchange rates 4-81-0000	315 313.00	15 456 664.00	15 771 977.00	1 125 774.00
020	Profit from posession resulting from the recalculation of assets in foreign currency 4-81-1000	304 219.00	15 442 500.00	15 746 719.00	1 054 243.00
030	Profit from possession as a result of recalculation of liabilities in foreign currency 4-81-2000	11 094.00	14 164.00	25 258.00	71 531.00
040	Other profits from possession 4-82-0000	-	-	-	7 203 331.00
050	Other profits from possession assets and liabilities 4-82-1000	-	-	-	-
060	Profit from possession investments accounted for by the capital method 4-82-3000	-	-	-	7 203 331.00
070	Totally different incomes	315 313.00	15 456 664.00	15 771 977.00	8 329 105.00
Miscellaneous expenses		-	-	-	-
080	Loss arising from possession due to changes in foreign currency exchange rates 5-81-0000	596 459.00	530 255.00	1 126 714.00	8 032 282.00
090	Loss arising from possession due to recalculation of assets in foreign currency 5-81-1000	556 748.00	519 128.00	1 075 876.00	7 918 807.00
100	Loss arising from possession as a result of recalculation of liabilities in foreign currency 5-81-2000	39 711.00	11 127.00	50 838.00	113 475.00
110	Other losses resulting from possession 5-82-0000	-	3 869 834.00	3 869 834.00	-
120	Other loss arising from the possession of assets and liabilities 5-82-1000	-	-	-	-
130	Loss arising from possession investments accounted for by the capital method 5-82-3000	-	3 869 834.00	3 869 834.00	-
140	Totally different expenses	596 459.00	4 400 089.00	4 996 548.00	8 032 282.00

Accounting policies:

Indicate the accounting policies used to record various revenues and expenses

Remark N19 cash from taxes *

Line code	Name of tax revenues	Turnover of the reporting period	Turnover of the previous reporting period
010	Income tax from individuals	-	-
020	Tax on profits from corporations and other enterprises	-	-
030	Property tax	-	-
040	VAT	-	-
050	Excise duty	-	-
060	Customs and import duties	-	-
070	Other tax revenues	-	-
080	Total	-	-

¹It is filled by the relevant units according to the cash registers method

Remark N20 Reconciliation of net cash flow from operating activities (comparison) with surplus/(deficit)¹

Line code	Title	Turnover of the reporting period		
		Budgetary funds	Non-budgetary funds	Total
010	Surplus/deficit (+/-)	-	-	-
	Non-cash movements (adjustments)			
020	Net interest accrued (-/+) ²	-	-	-
030	Depreciation (+)	-	-	-
040	Amortization (+)	-	-	-
050	Devaluation/decrease of price/doubtful claims expense for the year (+)	-	-	-
060	Miscellaneous expenses	-	-	-
070	Increase/decrease in creditorial liabilities (+/-)	-	-	-
080	Increase/decrease of account (+/-)	-	-	-
090	Increase/decrease in other current liabilities (+/-)	-	-	-
100	Income by devaluation decrease/doubtful claims retroactive expense for the year (-)	-	-	-
110	Miscellaneous incomes (-)	-	-	-
120	Profit/loss from sale of long-term non-financial assets (-/+)	-	-	-
130	Profit/Loss from exit of investments (-/+)	-	-	-
140	Increase/decrease in debitorial liabilities (-/+)	-	-	-
150	Increase/decrease in material supplies (-/+)	-	-	-
160	Increase/decrease in material supplies (-/+)	-	-	-
170	Increase/decrease with other non-monetary operations (-/+)	-	-	-
180	Interest paid (-) ***	-	-	-
190	Earned interest and dividend (+) ****	-	-	-
200	Net cash provided by operating activities	-	-	-

*It is filled by the relevant entities that manage and control the funds

**The difference between accrued interest income and interest expense is reflected

*** Cash registers payment is reflected

**** Cash registers incomes are reflected

Remark 21 Reconciliation of net cash from actual funds and operating, investing and financial activities (comparison)						
Line code	Budget execution report		Cash flow statement			Reconciliation (comparison) of the increase (decrease) of the budget balance and net cash and their equivalents
	Title	Budget execution	Cash from operating activities	Cash from investing activities	Cash from financial activities	
Budget incomes						
010	Budget revenues					
020	Taxes	XX	XX			
030	Grants	XX	XX			
040	Other income	XX	XX			
050	Reduction of non-financial assets	XX		XX		
060	Reduction of financial assets	XX		XX		
070	Increase in liabilities	XX			XX	
080	Total budget revenues	XX				
Budget payments						
090	Salary	(XX)	(XX)			
100	Goods and services	(XX)	(XX)			
110	Percentage	(XX)	(XX)			
120	Subsidies	(XX)	(XX)			
130	Grants	(XX)	(XX)			
140	Social assistance	(XX)	(XX)			
150	Other expenses	(XX)	(XX)			
160	Increase of non-financial assets	(XX)		(XX)		
170	Increase of financial assets	(XX)		(XX)*		
180	Reduction of liabilities (debt)	(XX)			(XX)	
190	Total budget payments	(XX)				
200	Budget balance*	XXX				XXX
210	Cash equivalents					XX
220	Total balance of budget and cash equivalents					XXX
230	Net cash flow according to the activity		XXX	XXX	XXX	
240	Net increase (decrease) in cash and cash equivalents ²			XXX		XXX

* It is filled only by the relevant entities that manage and control the funds

**The cash funds of the budget balance and cash equivalents in the budget execution report is equal to the net increase (decrease) in cash and cash equivalents in the cash flow statement.

* *This is equal to the increase in financial assets minus cash equivalents

Reconciliation (comparison) of actual budget operating balance and cash flow from operating activities

Total budget (whole) balance	xxx
Increase/(decrease) in non-financial assets	xxx
Budget operating balance	xxx
Differences according to the bases (methods)	xxx
Differences by time period	xxx
Differences by units	xxx
Differences by classification	xxx
Cash funds from operating activities	xxx

Line code	Actual amount based on comparison between budget and actual amounts	Operational activity	Investment activity	Financial activity
010	Differences according to the bases (methods)			
020	Differences by time period			
030	Differences by units			
040	Differences by classification			
050	The actual amount in the statement of cash funds flows			

Remark N22 Categories administered on behalf of the State¹

Accounting policies:

Indicate the accounting policies used to account for the administered categories

Assets	The final balance of the reporting period	The final balance of the previous reporting period
Cash funds in the treasury		
State budget funds in national currency		
Funds of autonomous republics and municipalities in national currency		
Funds of the central budget of LSIs and A(A)IPs in national currency		
Funds of LEPLs and N(N)LE (Non-Entrepreneurial (Non-Commercial) Legal Entity) of Autonomous Republics and Municipalities in national currency		
Other accounts in the treasury in the national currency		
Treasury foreign exchange account		
Cash funds equivalents		
Funds placed by the State Treasury on term deposits up to 3 months in the national currency		
Funds placed in the national currency on term deposits of up to 3 months by autonomous republics and municipalities		
Funds placed in the national currency on term deposits up to 3 months by central budget LEPLs and non-entrepreneurial, non-commercial legal entities		
Funds placed in the national currency on term deposits of up to 3 months by the budgets of autonomous republics and municipalities.		
Current investments		
Short term loans		
Current part of long-term loans		
Current part of finance lease receivables		
Short-term (current) securities, except shares		
Other current investments		
Other current assets		
Long-term financial assets		
Long term loans		
Investments in equity instruments		
Other long-term financial assets		
Long-term non-financial assets		
Fixed assets		
Investment property		
Intangible assets		
Preferred service assets		
Assets received under finance leases		
Other non-financial assets		
Total assets administered on behalf of the state		

Liabilities	The final balance of the reporting period	The final balance of the previous reporting period
short-term (current) liabilities		
Short-term (current) liabilities with securities		
Short-term (current) loans		
Current part of long-term loans		
Current part of payments on long-term finance lease		
Current part of the long-term liabilities of the preferential service agreement		
Short-term (current) creditor debts		
Short-term (current) accounts		
Other short-term (current) liabilities		
Long-term liabilities		
Long-term liabilities with securities		
Long term loans		
Long-term liabilities with financial leases		
Long-term liabilities under preferential service contracts		
Long term payments		
Other long-term creditor debts and non-monetary liabilities		
Total whole liabilities administered on behalf of the state		

Incomes	The final balance of the reporting period	The final balance of the previous reporting period
Tax revenues		
Income from grants		
other income		
Interest income		
Income from dividends		
Income from rent		
Incomes from the sale of goods and services		
Incomes from the sale of long-term assets		
Incomes from fines, sanctions and penalties		
Incomes from external transfers not elsewhere classified		
Incomes from internal transfers		
Other operating income		
Foreign exchange and other profits on possession		
Profits from other economic flows		
Total incomes administered on behalf of the state		

Expenses	The final balance of the reporting period	The final balance of the previous reporting period
Salary costs		
Costs of goods and services		
Costs of grants and subsidies		
Depreciation and amortization expenses		
Expenses with internal transfers		
Social assistance/security costs		
other expenses		
Interest expense		
Rent expenses		
Expenditures with external transfers not elsewhere classified		
Expenses related to the property, other than interest		
Costs related to the sale of long-term assets		
Other operating expenses		
Exchange rate differences and other losses arising from ownership		
Losses arising from other economic flows		
Total expenditure administered on behalf of the State		

¹ Assets held on behalf of the state, liabilities assumed, revenues received and expenses incurred are reflected

Statement of financial condition				
Line code	Articles	Report of reports plan/(sum of articles)		
Assets				
Short-term assets				
001	Cash funds and cash equivalents	1-11-1000 Cash on cass office (+)	14 310.00	157 626 096.00
		1-11-2000 current accounts in banks (+)	157 611 786.00	
		1-11-3000 Cash Equivalents (+)	-	
002	Current investments	1-12-1000 Credits and loans granted for a term of up to one year (+)	-	9 775.00
		1-12-2000 Current part of long-term credits and loans (+)	-	
		1-12-3000 Current portion of long-term debitorial debts from financial leases (+)	-	
		1-12-4000 Short-term (current) securities, except shares (+)	-	
		1-12-9000 Other short-term (current) investments (+)	9 775.00	
		1-19-1000 Accumulated devaluation loss on short-term (current) investments (-)	-	
003	Short-term (current) debitorial debts	1-13-1000 Short-term (current) debitorial debts related to treasury operations (+)	85 854 602.00	162 878 456.00
		1-13-2000 Short-term (current) tax debitorial debts (+)	4 527 076.00	
		1-13-3000 Short-term (current) debitorial debts in the pension scheme (+)	19 831.00	
		1-13-4000 Short-term (current) debitorial debts with accrued interest (+)	4 731 006.00	
		1-13-5000 short-term (current) dividends receivable (+)	-	
		1-13-6000 Short-term (current) debitorial debts from sales of goods and services (+)	58 428 970.00	
		1-13-7000 Short-term (current) requirements to employees and accountable persons (+)	2 684 891.00	
		1-13-8000 Short-term (current) requirements with the exit of non-financial assets (+)	-	
		1-13-9000 Other short-term (current) requirements (+)	10 484 805.00	
		1-19-2000 Allowances for Doubtful Short-Term (Current) Receivables/Accumulated Impairment Losses Except 1-19-4000	(3 852 725.00)	
004	Material supplies	1-14-1000 Materials and Supplies (+)	12 830 651.00	17 002 160.00
		1-14-2000 work in progress (+)	165.00	
		1-14-3000 finished products (+)	3 993 032.00	
		1-14-4000 Goods held for sale (+)	178 312.00	
		1-14-5000 Military Supplies (+)	-	
		1-19-3000 Decrease in the accumulated value of tangible inventories (-)	-	

005	სხვა მოკლევადიანი (მიმდინარე) აქტივები	1-15-1000 Short-term (current) claims (+) with amounts paid in advance to suppliers	197 630 995.00	198 470 027.00
		1-15-2000 Short-term (current) non-monetary claims with transfer of non-financial assets (+)	2 081.00	
		1-15-3000 Short-term (current) claims with assets receivable from barter operations (+)	-	
		1-15-4000 Short-term (current) non-monetary claims related to non-exchange operations (+)	-	
		1-15-5000 Short-term (current) non-monetary claims with a deficit of non-financial assets (+)	858 142.00	
		1-19-4000 Accumulated devaluation loss on prepayments and other non-cash receivables (-)	(21 191.00)	
006	Total current assets	(Total of articles 001-005)	535 986 514.00	535 986 514.00

Long-term assets				
007	გრძელვადიანი ფინანსური აქტივები	1-21-1000 Credits and loans granted for more than one year (+)	-	56 334 750.00
		1-21-2000 Investments in equity instruments (+)	-	
		1-21-3000 Other long-term financial assets (+)	44 538 633.00	
		1-21-4000 Other long-term debitorial debts and non-monetary claims (+)	11 796 117.00	
		1-21-5000 Accumulated devaluation loss on long-term financial assets and receivables (-)	-	
008	Fixed assets	1-22-1000 Buildings, for own purposes (+)	2 579 176 951.00	2 686 523 394.00
		1-22-2000 Machinery and equipment (+)	575 799 595.00	
		1-22-3000 Cultivated plants and animals (+)	1 484 204.00	
		1-28-1000 Accumulated depreciation of buildings used for own purposes (-)	236 495 707.00	
		1-28-2000 Accumulated Depreciation of Plant and Inventory (-)	232 602 314.00	
		1-28-3000 Accumulated depreciation of cultivated animals and plants (-)	148 197.00	
		1-29-1000 Accumulated devaluation loss of buildings and structures used for own purposes (-)	-	
		1-29-2000 Accumulated impairment loss on plant and equipment (-)	691 138.00	
		1-29-8000 Cultivated animals and plants impairment loss (-)	-	
009	Investment property	1-23-0000 Investment property (+)	-	-
		1-28-4000 Accumulated depreciation of investment property (-)	-	
		1-29-3000 Accumulated devaluation loss on investment property (-)	-	
010	Intangible assets	1-24-0000 Intangible assets (+)	37 568 623.00	19 487 598.00
		1-28-5000 Accumulated amortization of intangible assets (-)	18 081 025.00	
		1-29-4000 Accumulated devaluation loss of intangible assets (-)	-	
011	Preferred service assets	1-25-0000 Preferential Service Assets (+)	-	-
		1-28-6000 Accumulated Depreciation of Beneficial Service Assets (-)	-	
		1-29-5000 Accumulated devaluation loss on preferred service assets (-)	-	
012	Financial leased assets	1-26-0000 Assets received under financial lease (+)	-	-
		1-28-7000 Accumulated depreciation of assets under finance lease (-)	-	
		1-29-6000 Accumulated devaluation loss of assets under finance lease (-)	-	
013	Other long-term non-financial assets	1-27-0000 Other non-financial assets (+)	333 255 209.00	332 682 571.00
		1-28-8000 Accumulated depreciation of other non-financial assets(-)	572 638.00	
		1-29-7000 Accumulated devaluation loss on other non-financial assets (-)	-	
014	Total long-term assets	(Total of articles 007-013)	4 072 210 351.00	3 095 028 313.00
015	Total assets	(Article 006 added article 014)	4 608 196 865.00	3 631 014 827.00

Liabilities				
Short-term (current) liabilities				
016	Short-term liabilities with securities	2-11-1000 Short-term (current) liabilities with securities in the national currency (+)	-	-
		2-11-2000 Short-term (current) liabilities with securities in foreign currency (+)	-	
017	Short-term borrowed funds	2-12-0000 short-term (current) liabilities with credits and loans (+)	-	-
018	Short-term creditorial debts, except for interest	2-13-1000 Payments related to treasury operations (+)	2 730.00	35 607 532.00
		2-13-2000 Short-term (current) creditorial debts arising from taxes payable (+)	2 477 865.00	
		2-13-3000 Employee-related payments and stipends (+)	2 011 293.00	
		2-13-4000 Short-term (current) creditorial debts arising from the provision of goods and services (+)	8 967 488.00	
		2-13-6000 Short-term (current) creditorial debts arising from the provision of long-term non-financial assets (+)	21 686 932.00	
		2-13-9000 Other short-term (current) creditorial debts (+)	461 224.00	
019	Interest payable	2-13-5000 Short-term (current) creditorial debts arising from interest payable (+)	-	-
020	Current accounts	2-14-0000 Short-term (current) accounts (+)	35 272.00	35 272.00
021	Other short-term liabilities	2-15-0000 Other short-term (current) liabilities (+)	67 166 478.00	67 166 478.00
022	Liabilities with temporarily placed funds	2-16-0000 Liabilities with temporarily placed funds (+)	3 368 921.00	3 368 921.00
023	Total current liabilities	(Total of articles 016-022)	106 178 203.00	106 178 203.00
Long-term liabilities				
024	Long-term liabilities with securities	2-21-0000 Long-term liabilities with securities (+)	-	-
025	Long-term borrowed funds	2-22-0000 Long-term liabilities with credits and loans (+)	215 984.00	215 984.00
026	Long-term creditorial debts with financial leases	2-23-0000 Long-term creditorial debts with financial leases (+)	-	-
027	Long-term creditorial debts defined in preferential service agreements	2-24-0000 long-term creditorial debts with preferential service contracts (+)	-	-
028	Long term payments	2-25-0000 Long-term accounts (+)	81 568.00	81 568.00
029	Long-term creditorial debts	2-26-0000 Other long-term creditorial debts and non-monetary liabilities (+)	1 858 921.00	1 858 921.00
030	Total long-term liabilities	(Total of articles 023-028)	2 156 473.00	2 156 473.00
031	Total liabilities	(Article 022 added article 029)	108 334 676.00	108 334 676.00
Net Assets/Capital				
032	Authorized capital	3-10-1100 Non-financial assets classified as capital (+)	-	-
		3-10-1100 Non-financial assets classified as capital (+)	-	
		3-10-2000 withdrawal of capital (-)	-	
033	Undistributed Surplus/Deficit	3-21-0000 Undistributed surplus/deficit (+/-)	2 997 997 584.00	3 522 680 151.00
		3-22-0000 Undistributed Surplus/Deficit Adjustments (+/-)	41 314 797.00	
		3-23-0000 Surplus/deficit (+/-) of the reporting period	483 367 770.00	
		3-24-0000 Amounts to be distributed to owners (-)	-	
034	Reserves	3-30-1000 Reserves resulting from revaluation of invested units (+/-)	-	-

034	RESERVES	3-30-2000 Reserves arising from exchange rate difference of invested units (+/-)	-	-
035	Total Net Assets/Capital	(Total of articles 031-033)	3 522 680 151.00	3 522 680 151.00
036	Total liabilities and net assets/capital	(Article 030 added article 035)	3 631 014 827.00	3 631 014 827.00

Statement of financial results				
Line code	Articles	Report of reports plan/(sum of articles)		
Revenues				
001	Tax revenues	4-11-0000 Income and profit tax (+)	-	-
		4-12-0000 Property Tax (+)	-	
		4-13-0000 Value Added Tax (+)	-	
		4-14-0000 excise duty (+)	-	
		4-15-0000 Customs and import duties (+)	-	
		4-16-0000 Other tax revenues (+)	-	
		4-17-0000 Income from other payments (+)	-	
002	Social contributions	4-20-0000 Income with social contributions (+)	-	-
003	Revenue from sanctions, fines and penalties	4-44-0000 Sanctions, fines and penalties (+)	2 634 047.00	2 634 047.00
004	Income from grants	4-31-1000 Current grants received in cash (+)	34 250 483.00	166 415 746.00
		4-31-2000 Capital grants received in cash (+)	24 354 804.00	
		4-32-1000 Current grants received in the form of goods (+)	21 685 957.00	
		4-32-2000 Capital grants received in the form of goods (+)	86 124 502.00	
005	Income from external transfers not elsewhere classified	4-45-1000 Income from current external transfers not elsewhere classified (+)	5 584 450.00	167 202 095.00
		4-45-2000 Income from capital external transfers not elsewhere classified (+)	161 617 645.00	
006	Revenues from internal transfers	4-51-0000 Internal capital transfers (+)	268 203 523.00	2 081 244 156.00
		4-52-0000 Internal Current Transfers (+)	1 813 040 633.00	
007	Income from exchange transactions, except for interest and income from the sale of long-term assets	4-41-2000 Dividends (+)	433 364.00	269 104 716.00
		4-41-3000 Income from rent (+)	-	
		4-42-0000 Sale of goods and services (+)	268 671 352.00	
		4-60-0000 Other operating income (+)	-	
008	Profit from the sale of long-term assets	4-43-0000 Incomes from the sale of long-term assets (+)	2 390 303.00	2 390 303.00
		5-76-0000 Cost of sale of long-term assets (-)	-	
009	Interest income	4-41-1000 percent (+)	16 339 351.00	16 339 351.00
010	Retroactive revenues from of doubtful (hopeless) claims/depreciation/devaluation	4-91-0000 Revenues arising from the recovery of doubtful/hopeless debitorial debts and advance payments (+)	374 612.00	378 090.00
		4-92-0000 Revenues arising from the retroactive devaluation in the value of material supplies (+)	-	
		4-93-0000 Income generated by retroactive devaluation of fixed assets (+)	3 478.00	
		4-94-0000 Income generated by retroactive devaluation investment property (+)	-	
		4-95-0000 Income arising from retroactive devaluation of intangible assets (+)	-	
		4-96-0000 Revenues arising from the retroactive devaluation of preferential service assets (+)	-	
		4-97-0000 Revenues arising from devaluation investment of assets within the framework of financial lease (+)	-	
		4-98-0000 Income generated by retroactive devulation of other non-financial assets (+)	-	
011	Miscellaneous incomes	4-99-0000 Revenues arising from retroactive devulation financial assets (+)	-	15 771 977.00
		4-46-0000 Premiums, Enrollments and Claims Under Insurance (Other than Life Insurance) and Standard Guarantee Schemes	-	
		4-81-0000 Profit from possession as a result of foreign currency exchange rate change (+)	15 771 977.00	
		4-82-0000 Profit from possession as a result of recalculation of liabilities in foreign currency (+)	-	
012	Total income	(Total of articles 001-011)	2 721 480 481.00	2 721 480 481.00

013	Salary	5-11-0000 Salary expenses in cash (-)	1 189 008 952.00	
		5-12-0000 Salary expenses in commodity form(-)	-	1 189 008 952.00
		5-13-0000 Social contributions of employees (-)	-	
014	Goods and services	5-20-0000 Costs of goods and services (-)	527 411 956.00	527 411 956.00
		5-31-1000 Current grants issued in cash (-)	69 339 184.00	
015	Grants	5-31-2000 Capital grants issued in cash (-)	5 024 585.00	102 420 168.00
		5-32-1000 Current grants issued in the form of goods (-)	607 491.00	
		5-32-2000 Capital grants issued in the form of goods (-)	27 448 908.00	
016	Subsidies	5-33-0000 Subsidies granted to state enterprises (-)	-	89 471 564.00
		5-34-0000 Subsidies granted to private enterprises (-)	103 176.00	
		5-35-0000 Subsidies issued to other sectors (-)	89 368 388.00	
017	External transfers and other operating expenses	5-72-0000 rent expenses (-)	-	176 973 163.00
		5-73-0000 Transfers and other unclassified expenses (-)	176 503 063.00	
		5-74-0000 Expenses related to property other than interest (-)	470 100.00	
		5-77-0000 Other operating expenses (-)	-	
018	Expenses with internal transfers	5-51-0000 Internal capital transfers (-)	1 293 253.00	35 098 798.00
		5-52-0000 Internal current Transfers (-)	33 805 545.00	
019	Depreciation and amortization expense	5-41-0000 Depreciation expense (-)	67 574 039.00	73 564 558.00
		5-42-0000 depreciation expense (-)	5 990 519.00	
020	Social assistance/security	5-60-0000 Social assistance/security	18 832 918.00	18 832 918.00
021	Loss on sale of long-term assets	4-43-0000 Income from the sale of long-term assets (+)	-	-
		5-76-0000 Cost of sale of long-term assets (-)	-	
022	Interest expenses (finance expenses)	5-71-0000 percent (-)	39 462.00	39 462.00
023	Devaluation expenses	5-91-0000 Costs of doubtful/hopeless debitorial debts and advance payments (-)	11 435 157.00	20 294 624.00
		5-92-0000 Decrease of cost of material stocks (-)	1 330 408.00	
		5-93-0000 Decrease of costs of fixed assets (-)	7 484 144.00	
		5-94-0000 Investment property devaluation expenses (-)	-	
		5-95-0000 Devaluation of intangible assets (-)	44 915.00	
		5-96-0000 Devaluation of assets within the framework of preferential services (-)	-	
		5-97-0000 Devaluation of assets under financial lease (-)	-	
		5-98-0000 Devaluation of other non-financial assets (-)	-	
		5-99-0000 Devaluation of financial assets (-)	-	-
024	Miscellaneous expenses	5-75-0000 Premiums, Enrollments and Claims Under Insurance (Except Life Insurance) and Standard Guarantee Schemes	-	4 996 548.00
		5-81-0000 Loss arising from possession due to change in foreign currency exchange rate (-)	1 126 714.00	
		5-82-0000 Loss arising from possession as a result of recalculation of assets in foreign currency (-)	3 869 834.00	
025	Total expenses	(Total of articles 013-024)	2 238 112 711.00	2 238 112 711.00
026	Period Surplus/(Deficit)	Difference between Article 012 and article 025	483 367 770.00	483 367 770.00

Explanatory Note on the Financial Statements 2023 of the Ministry of Education, Science and Youth of Georgia

Article 1. General Information about the Organization

General Provisions

1. Ministry of Education, Science and Youth of Georgia (hereinafter - the Ministry) is a government institution that exercises the authorities granted by the applicable legislation of Georgia to ensure state governance in the entrusted field.
2. The Ministry represents the State in fulfillment of its assignments.
3. The Ministry is accountable to the Government of Georgia and performs the tasks provided for by the law or assigned by the Government of Georgia and the Prime Minister of Georgia on the basis of the law.
4. The Ministry is financed by the State Budget. According to the procedure prescribed by the applicable legislation of Georgia, it is accountable for the targeted use of the budget funds.
5. The Ministry has a seal with the image of the state coat of arms and its own name, a program budget, completed financial statements (balance) and an account in the State Treasury, as well as in a commercial bank.
6. Identification code of the Ministry is 202051224, legal address: №52, D. Uznadze str., PO box: 0146, Tbilisi.

Scope of Activity of the Ministry, Main Tasks and Competence

The Ministry is the unified state policy implementing body. Within its competence, the Ministry coordinates and controls the activities of each circles under its authority. It ensures perfection of general, professional and higher education, development of all branches of science and participates in fulfillment of the priority directions of the state language policy.

Consolidated financial statements 2023 of the Ministry, in accordance with the accrual method (the accrual method refers to the accounting method according to which operations and other events are recognized immediately upon their occurrence (and not only when cash or cash equivalent is received or paid)) on the basis of IPSASs, prepared as of December 31, 2023 - on the basis of consolidation of the annual financial statements submitted **by the institutions under the control of the Ministry financed by the State Budget of Georgia** (does not include the financial statements of private schools, the legal entities of private law established by the organizations subordinate to the Ministry)).

Basis of Preparation of the Financial Statements

The financial statements hereof are prepared in accordance with the requirements of International Public Sector Accounting Standards (IPSAS). The following normative acts were applied for preparation of the financial statements:

- Order №17 of the Minister of Finance of Georgia, dated January 15, 2020 (on approval of the plan of accounting reports of the budgetary organizations and instructions for its use).
- Order №24 of the Minister of Finance of Georgia, dated February 4, 2021 (on approval of the instruction “On preparation and submission of financial statements of budgetary organizations”).
- Order №289 of the Minister of Finance of Georgia, dated December 2, 2020 (on approval of the instruction on accounting for depreciation/amortization and reflecting it in financial statements by the budgetary organizations).
- Order №108 of the Minister of Finance of Georgia, dated May 5, 2020 on approval of the instruction “On production of financial accounting and reporting based on the standards (IPSASs)”.

Reporting Date

The date of financial reporting is December 31, 2023.

The reporting period is a calendar year, from January 1 to December 31, 2023.

Reporting currency

These financial statements are prepared in the national currency – GEL (₾), which is the reporting currency.

Transactions carried out in Foreign Currency

Transactions carried out in a currency different from the reporting currency are considered as foreign currency transactions, to which the requirements of IPSAS 4 “The Effects of Changes in Foreign Exchange Rates” apply. As of the reporting date, monetary items denominated in foreign currency are subject to translation into national currency.

Accounting Policies and Explanatory Notes

Assets and liabilities are presented as non-current and current items in the financial statements and are structured according to liquidity (declining). Assets and liabilities are measured at cost.

Fixed Assets

Fixed assets in the statement of financial position are shown at the initial (historical) cost, less the amount of depreciation. The historical cost includes the purchase price of the fixed assets, as well as all costs associated with acquisition, ownership and commissioning.

Fixed assets are subject to depreciation in accordance with the Order №289 of the Minister of Finance of Georgia, dated December 2, 2020 (Approval of the instruction on accounting for depreciation/amortization by budgetary organizations and reflection in the financial statements). In the year of putting the asset into operation, depreciation was accrued in proportion to the period of the asset being in working condition during the year, and in the year of derecognition - in proportion to the period of being in the item during the year. Accordingly, the method of proportional accrual of depreciation by months was applied, accordingly, those assets that were purchased during the year and were not put into operation were not accrued for depreciation.

The costs of maintenance and repair of fixed assets, which do not increase the value of such fixed assets, are considered as expenses, and the material improvement of existing assets - renewal, reconstruction or expansion, which significantly increases capacity, quality or prolongs the useful life of existing fixed assets, is considered as reception of fixed assets.

Liabilities

Liabilities, provided as financial liabilities in the statement of financial position, mainly correspond to the budgetary classification and the GFS-2001 methodology, at the same time, they are divided into current and non-current financial liabilities.

Based on the instructions, the financial statements reflect the financial position of the organizations subordinate to the Ministry, the financial results of their activities and information on cash flows - in the reporting period of 2023, in accordance with the order No. 24 of the Minister of Finance of Georgia, dated February 04, 2021.

The forms of the financial statements and the explanatory notes reflect all economic events occurred during the 2023 reporting period that change the entity's assets, liabilities, net assets/equity, incomes and expenses.

Accounting data is the basis for making relevant entries in the forms of the financial statements and the explanatory notes.

For the list of entities controlled by the Ministry (organizations and separate programs implemented by the Ministry, approved by the relevant orders of the Minister), in accordance with the organizational codes (on the basis of which the consolidation took place) – please see the table below:

N	Name of Organization	Program code
N1	Development of state policies and management of programs in the fields of education and science	32 01 01
N2	Facilitation of implementation of the policy of the Ministry in the field of education	32 01 02
N3	Development and management of the quality of education	32 01 03
N4	Education Management Information System	32 01 04
N5	LEPL - Education and Scientific Infrastructure Development Agency	32 01 05

<u>N6</u>	International relations support	32 01 06
<u>N7</u>	Non-governmental legal entity - Eastern Partnership European School	32 01 07
<u>N70</u>	National Center for Educational Research	32 01 08
<u>N8</u>	Funding of general education schools	32 02 01
<u>N9</u>	Promotion of professional development for teachers	32 02 02
<u>N10</u>	Provision of a safe educational environment	32 02 03
<u>N11</u>	Successful Students Encouragement	32 02 04
<u>N12</u>	Provision of especially talented students with educational conditions and accomodation	32 02 05
<u>N13</u>	Provision of the pupils with textbooks	32 02 06
<u>N14</u>	Financial assistance to teachers and administrative-technical personnel of the occupied regions	32 02 07
<u>N15</u>	Access to general education for accused and convicted persons	32 02 08
<u>N16</u>	Development and implementation of the national curriculum	32 02 09
<u>N17</u>	Provision of public-school pupils with transport	32 02 10
<u>N18</u>	Program "My first computer"	32 02 11
<u>N19</u>	Promotion of general education	32 02 12
<u>N20</u>	Promotion of general education reform - disposal by the Ministry of Education and Science of Georgia	32 02 13 01
<u>N21</u>	Provision of public schools with information and communication technologies - disposal of LEPL - Education Management Information System	32 02 13 02
<u>N22</u>	Promotion of preschool education	32 02 13 03
<u>N23</u>	Promotion of general education reform - LEPL - National Center for Teacher Professional Development	32 02 13 04
<u>N24</u>	Promotion of general education reform - LEPL - Education and Scientific Infrastructure Development Agency	32 02 13 07
<u>N25</u>	Promotion of vocational education development	32 03 01
<u>N26</u>	Development of vocational skills	32 03 02
<u>N27</u>	Vocational training of national minorities	32 03 03
<u>N28</u>	Organization of examinations	32 04 01
<u>N29</u>	State study grant	32 04 02 01
<u>N30</u>	State Master degree program grant	32 04 02 02
<u>N31</u>	Funding the education of affected students living in the villages located along the dividing line	32 04 02 03
<u>N32</u>	Promoting higher education of persons living in the occupied territories and persons with compatriot status	32 04 02 04
<u>N33</u>	One-year teacher training educational program	32 04 02 05
<u>N34</u>	State scholarships for students	32 04 02 06
<u>N35</u>	Program "Door of Knowledge"	32 04 02 07
<u>N36</u>	Let's study in Georgia	32 04 02 08
<u>N37</u>	Promoting higher education - disposal of the Ministry of Education and Science of Georgia	32 04 03 01
<u>N38</u>	Promotion of studying abroad	32 04 04
<u>N39</u>	Promotion of higher educational institutions	32 04 05 02-12
<u>N40</u>	Promotion of scientific grants and scientific researches 32050101, 32050102 Rustaveli Foundation	32 05 01 01- 02
<u>N41</u>	Promotion of involvement of Georgian scientists in international programs	32 05 01 03
<u>N42</u>	Scientific institutions programs	32 05 02
<u>N43</u>	Promotion of the Georgian Academy of Agricultural Sciences	32 05 03
<u>N44</u>	Promotion of scientific researches	32 05 04
<u>N45</u>	Promotion of science	32 05 05
<u>N46</u>	Promotion of inclusive education	32 06 01
<u>N47</u>	Program for promotion of special institutions for children with special educational needs	32 06 02
<u>N48</u>	Promotion of teaching of pupils with special educational needs	32 06 03
<u>N49</u>	Development of human resources to support inclusive education	32 06 04
<u>N50</u>	Development of the infrastructure of general educational institutions	32 07 01
<u>N51</u>	Development of the infrastructure of vocational educational institutions	32 07 02
<u>N52</u>	Development of the infrastructure of the Ministry and the legal entities under public law and territorial bodies included in its system	32 07 03
<u>N53</u>	Development of the infrastructure of higher educational and scientific institutions	32 07 04
<u>N54</u>	Development of the system of operation and maintenance of public schools	32 07 05
<u>N55</u>	Innovation, Inclusivity and Quality Project - Georgia I2Q (WB)	32 08
<u>N56</u>	Vocational Education I (KfW)	32 09

<u>N57</u>	The Modern Skills for Better Jobs Sector Development Program - Project (ADB)	32 10
<u>N58</u>	Promotion of higher educational institutions – disposal of the Ministry of Education and Science of Georgia	32 04 05 01
<u>N59</u>	Professional education development promotion program - apparatus	32 03 01 01
<u>N60</u>	Targeted grant education	32 01 01 -G
<u>N61</u>	Humanitarian	32 01 01 -H
<u>N62</u>	Liquidated	*
<u>N63</u>	Elimination	

Forms (components) of consolidated financial statements are as follows:

- F1 Statement of Financial Position;
- F2 Statement of Financial Results;
- F3 Statement of Cash Flows;
- F4 Statement of Changes in Net Assets/Equity;
- F5 Budget vs Actual Statement;
- S1, S2, S3, S4, S5, S6, S7, S8, S9, S10, S11, S12, S13, S14, S15, S16, S17, S18, S19, S20, S21, S22 are explanatory notes, which include a summary of all significant accounting policies and other explanatory notes;
- Addon1 and Addin2 and also the comparable information of the previous period.

The financial statements contain the following consolidated information about the Ministry:

- Assets (current and non-current);
- Liabilities (current and non-current);
- Net assets/equity;
- Incomes;
- Costs;
- Other changes in net assets/equity;
- Cash flows.

As of December 31, 2023, responsibility for preparation/compilation of the financial statements of the Ministry is imposed to the Deputy Head of the Economic Department – **Ms. Nana Khmaladze** and responsibility for its approval/submission - to the Head of the Economic Department – **Ms. Mariam Tabatadze (Order MES 5 23 0000489077 of the Minister on granting authority to the Head of the Economic Department of the Ministry of Education and Science of Georgia, dated May 03, 2023)**. Responsibility for financial statements is confirmed by the signature of the above-mentioned persons.

Within the allocations determined by the annual budget of the Ministry for 2023:

Approved plan for 2023 amounted to - **2,077,780,700.00 GEL**;

Adjusted plan - **2,078,780,700.00 GEL**;

Cash expenses amounted to 2,081,244,155.33 GEL, *inter alia*, according to the economic classification of expenses, see the table:

Title	Approved budget (initial)	Adjusted budget (final)	Cash expense (GEL)
Salaries	32,011,894.00	30,368,784.00	30,433,528.08
Goods and services	213,691,620.00	197,857,460.88	196,672,020.29
Interest	0.00	0.00	0.00
Subsidies	89,644,388.00	89,654,373.00	96,633,498.78
Grants	76,397,923.00	87,154,601.12	88,514,752.35
Social assistance	5,133,000.00	5,937,874.00	5,940,014.10
Other expenses	1,363,393,913.00	1,391,679,198.00	1,394,846,818.16
Increase of non-financial assets	297,507,962.00	276,128,409.00	268,203,523.57
Increase of financial assets	0.00	0.00	0.00
Decrease of liabilities	0.00	0.00	0.00
Total budget payables	2,077,780,700.00	2,078,780,700.00	2,081,244,155.33

a) Form F1 – Statement of Financial Position

The statement of financial position is prepared in a vertical format and describes assets, liabilities and net assets/equity.

The statement of financial position indicates both the data of the reporting year and the data of the previous year of the reporting year. In addition, the previous year's data underwent **certain changes** in accordance with the applicable legislation, namely:

In the Financial Statements 2023 - the balance of the previous reporting period (recalculated total balance) amounted to **3,075,530,297.00 GEL** as of December 31, 2022. And before recalculation (as of December 31 of the Financial Statements 2022) it was **3,034,542,330.00 GEL**. The difference in the balance at the beginning of 2023 has increased and the change amounted to **40,987,967.00 GEL**, the detailed breakdown of which according to individual program codes area available in the Form F1 (in which program code the increase/decrease of the balance was carried out) and the change in the balances of the relevant assets and liabilities is available in the individual forms of the Financial Statements.

Title	Note*	Recalculated balance of the previous reporting period as of 31.12.2022	Financial Statements 2022. Final balance of the reporting period as of 31.12.2022	Difference
Cash and cash equivalents	S2	201,287,585.00	201,287,683.00	(98.00)
Current investments	S2a	9,775.00	9,775.00	-
Short-term (current) accounts receivable	S2a	139,351,533.00	126,489,040.00	12,862,493.00
Inventory	S3	36,425,246.00	36,643,054.00	(217,808.00)
Total short-term (current) assets	S4	70,461,855.00	74,912,792.00	(4,450,937.00)
Total current assets		447,535,994.00	439,342,344.00	8,193,650.00
Long-term financial assets	S5	66,344,891.00	66,345,443.00	(552.00)
Fixed assets	S6	2,448,556,159.00	2,380,815,579.00	67,740,580.00
Investment property	S7	-	-	-
Intangible assets	S8	16,352,559.00	16,347,391.00	5,168.00
Preferred service assets	S9	-	-	-
Financial lease assets	S10	-	-	-
Other long-term non-financial assets	S11	96,740,694.00	131,691,573.00	(34,950,879.00)
Total non-current assets		2,627,994,303.00	2,595,199,986.00	32,794,317.00
Total assets		3,075,530,297.00	3,034,542,330.00	40,987,967.00
Short-term liabilities with securities	S12	-	-	-
Short-term borrowings	S12	-	-	-
Short-term accounts payable, except for interest	S13a	12,848,868.00	13,369,655.00	(520,787.00)
Interest payable	S13a	-	-	-
Current provisions	S13b	106,168.00	106,168.00	-
Other short-term liabilities	S13a	19,608,625.00	19,414,679.00	193,946.00
Liabilities with temporarily placed funds	N13a	2,531,993.00	2,531,982.00	11.00
Total current liabilities		35,095,654.00	35,422,484.00	(326,830.00)
Long-term liabilities with securities	S12	-	-	-
Long-term borrowings	S12	215,984.00	215,984.00	-
Long-term accounts payable with financial leases	S10	-	-	-
Long-term accounts payable defined in preferential service agreements	S9	-	-	-
Long-term provisions	S13b	70,757.00	70,757.00	-
Long-term accounts payable	S13a	835,521.00	835,521.00	-
Total long-term liabilities		1,122,262.00	1,122,262.00	-
Total liabilities		36,217,916.00	36,544,746.00	(326,830.00)
Equity	F4	-	-	-
Undistributed surplus/deficit	F4	3,039,312,381.00	2,997,997,584.00	41,314,797.00
Reserves	F4	-	-	-

Total net assets / equity		3,039,312,381.00	2,997,997,584.00	41,314,797.00
Total liabilities and net assets / equity		3,075,530,297.00	3,034,542,330.00	40,987,967.00
Reference reports				
Fixed assets received from operating leases	01	1,166,950.00	1,166,950.00	-
Assets received for responsible custody	02	4,783,608.00	4,783,608.00	-
Written off debts of insolvent debtors	03	15,936,288.00	15,936,288.00	-
Material stocks written off in costs of operation	04	206,314,373.00	206,314,373.00	-
Contingent assets	05	4,974,098.00	4,985,732.00	(11,634.00)
Contingent liabilities	06	12,376.00	12,376.00	-
Creation of equity with own funds	07	3,409,357.00	3,409,357.00	-
Fully depreciated/amortized assets in service	08	132,923,267.00	133,612,756.00	(689,489.00)
Overdue debts	09	44,089,742.00	47,824,529.00	(3,734,787.00)
Movable property for disposal	10	714,833.00	714,833.28	(0.28)
Bank guarantees	11	236,364.00	236,364.00	-
Written off accounts payable	12	785,334.00	785,334.00	-

Changes in the initial balances were made in the financial statements presented under the following program codes for 2023:

<u>N1</u>	Development of state policies and management of programs in the fields of education and science	32 01 01
<u>N2</u>	Facilitation of implementation of the policy of the Ministry in the field of education	32 01 02
<u>N4</u>	Education Management Information System	32 01 04
<u>N5</u>	LEPL - Education and Scientific Infrastructure Development Agency	32 01 05
<u>N8</u>	Funding of general education schools	32 02 01
<u>N10</u>	Provision of a safe educational environment	32 02 03
<u>N25</u>	Promotion of vocational education development	32 03 01
<u>N39</u>	Promotion of higher educational institutions	32 04 05 02-12
<u>N40</u>	Promotion of scientific grants and scientific researches 32050101, 32050102 Rustaveli Foundation	32 05 01 01- 02
<u>N41</u>	Promotion of involvement of Georgian scientists in international programs	32 05 01 03
<u>N42</u>	Scientific institutions programs	32 05 02
<u>N57</u>	The Modern Skills for Better Jobs Sector Development Program - Project (ADB)	32 10

Details are provided in the respective definitions of the individual program code.

The statement of financial position of the Ministry also contains **the reference reports**, used for provision of additional information about financial position and financial results of the entity. Entries to the reference reports are made without using the principle (rule) of double entry, in monetary terms.

b) Form F2 – Statement of Financial Results

In the present form, the surplus (deficit) data of the previous reporting period underwent a change of **7,689,929.00** GEL, which is caused by adjustments in the income and expense part of the previous year - 2022 in five program codes (based on the findings of the state audit). In particular:

Title	Note*	Recalculated turnover of the previous reporting period	Turnover of the previous reporting period	Difference
		Total	Total	
Revenues				
Tax revenue	S14a	-	-	
Social contributions		-	-	
Revenues from sanctions, fines and penalties	S14c	5,468,159.00	3,579,794.00	1,888,365.00
Revenue from grants	S14b	220,413,063.00	192,718,220.00	27,694,843.00
Revenues from external transfers not classified elsewhere	S14c	6,315,072.00	6,575,711.00	(260,639.00)
Revenues from internal transfers	S14c	1,697,345,357.00	1,697,345,357.00	

Revenues from exchange transactions other than interest and revenues from sale of long-term assets	S15a	253,924,583.00	253,288,271.00	636,312.00
Gains from the sale of long-term assets	S15b S17a**	3,000,000.00	3,000,000.00	-
Interest income	S15a	15,443,521.00	15,139,754.00	303,767.00
Incomes from reversal of doubtful (bad) debts/depreciation/impairment	S16	51,149.00	39,515.00	11,634.00
Miscellaneous incomes	S18	8,329,105.00	8,320,848.00	8,257.00
Total revenues		2,210,290,009.00	2,180,007,470.00	30,282,539.00
Expenses				-
Remuneration of employees	S17a	1,080,297,520.00	1,080,258,270.00	39,250.00
Goods and services	S17a	425,439,648.00	410,531,136.00	14,908,512.00
Grants	S17b	108,410,894.00	101,419,535.00	6,991,359.00
Subsidies	S17b	76,589,002.00	76,575,301.00	13,701.00
External transfers and other operating expenses	S17b	171,302,629.00	171,836,860.00	(534,231.00)
Expenses with internal transfers	S17a	33,971,385.00	33,558,549.00	412,836.00
Depreciation and amortization	S17a	64,683,867.00	64,595,699.00	88,168.00
Social assistance/security	S17a	15,478,868.00	15,478,868.00	-
Loss on sale of long-term non-financial assets	S15b S17a**	-	-	-
Interest expenses (finance expenses)	S17a	31,030.00	31,030.00	-
Doubtful (bad) debts/depreciation/impairment expenses	S16	11,298,418.00	10,625,403.00	673,015.00
Miscellaneous expenses	S18	8,032,282.00	8,032,282.00	-
Total expenses		1,995,535,543.00	1,972,942,933.00	22,592,610.00
Surplus (deficit) for the period		214,754,466.00	207,064,537.00	7,689,929.00

Changes in the opening balances of the statements of financial results in relation to incomes and expenses were made according to the following program codes for 2023:

32 01 05	32 02 01	32 03 01	32 04 02 07	32 04 05 02-12	Total
Infra	Schools	Profs	Door of Knowledge	Higher institutions	
1,211,836.00	-	-	-	676,529.00	1,888,365.00
-	26,665,643.00	47,077.00	-	982,123.00	27,694,843.00
-	-	-	-	(260,639.00)	(260,639.00)
-	-	-	-	-	-
-	-	-	-	636,312.00	636,312.00
-	-	-	-	-	-
-	-	-	-	303,767.00	303,767.00
-	-	-	11,634.00	-	11,634.00
-	-	-	-	8,257.00	8,257.00
1,211,836.00	26,665,643.00	47,077.00	11,634.00	2,346,349.00	30,282,539.00
-	-	-	-	-	-
-	-	-	-	39,250.00	39,250.00
4,353,959.00	10,411,185.00	-	-	143,368.00	14,908,512.00
6,991,359.00	-	-	-	-	6,991,359.00
-	-	-	-	13,701.00	13,701.00
-	-	-	-	(534,231.00)	(534,231.00)
401,202.00	-	-	11,634.00	-	412,836.00
-	87,774.00	394.00	-	-	88,168.00
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	673,015.00	673,015.00
-	-	-	-	-	-
11,746,520.00	10,498,959.00	394.00	11,634.00	335,103.00	22,592,610.00
(10,534,684.00)	16,166,684.00	46,683.00	-	2,011,246.00	7,689,929.00

	F4'J34		
N5	(10,534,684.00)	LEPL - Education and Scientific Infrastructure Development Agency	32 01 05
N8	16,166,684.00	Funding of general education schools	32 02 01
N25	46,683.00	Promotion of vocational education development	32 03 01
N39	2,011,246.00	Promotion of higher educational institutions	32 04 05 02-12
	7,689,929.00		

c) Form F4 – Statement of Changes in Net Assets/Equity - A number of adjustments have been made in the financial statement of 2023: a) retrospective recalculation of significant errors of previous periods - 11,221,734.00 GEL, as well as b) adjustments as a result of one-time revaluation - 40,737,034.00 GEL, and c) adjustments as a result of other changes in equity - 17,740.00 GEL, in the following program codes:

	Program codes	Retrospective recalculation of significant errors of previous periods	Adjustments as a result of one-time revaluation	Adjustments as a result of other changes in equity
1	32 01 01	5,251.00	-	-
2	32 01 02	101,481.00	(548.00)	-
5	32 01 05	(42,910,208.00)	-	-
8	32 02 01	29,087,920.00	252,559.00	-
25	32 03 01	755,251.00	552,409.00	-
35	32 04 02 07	(552.00)	-	-
39	32 04 05 02 -12	13,504,519.00	10,909,303.00	-
41	32 05 01 03	-	-	17,740.00
42	32 05 02	16,361.00	29,023,311.00	-
	Total	560,023	40,737,034.00	17,740.00

In order to clearly present the surplus/deficit amount of the period of 2022, we left the data of the results of 2022 (including surplus/deficit amounts) in the mentioned form. In control field J34, a control difference of **7,689,929** GEL was shown, which is directly the surplus/deficit of 2022 income and expense adjustments and which was added to the 2023 retrospective changes in the statement of changes in net assets/equity.

Line code	Title	Equity	Undistributed surplus/deficit		Provisions	Total net assets / equity
			Budget funds	Non-budget funds		
001	Opening balance	-	4,320,069,491.00	(1,322,071,907.00)	-	2,997,997,584.00
002	Retrospective application of changes in the accounting policies	0	-	-	0	0.00
003	Retrospective recalculation of significant errors of previous periods	0	(11,517,692.00)	12,077,715.00	0	560,023.00
004	Adjustments as a result of one-time revaluation	0	37,953,277.00	2,783,757.00	0	40,737,034.00
005	Adjustments as a result of other changes in equity	0	18,963.00	(1,223.00)	0	17,740.00
006	Recalculated opening balance	-	4,346,524,039.00	(1,307,211,658.00)	-	3,039,312,381.00
Changes in net assets/equity						
007	Capital contributions	-	-	-	-	-
008	Withdrawal of capital	-	-	-	-	-
009	Increase/decrease in reserves	-	-	-	-	-
010	Surplus/deficit for the period	-	1,644,660,070.00	(1,161,292,300.00)	-	483,367,770.00
011	Funds to be distributed to owners	-	-	-	-	-
012	Closing balance	-	5,991,184,109.00	(2,468,503,958.00)	-	3,522,680,151.00
						3,522,680,151.00

Line code	Title	Equity	Undistributed surplus/deficit		Provisions	Total net assets / equity
			Budget funds	Non-budget funds		

001	Opening balance	19,527.00	3,041,671,724.00	(262,363,235.00)	-	2,779,328,016.00	
002	Retrospective application of changes in the accounting policies	-	(121,513.00)	(1,393,380.00)	-	(1,514,893.00)	
003	Retrospective recalculation of significant errors of previous periods	-	(43,850,486.00)	48,470,982.00	-	4,620,496.00	
004	Adjustments as a result of one-time revaluation	-	5,949,785.00	2,569,170.00	-	8,518,955.00	
005	Adjustments as a result of other changes in equity	-	-	-	-	-	
006	Recalculated opening balance	19,527.00	3,003,649,510.00	(212,716,463.00)	-	2,790,952,574.00	
	Changes in net assets/equity	-	-	-	-	-	
007	Capital contributions	-	-	-	-	-	
008	Withdrawal of capital	19,527.00	-	-	-	-	
009	Increase/decrease in reserves	-	-	-	-	-	
010	Surplus/deficit for the period	-	1,316,419,981.00	(1,109,355,444.00)	-	207,064,537.00	7,689,929.00
011	Funds to be distributed to owners	-	-	-	-	-	
012	Closing balance	-	4,320,069,491.00	(1,322,071,907.00)	-	2,997,997,584.00	

d) Form F5 - Budget vs Actual Statement:

- Approved budget (initial) - 2,077,780,700.00 GEL;
- Adjusted budget (final) - 2,078,780,700.00 GEL;
- Budget performance - 2,081,244,155.33 GEL;

Including:

- Budget funds - 2,046,928,291.37 GEL;
- Grant in total - 1,670,032.57 GEL;
- Credit in total - 16,335,877.23 GEL;
- Targeted grants - 16,309,954.16 GEL;

In order to reflect the requirements of the explanatory notes provided for in the IPSASs, the Ministry has developed the forms for the purpose of adjustment of accounts receivable and accounts payable, overdue debts, internal transfer of inventory and fixed assets **in the system** (under the article - Grants), as well as complete and unmistakable elimination (withdrawal) of incomes and actual expenses within the system and additionally requested the information from the subordinate organizations together with certain appendices (about accounts payable / receivables, inventory received/issued as a grant and fixed assets, as well as revenues and actual expenses from cash expenses in the internal system in 2023), please see the appendices:

- a) №1.1 - Accounts receivable, №1.2 - Accounts payable,
- b) №2 - Inflow and outflow of assets;
- c) №3 – Revenues and expenses.

Note S2 – Cash and cash equivalents:

As of 31.12.2023, the balance of cash on hand and banks amounted to **157,626,096** GEL, including **14,310** GEL – on hand, cash balance in commercial banks * 1-11-2100 – **127,809,328** GEL, and cash balance in commercial banks in foreign currency * 1-11-2420 – **29,802,458** GEL.

As of 01.01.2023, **5,493** GEL was deposited into the **account №1-11-1100 - cash on hand in national currency**, and as of 31.12.2023 – **14,310.00** GEL, in particular:

Circulation of cash on hand is carried out by 3 higher institutions for performance of transactions of the incomes obtained through exchange transactions (Ligamus bookstore, canteen, Child Development Institute, University Clinic cash registers), in particular:

N	Title	Closing balance of the reporting period 31.12.2023	Opening balance of the reporting period 01.01.2023
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1	LEPL - Ilia State University	1	0
2	LEPL - Georgian Technical University	222	0
3	LEPL Tbilisi State University	14087	5493
	Total cash on hand in national currency * 1-11-1100	14310	5493

As of 31.12.2023, cash balances in the commercial banks in national currency * **127,809,328** GEL is deposited into the account 1-11-2100, which consists of

	S2'D12	Title	Program code
N1	1,240.00	Development of state policies and management of programs in the fields of education and science	32 01 01
N3	9,110,035.00	Development and management of the quality of education	32 01 03
N5	20,230.00	LEPL - Education and Scientific Infrastructure Development Agency	32 01 05
N8	43,809,938.00	Funding of general education schools	32 02 01
N10	53.00	Provision of a safe educational environment	32 02 03
N20	196.00	Promotion of general education reform - disposal by the Ministry of Education and Science of Georgia	32 02 13 01
N25	4,388,406.00	Promotion of vocational education development	32 03 01
N26	834.00	Development of vocational skills	32 03 02
N28	4,120,000.00	Organization of examinations	32 04 01
N39	66,358,396.00	Promotion of higher educational institutions	32 04 05 02-12
	127,809,328.00	Total * account 1-11-2100	

As of 31.12.2023, cash balances in the commercial banks in foreign currency * **29,802,458** GEL is deposited into the account №1-11-2420, which consists of:

	S2'D17	Title	Program code
N39	29,800,568.00	Promotion of higher educational institutions	32 04 05 02-12
N42	1,890.00	Scientific institutions programs	32 05 02
	29,802,458.00	Cash balances in the commercial banks in foreign currency * 1-11-2420	

The opening balance has been corrected and reduced by 98 GEL in 32 02 03 and 32 05 01-02 program codes.

Note S2a - Current investments and current accounts receivable:

Please see information on the cash balance of targeted grants for 2023, cash balance credited and spent during the year, as well as at the end of the year, in the encountered information officially provided by the Treasury.

The cash balance of the Ministry amounted to **8,115,805** GEL as of December 31, 2023, which is recorded in the Note 2A of the financial statements:

- Account №1-13-1220 - 8,115,800.00 GEL;
- Account №1-13-1270 – 5 GEL (Evaluation Center).

Short-term (current) accounts receivable of the budgetary organizations to the Treasury. The balances of the account №1-13-1200 have increased by **79,508** GEL at the beginning of the year, which is caused by the corresponding changes recorded in the financial statements of the program codes indicated below, in particular:

Total difference:	32 04 05 02-12	32 02 03	32 05 01-02	32 05 01 03
79,508.00	61670	50	48	17740

As of 31.12.2023, the currency recalculated according to the exchange rate of the National Bank of Georgia is summarized on the currency accounts of the consolidated financial statements of the Ministry and amounts to **16,583,572** GEL. Please see the amounts in accordance with individual currencies at the beginning and end of the year in the table below:

Code	Currency	Exchange rate 31.12.2022	Total opening balance in currency	Total opening balance (GEL)	Exchange rate 31.12.2023	Closing balance in currency as of 31.12.2023	Total closing balance (GEL)
32 00	Total			16,583,572.58			17,247,649.59
32 00	CHF	2.9322	310.98	911.86	3.2085	310.98	997.78

32 00	EUR	2.8844	1,746,616.92	5,037,941.84	2.9753	3,276,774.06	9,749,385.86
32 00	GBP	3.2581	2,965.86	9,663.07	3.4228	16,677.86	57,084.98
32 00	USD	2.702	4,269,080.61	11,535,055.81	2.6894	2,766,483.59	7,440,180.97

The balance of the beginning of the year is **16,583,572** GEL of the currency accounts, including:

Short-term (current) accounts receivable of the budgetary organizations to the Treasury, with budget funds in foreign currency 1-13-1240 – **8,964,898.00** GEL,

Short-term (current) accounts receivable of the budgetary organizations to the Treasury, with targeted financing and grants in foreign currency 1-13-1250 – **2,217,156.00** GEL;

Short-term (current) accounts receivable of the budgetary organizations to the Treasury, with non-budgetary (own) funds in foreign currency 1-13-1260 – **5,401,518.00** GEL;

are adjusted, the balance has been increased by 11 GEL in total and as of 31.12.2022 (01.01.2023) the recalculated balance amounted to **16,583,583** GEL, the mentioned change has undergone by “Modern skills for better employment sector development program” - project (ADB) – in 32 10 program code 11 GEL.

Short-term (current) accounts receivable are changed and adjusted 1-13-2000, in particular:

Short-term (current) tax receivables 1-13-2000	4,255,851.00	4,350,721.00	94,870.00
Income tax	1,133,460.00	980,851.00	(152,609.00)
Profit tax	572,749.00	572,646.00	(103.00)
Property tax	245,399.00	492,878.00	247,479.00
VAT	2,293,411.00	2,293,514.00	103.00
Excise tax	-	-	-
Import tax	-	-	-
Other taxes	10,832.00	10,832.00	-
Short-term (current) accounts receivable in the pension scheme 1-13-3000	21,513.00	21,513.00	-
Short-term (current) accounts receivable with accrued interests and penalties 1-13-4000	4,844,940.00	5,841,159.00	996,219.00
Accrued dividends receivables 1-13-5000	-	-	-
Short-term (current) accounts receivable from sales of goods and services 1-13-6000	57,815,528.00	68,874,334.00	11,058,806.00
Short-term (current) receivables for employees and accountable persons 1-13-7000	2,711,892.00	2,712,432.00	540.00
Short-term (current) receivables with disposal (sale) of non-financial assets 1-13-8000	-	-	-
Other short-term (current) receivables 1-13-9000	1,116,543.00	1,749,082.00	632,539.00
including short-term (current) cash receivables related to non-exchange transactions 1-13-9500	87,928.00	162,400.00	74,472.00
Total short-term (current) accounts receivable and other claims	149,763,358.00	162,625,851.00	12,862,493.00

In the expenses of doubtful/bad debts 5-91-0000 - 11,435,157 GEL is recorded in the financial statements of 2023, in which Note №2 and Note №4 of 2023 impairment expense/expense of doubtful and bad debts (S16) are combined, including:

	S16!F17	Title	Program code
N1	2,077.00	Development of state policies and management of programs in the fields of education and science	32 01 01
N3	1,704.00	Development and management of the quality of education	32 01 03

N8	931.00	Funding of general education schools	32 02 01
N10	122.00	Provision of a safe educational environment	32 02 03
N25	7,074.00	Promotion of vocational education development	32 03 01
N39	11,322,064.00	Promotion of higher educational institutions	32 04 05 02-12
N62	101,185.00	Liquidated	*
	11,435,157.00	Impairment expense/doubtful and bad debts for the year (S2a + S4)	

Note №3 – Inventory

The opening balances of the inventory have been changed and reduced by 217,808 GEL, based on the retrospective adjustment of the previous period, including (taking into account the findings of the state audit) in accordance with the program codes indicated in the table:

	S3'E26	Title	Program code
N1	3,470.00	Development of state policies and management of programs in the fields of education and science	32 01 01
N5	(3.00)	LEPL - Education and Scientific Infrastructure Development Agency	32 01 05
N8	2,993.00	Funding of general education schools	32 02 01
N25	460.00	Promotion of vocational education development	32 03 01
N39	(224,728.00)	Promotion of higher educational institutions	32 04 05 02-12
	(217,808.00)		

And according to individual accounts, please see the data on the changes in the balances at the beginning of the year in the table below:

010	Raw materials and supplies 1-14-1100	2,082,094.00	-	-
020	Other materials and supplies 1-14-1400	30,355,856.00	3,459.00	(158,318.00)
030	Low-value assets 1-14-1410	5,324,423.00	2,236.00	(3,072.00)
060	Rest of other materials and supplies 1-14-1420	25,031,433.00	1,223.00	(155,246.00)
090	Work-in process inventory 1-14-2000	165.00	-	-
100	Finished goods inventory 1-14-3000	4,028,819.00	-	(59,490.00)
110	Goods held for sale 1-14-4000	179,579.00	-	-
120	Military supplies 1-14-5000	-	-	-
130	Total	36,646,513.00	3,459.00	(217,808.00)

During 2023, the value of the inventories was reduced by 1,330,408 GEL, which, in addition to Note №3, is also recorded in Note №16 - the cost of reduction of value of the inventories on the account №5-92-0000, including:

	S3'F37	Title	Program code
N1	302,540.00	Development of state policies and management of programs in the fields of education and science	32 01 01
N2	865.00	Facilitation of implementation of the policy of the Ministry in the field of education	32 01 02
N5	639,459.00	LEPL - Education and Scientific Infrastructure Development Agency	32 01 05
N8	333,969.00	Funding of general education schools	32 02 01
N11	5,862.00	Successful Students Encouragement	32 02 04
N20	576.00	Promotion of general education reform - disposal by the Ministry of Education and Science of Georgia	32 02 13 01
N25	2,300.00	Promotion of vocational education development	32 03 01
N28	1,219.00	Organization of examinations	32 04 01
N39	74.00	Promotion of higher educational institutions	32 04 05 02-12
N42	361.00	Scientific institutions programs	32 05 02
N46	22,945.00	Promotion of inclusive education	32 06 01
N60	14,411.00	Targeted grant education	32 01 01 -G
N61	412.00	Humanitarian	32 01 01 -H
N62	5,415.00	Liquidated	*
	1,330,408.00	Reduction of value of the inventories	

Note №4 – Other short-term (current) assets*

The opening balances of the accounts of the short-term receivables were changed at the beginning of the year and were reduced by 4,450,937 GEL, based on the retrospective adjustment of the previous period, including (taking into account the findings of the state audit) in accordance with the program codes indicated in the table below:

Title*	Closing balance of the previous reporting period		Total balance value	Accumulated impairment loss	Total balance value	Accumulated impairment loss
	Total balance value	Accumulated impairment loss				
Advance Payments 1-15-1000	69,627,044.00	22,585.00	74,077,981.00	22,585.00	(4,450,937.00)	-
Advance Payments for goods and services 1-15-1100	20,704,437.00	6,102.00	25,140,592.00	6,763.00	(4,436,155.00)	(661.00)
Advance payments for long-term non-financial assets 1-15-1200	53,152,030.00	15,822.00	53,162,747.00	15,822.00	(10,717.00)	-
Advance Payments with payables 1-15-1300	(4,229,423.00)	661.00	(4,225,358.00)	-	(4,065.00)	661.00
Short-term (current) non-monetary claims with transfer of non-financial assets 1-15-2000	2,081.00	-	2,081.00	-	-	-
Short-term (current) claims with assets to be received from barter transactions 1-15-3000	-	-	-	-	-	-
Short-term (current) non-monetary receivables related to non-exchange transactions 1-15-4000	-	-	-	-	-	-
Short-term (current) non-monetary receivables with a deficit of non-financial assets 1-15-5000	855,315.00	-	855,315.00	-	-	-
Total	70,484,440.00	22,585.00	74,935,377.00	22,585.00	(4,450,937.00)	-

	Title	Program code
(4,468,099.00)	LEPL - Education and Scientific Infrastructure Development Agency	32 01 05
25,003.00	Promotion of vocational education development	32 03 01
(7,841.00)	Promotion of higher educational institutions	32 04 05 02-12
(4,450,937.00)	Other short-term (current) assets*	

S5 - Note №5 – Long-term financial assets

As of 31.12.2023, the balance on the account №1-21-0000 - Total long-term financial assets amounts to 56,334,750 GEL, including:

	S5'IF11	Title	Program code
N6	4,103,817.00	International relations support	32 01 06
N35	19,509.00	Program "Door of Knowledge"	32 04 02 07
N38	11,796,117.00	Promotion of studying abroad	32 04 04
N39	40,415,307.00	Promotion of higher educational institutions	32 04 05 02-12
	56,334,750.00	Long-term financial assets 1-21-0000	

The opening balances of 01.01.2023 have been changed, reduced by 552 GEL, regarding which please see the table and explanations according to individual program codes:

	Opening balance S5'IE21	Recalculated balance S5'IE21	Difference	Title	Program code
N6	7,055,841.00	7,055,841.00		International relations support	32 01 06
N35	20,061.00	19,509.00	(552)	Program "Door of Knowledge"	32 04 02 07
N38	14,984,400.00	14,984,400.00		Promotion of studying abroad	32 04 04
N39	44,285,141.00	44,285,141.00		Promotion of higher educational institutions	32 04 05 02-12
	66,345,443.00	66,344,891.00	(552)	Total long-term financial assets	

32 01 06 - program code financial statement note S5: On the account № 1-21-3000 – Long-term financial assets. The opening balance included accounts receivable totaling **7,055,840.64** GEL, which originated on September 8, 2021, on the basis of the bilateral agreement N880928 signed by and between the Ministry of Education and Science of Georgia and Harvard College. The sub-program "On the support of the program of knowledge of Georgia based on the Davis Center of Harvard University" includes three components: researches, teaching and scholarships; financial support for implementation of the program includes 2,268,832.00 USD (7,055,840.64 GEL), which was transferred by the Ministry to the account of the President and Fellows of Harvard College on September 21, 2021. The Accounting Division of the Economic Department drafted and sent the service card N1596688 to the head of the Department of International Relations and Strategic Development of the Ministry on 13.12.2022 on presentation of the statements specified in the terms and condition of the agreement. In response to the aforementioned, it is clear from the service card N14068 of January 11, 2023 that the Department of International Relations and Strategic Development provided information by e-mail to the organization regarding presentation of the corresponding interim financial statements by Harvard College. On the basis of the service card N1690114, dated December 11, 2023 and the service card N209850, dated February 26, 2024, the Department of International Relations and Strategic Development presented three interim statements of Harvard College for a total of 2'952'024.00 GEL (373'468.38\$+365'874.00\$+209'892.00\$, 1\$=3.1099GEL), which is written off from the financial statements of the program. As of December 31, 2023, accounts receivable in the amount of 4,103,816.64 GEL are credited to the account of the Ministry.

32 04 02 07 - program code financial statement note S5: On the account №1-21-3000 - Other long-term financial assets - At the beginning of the year, **20,061.38** GEL is deposited, which represents the targeted monetary funds issued free of charge within the framework of the "Master's and Doctoral Program" in 2010-2015, as well as the "Educational Sub-Program for Individuals with Talent, Outstanding Skills and High Academic Achievement", which in turn includes expenses related to studying in a relevant educational program abroad. In particular, the above-mentioned amount represents the financing of the "grantee" **Ms. [REDACTED]** who according to the letter N1097104 of the International Education Center of November 16, 2020, had the "active status" of a student and was working on a dissertation topic. Almost 10 years have passed since the funding, at the end of each year a comparison report is submitted regarding the accrued debt, however updated information about the progress of studies is not presented.

In addition, as of October 1, 2023, the Inventory Commission established by the Order No. 1243135 of the Minister of Education and Science of Georgia, dated September 26, 2023 (amendment to the Order N1344437, 10.10.2023) discussed the above-mentioned issue and established: **"In relation to the accounts receivable of [REDACTED] that arose in 2014 (agreement N3201030502/2014/57, 05.08.2014), it shall be appropriate to request the repayment of 20,061.38 GEL received from the state budget to the latter."**

On February 19, 2024, the Accounting Division sent a letter of N175400 to the International Education Center regarding the request for updated information on the progress of the aforementioned student's studies. As a result, with the letter N274432 of the International Center for Education, it is revealed that **Ms. [REDACTED]** is unable to provide information about the status of a student from the Technical University of Berlin and plans to get registered in another university.

There was an adjustment of 552.12 GEL, as a result of fundamental (essential) errors - since the above-mentioned amount was deposited on [REDACTED] card and represented the loss from changes in the exchange rate, which was corrected by retrospective recalculation.

32 04 04 - program code financial statement note S5: On the account №1-21-4000 - Other long-term financial assets - 14,984,400 GEL was credited at the beginning of the year. These are the funds for students' studies. Since the scholarship holders are enrolled for a period of more than one year and have not received diplomas confirming their studies, continuing or completing their studies, in the following years, the funds transferred to the scholarship beneficiaries for tuition and living expenses are accrued to the center as long-term accounts receivable.

32 04 05 02 -12 - program code financial statement note S5: On the account № 1-21-3000 - Other long-term financial assets. The initial balance was **44,285,141.00** GEL, 22,000 GEL was added by the capital method during the year and decreased by 3,891,834.00 GEL. As of 31.12.2023, **40,415,307.00** GEL is credited as the balance. The assets credited on the said account represent the shares of Tbilisi Medical University in private companies, namely:

- **32,507.00** GEL - 15% share of "Medula-Chemotherapy and Immunotherapy Clinic" LLC, which, according to audits, amounted to 32,507 GEL;

- **40,182,800** GEL - 40% share of JSC "Evex Hospitals", which was acquired with own income for implementation of the training process in 2020;
- **200,000** GEL - 89% share of the scientific magazine "Georgian Biomedical News" LLC, which was acquired in 2022.

Note №6 - Fixed assets

Changes have been made in the opening balances of the fixed assets of the financial statements of the Ministry for 2023 and the recalculated opening balances have increased by 66,480,406 GEL, based on the retrospective adjustment of the previous period, including (taking into account the findings of the state audit) in accordance with the program codes specified in the table, in particular:

Residential apartments 1-22-1100	-	-	-
Non-residential buildings 1-22-1200	62,089,743.00	(150,524.00)	62,240,267.00
Other premises 1-22-1300	2,738,247.00	296,076.00	2,442,171.00
Land improvement 1-22-1400	-	-	-
Land 1-22-1500	376,850.00	-	376,850.00
Machinery and equipment and fixtures 1-22-2000	882,886.00	(1,406,476.00)	2,289,362.00
Transport equipment 1-22-2100	177,562.00	(637,918.00)	815,480.00
Other machinery and equipment 1-22-2200	705,324.00	(768,558.00)	1,473,882.00
Information, computer, telecommunication and other devices, furniture and equipment 1-22-2210	385,708.00	5,733.00	379,975.00
Other machinery 1-22-2220	319,616.00	(774,291.00)	1,093,907.00
Military weapon systems 1-22-2300	-	-	-
Cultivated plants and animals 1-22-3000	392,680.00	750.00	391,930.00
Total	66,480,406.00	(1,260,174.00)	67,740,580.00

And according to individual statements, please see increase/decrease for changes according to program codes in the table below:

	S6!E36	Title	Program code
N1	2,968.00	Development of state policies and management of programs in the fields of education and science	32 01 01
N2	108,024.00	Facilitation of implementation of the policy of the Ministry in the field of education	32 01 02
N5	1,205.00	LEPL - Education and Scientific Infrastructure Development Agency	32 01 05
N8	24,678,189.00	Funding of general education schools	32 02 01
N25	1,489,802.00	Promotion of vocational education development	32 03 01
N39	11,172,751.00	Promotion of higher educational institutions	32 04 05 02-12
N42	29,040,847.00	Scientific institutions programs	32 05 02
N43	(13,380.00)	Promotion of the Georgian Academy of Agricultural Sciences	32 05 03
	66,480,406.00		

In addition, opening balance changes are provided in the opening balances of accumulated depreciation of the fixed assets, recalculated initial balances are reduced by 1,267,265 GEL, in particular:

	S6!E53	Title	Program code
N1	1,187.00	Development of state policies and management of programs in the fields of education and science	32 01 01
N8	85,307.00	Funding of general education schools	32 02 01
N25	183,393.00	Promotion of vocational education development	32 03 01
N39	(1,524,947.00)	Promotion of higher educational institutions	32 04 05 02-12
N42	1,175.00	Scientific institutions programs	32 05 02
N43	(13,380.00)	Promotion of the Georgian Academy of Agricultural Sciences	32 05 03
	(1,267,265.00)		

And according to the individual statements, please see increase/decrease for changes according to software codes in the table below:

Title	Accumulated depreciation of fixed assets	
	Opening balance	Recalculated opening balance of the reporting period
Buildings and structures to be used for own purposes 1-22-1000	213,043,324.00	213,188,876.00
Residential apartments 1-22-1100	2,163,705.00	2,163,705.00
Non-residential buildings 1-22-1200	198,076,082.00	197,925,558.00
Other premises 1-22-1300	12,803,537.00	13,099,613.00
Land improvement 1-22-1400	-	-
Land 1-22-1500	-	-
Machinery and equipment and fixtures 1-22-2000	196,155,358.00	194,748,882.00
Transport equipment 1-22-2100	7,049,201.00	6,411,283.00
Other machinery and equipment 1-22-2200	189,106,157.00	188,337,599.00
Information, computer, telecommunication and other devices, furniture and equipment 1-22-2210	115,864,918.00	115,870,651.00
Other machinery 1-22-2220	73,241,239.00	72,466,948.00
Military weapon systems 1-22-2300	-	-
Cultivated plants and animals 1-22-3000	132,587.00	133,337.00
Total	409,331,269.00	408,071,095.00
		(1,267,265.00)

Note №8 - Intangible assets

Changes have been made to the opening balances of the intangible assets of financial statements of the Ministry for 2023, and the recalculated opening balances have been reduced by 1,528,681 GEL, based on the retrospective adjustment of the previous period, including (taking into account the findings of the state audit) in accordance with the program codes specified in the table below, in particular:

	Title	Program code	S8'D43	S8'E43	
N1	Development of state policies and management of programs in the fields of education and science	32 01 01	236,543.00	236,543.00	-
N3	Development and management of the quality of education	32 01 03	317,871.00	317,871.00	-
N4	Education Management Information System	32 01 04	11,991,805.00	11,991,805.00	-
N5	LEPL - Education and Scientific Infrastructure Development Agency	32 01 05	1,291,112.00	1,291,112.00	-
N8	Funding of general education schools	32 02 01	54,032.00	54,032.00	-
N9	Promotion of professional development for teachers	32 02 02	344,121.00	344,121.00	-
N10	Provision of a safe educational environment	32 02 03	7,080.00	7,080.00	-
N16	Development and implementation of the national curriculum	32 02 09	14,400.00	14,400.00	-
N25	Promotion of vocational education development	32 03 01	1,938,963.00	1,938,963.00	-
N26	Development of vocational skills	32 03 02	23,895.00	23,895.00	-
N27	Vocational training of national minorities	32 03 03	16,216.00	16,216.00	-
N28	Organization of examinations	32 04 01	298,040.00	298,040.00	-
N38	Promotion of studying abroad	32 04 04	200,891.00	200,891.00	-
N39	Promotion of higher educational institutions	32 04 05 02-12	12,398,797.00	12,398,797.00	-
N40	Promotion of scientific grants and scientific research 32050101, 32050102 Rustaveli Foundation	32 05 01 01-02	1,736,041.00	207,360.00	(1,528,681.00)
N42	Scientific institutions programs	32 05 02	81,675.00	81,675.00	-

N43	Promotion of the Georgian Academy of Agricultural Sciences	32 05 03	600.00	600.00	-
N45	Promotion of science	32 05 05	6,250.00	6,250.00	-
N46	Promotion of inclusive education	32 06 01	105,909.00	105,909.00	-
N55	Innovation, Inclusivity and Quality Project - Georgia I2Q (WB)	32 08	7,551.00	7,551.00	-
N60	Targeted grant education	32 01 01 -G	46,121.00	46,121.00	-
					-
			31,117,913.00	29,589,232.00	(1,528,681.00)

Above-mentioned change is related to the operation carried out by Rustaveli Foundation with program code 32 05 01 01-02, in particular: Account 1-27-3130 - Permits to carry out specific activities on the account. The right to access ELSEVIER search databases was acquired in 2022 for the period of 1 year. Since the mentioned term was expired, the historical value of the asset and the corresponding accumulated depreciation of **1,528,681** GEL were removed from the balance sheet - 1-24-2130 and the initial balance the corresponding depreciation account were adjusted by this amount.

Note №11 – Other non-financial long-term assets

Other non-financial long-term assets of the financial statements of the Ministry for 2023. The opening balances were changed and the recalculated opening balances were reduced by 34,950,879 GEL, based on the retrospective adjustment of the previous period, including (taking into account the findings of the state audit) in accordance with the program codes specified in the table below, in particular:

	Title	Program code	S11'D23	S11'E23	
N5	LEPL - Education and Scientific Infrastructure Development Agency	32 01 05	115,432,239.00	75,761,759.00	(39,670,480.00)
N8	Funding of general education schools	32 02 01	6,254,620.00	10,999,224.00	4,744,604.00
N9	Promotion of professional development for teachers	32 02 02	220.00	220.00	-
N25	Promotion of vocational education development	32 03 01	7,993,319.00	7,968,316.00	(25,003.00)
N26	Development of vocational skills	32 03 02	2,852.00	2,852.00	-
N28	Organization of examinations	32 04 01	8,947.00	8,947.00	-
N39	Pomotion of higher educational institutions	32 04 05 02-12	953,176.00	953,176.00	-
N55	Innovation, Inclusivity and Quality Project - Georgia I2Q (WB)	32 08	31,753.00	31,753.00	-
N57	The Modern Skills for Better Jobs Sector Development Program - Project (ADB)	32 10	47,639.00	47,639.00	-
					-
			130,724,765.00	95,773,886.00	(34,950,879.00)

Please find the detailed information about the changes in accordance with the explanatory card provided by the organization implementing the program.

In the program code 32 01 05, out of the property recorded as unfinished assets to be transferred to other entities in the financial statement as of December 31, 2023, the property worth 39,279,328 GEL was already completed at that moment, and the property of 209,737 GEL was transferred with redundancy (all until 2022). Thus, a total of the property worth 39,069,591 GEL is recorded

as non-transferable (in particular, construction and rehabilitation of the property worth 6,952,419 GEL was completed in 2022, and a total of the property worth 32,117,172 GEL - in the periods until 2022 (Appendix is attached).

Correction and impact on the financial statements: For the purpose of correction of this error, in the appendix N11 of the statements for 2023, initial cost of “Assets, the title of which has not yet been acquired or accepted for transfer to other entities” (to which the opening balance of unfinished construction is transferred due to the above-mentioned note) is **reduced by 39,069,591 GEL** and at the same time, in the turnover of the previous reporting period of the Appendix S17 “Capital grants issued to state entities of the same level” were increased by 6,952,419 GEL, and 32,117,172 GEL is included in the statement on changes in net assets/equity in the section “Retrospective recalculation of material errors of previous periods”.

Note: Above adjustment includes the notes of the Audit Service regarding transfer of property recorded in the article “Other long-term non-financial assets”.

By the end of 2022, the amount of unfinished construction in the property to be transferred to others was recorded with an excess of 600,889 GEL (including 419,878 GEL in 2022). At the same time, 39,929 GEL more is shown as the accounts receivable (107,087 GEL more in 2022, and 67,158 GEL less until 2022), 591,707 GEL more – as the accounts payable and 49,111 GEL less – as the expenses (all until 2022).

Correction and impact on the financial statements: For the purpose of correction of this error, the opening balance of the Appendix S11 “Assets, the title of which has not yet been acquired or accepted for transfer to other entities” is **reduced by 600,889 GEL**; At the same time, the opening balance of the Appendix S4 “Advance payments for long-term non-financial assets” is reduced by 39,929 GEL, the opening balance of the Appendix S13 “Short-term accounts payable related to provision of non-financial assets” is reduced by 591,707 GEL and the article “Retrospective recalculation of material errors of previous periods” in the statement of changes in net assets/capital is corrected by 49 111 GEL.

Adjustment in the program code 32 03 01 01 - LEPL Ilia Tsinamdzgvisishvili College carried out the following adjustment - the article “Other long-term non-financial assets” was increased by **25,003** GEL, while the article “Other short-term (current) assets” was decreased (audit finding).

Amounts on the account - 1-27-3000 - of unfinished assets in the program code 32 02 01 were adjusted. A retrospective recalculation of the opening balance was carried out - 4,744,604.00 GEL.

Note 11	Was opening balance of 2023	Adds to the historical value	Recalculated opening balance
Unfinished assets 1-27-4000	6,254,620.00	4,744,604.00	10,999,224.00

Detailed information on retrospective recalculation is provided in the table of the **Appendix “Retrospective Adjustments 2023”**.

LEPL Gori Public School №11	15,236.33
LEPL Gori Public School №11	6,941.90
LEPL Village Zemo Machkhaani Public School of Dedoplistskaro Municipality	3,156.00
Village Zemo Machkhaani Public School of Dedoplistskaro Municipality	4,716,608.09
LEPL Village Lambalo Public School of Sagarejo Municipality	2,662.00
Total	4,744,604.32

Note №12 - Short-term and long-term financial liabilities

Account №2-22-2100 - Long-term non-budgetary borrowings in national currency. The balance at the beginning of the year and the end of the year amounts to **215,984.00** GEL and represents the long-term loan of the university clinics of LEPL - Tbilisi State Medical University in GEL. The clinics have signed the agreements with insurance companies for reimbursement of patients’ treatment costs. JSC “Medical Insurance Group Archimedes Global Georgia” went bankrupt and could no longer reimburse the clinics for the work already done. Instead, the Ministry of Labour, Health and Social Affairs of Georgia signed an agreement with the clinics and allocated a loan of **215,984.00** GEL for the period of 25 years.

Note №13 – Accounts payable, provisions and other liabilities

In the mentioned form, a change was made in the opening balances, for detailed information please see the Form F1. See the **Note №13** of the financial statements for the relevant financial operations of the current 2023 year. The opening balances were adjusted by 326,841 GEL, including:

Short-term accounts payable №2-13-0000	12,848,868.00	13,369,655.00	(520,787.00)
Payables related to treasury transactions №2-13-1000	48,701.00	48,701.00	-
Short-term (current) accounts payable arising from taxes №2-13-2000	2,967,218.00	3,021,653.00	(54,435.00)
Accounts payable related to employees and fellows №2-13-3000	1,276,821.00	1,227,735.00	49,086.00
Including the liabilities arising from social assistance* №2-13-3900	8,161.00	8,161.00	-
Short-term accounts payable related to supply of goods and services №2-13-4000	5,218,413.00	5,145,801.00	72,612.00
Short-term accounts payable related to provision of non-financial assets №2-13-6000 (former 3220)	4,383,022.00	4,959,483.00	(576,461.00)
Interest payable №2-13-5000	-	-	-
Other short-term (current) accounts payable №2-13-9000	(1,045,307.00)	(1,033,718.00)	(11,589.00)
Other short-term (current) liabilities (№2-15-0000)	19,608,625.00	19,414,679.00	193,946.00
Short-term (current) income received in advance №2-15-1000	19,607,771.00	19,413,825.00	193,946.00
Short-term (current) tax incomes received as an advance №2-15-1100	7,200.00	7,200.00	-
Short-term (current) non-tax incomes received as an advance №2-15-1200	19,600,571.00	19,406,625.00	193,946.00
Short-term (current) rental income received as an advance №2-15-1210	293,342.00	293,342.00	-
Short-term (current) income from grants and other non-exchange transactions received as advances №2-15-1220	178,588.00	(34,621,068.00)	34,799,656.00
Other short-term (current) non-tax incomes received as an advance №2-15-1230	19,128,641.00	53,734,351.00	(34,605,710.00)
Short-term (current) non-monetary liabilities by receiving non-financial assets №2-15-2100	-	-	-
Short-term (current) liabilities arising from assets to be issued as a result of barter transactions №2-15-3000	-	-	-
Short-term (current) non-monetary liabilities related to non-exchange transactions №2-15-4000	854.00	854.00	-
Liabilities with temporarily subscribed funds №2-16-000	2,531,993.00	2,531,982.00	11.00
Liabilities with temporarily subscribed funds in the Treasury №2-16-1000	2,531,993.00	2,531,982.00	11.00
Liabilities with temporarily subscribed funds in the bank №2-16-2000	-	-	-
Return reserve subaccount №2-16-3000	-	-	-
Long-term accounts payable №2-26-0000	835,521.00	835,521.00	-
Long-term accounts payable related to supply of goods and services	-	-	-
Long-term accounts payable accrued by supply of non-financial assets	-	-	-
Other long-term accounts payable	835,521.00	835,521.00	-

Note №14 - Incomes from taxes, grants, etc.

According to the retrospective recalculation, a change was made to the Note №14b - Incomes from grants - in relation to the transactions of 2023 - as of 31.12.2022 and the adjustment amounted to 27,694,843 GEL, in particular:

Title	Change		
	Current	Capital	Total
<i>In monetary form 4-31-0000</i>	1,961,932.00	(2,147,354.00)	(185,422.00)
Received from foreign governments 4-31-1100	-	-	-
Received from international organizations 4-31-1200	(187,433.00)	-	(187,433.00)
Received from state entities 4-31-1300	2,149,365.00	(2,147,354.00)	2,011.00
Received from state entities of the same level 4-31-1310	2,149,365.00	(2,147,354.00)	2,011.00
Received from state entities of other level 4-31-1320	-	-	-
<i>In kind 4-32-0000</i>	10,415,822.00	17,464,443.00	27,880,265.00
Received from foreign governments 4-32-1100	-	-	-
Received from international organizations 4-32-1200	2,597.00	-	2,597.00
Received from state entities 4-32-1300	10,413,225.00	17,464,443.00	27,877,668.00
Received from state entities of the same level 4-32-1310	10,413,225.00	17,464,443.00	27,877,668.00
Received from state entities of other level 4-32-1320	-	-	-
Total	12,377,754.00	15,317,089.00	27,694,843.00

A change was also made to the Note №14c - Incomes from other transactions in the opening balances and was adjusted by 1,627,726 GEL.

Title	Turnover of the previous reporting period	2022	
		Total	
Incomes from sanctions, fines and penalties 4-44-0000	5,468,159.00	3,579,794.00	1,888,365.00
Incomes from external transfers not elsewhere classified 4-45-0000	6,315,072.00	6,575,711.00	(260,639.00)
Incomes from current external transfers not elsewhere classified 4-45-1000	4,011,552.00	4,272,191.00	(260,639.00)
Incomes from external capital transfers not elsewhere classified 4-45-2000	2,303,520.00	2,303,520.00	-
Incomes from internal transfers 4-50-0000	1,697,345,357.00	1,697,345,357.00	-
Incomes from current internal transfers 4-52-0000	1,586,264,591.00	1,586,264,591.00	-
Incomes from internal capital transfers 4-51-0000	111,080,766.00	111,080,766.00	-
Total	1,709,128,588.00	1,707,500,862.00	1,627,726.00

Title	Note*	Turnover of the previous reporting period	Turnover of the previous reporting period	Difference
		Total	Total	
Incomes				
Tax incomes	S14 a	-	-	
Social contributions		-	-	
Incomes from sanctions, fines and penalties	S14 c	5,468,159.00	3,579,794.00	1,888,365.00
Incomes from grants	S14 c	362,616,101.00	334,921,258.00	27,694,843.00
Incomes from external transfers not elsewhere classified	S14 c	6,315,072.00	6,575,711.00	260,639.00)
Incomes from internal transfers	S14 c	1,697,345,357.00	1,697,345,357.00	-
Incomes from exchange transactions other than interest and incomes from sale of non-current assets	S15 a	1,368,570,525.00	1,367,934,213.00	636,312.00
Gains from the sale of non-current assets	S15 b S17 a**	3,000,000.00	3,000,000.00	-
Interest incomes	S15 a	15,443,521.00	15,139,754.00	303,767.00
Incomes from reversal of doubtful (bad) debts/depreciation/impairment	S16	51,149.00	39,515.00	11,634.00
Various incomes	S18	8,329,105.00	8,320,848.00	8,257.00
Total incomes		3,467,138,989.00	3,436,856,450.00	30,282,539.00

Above-mentioned changes are due to the corresponding activities in the separate program codes indicated in the table, including:

Title	32 01 05	32 02 01	32 03 01	32 04 02 07	32 04 05 02-12	Total
	Infra	Schools	Profs	Door of Knowledge	Higher institutions	
Incomes						
Tax incomes						
Social contributions						
Incomes from sanctions, fines and penalties	1,211,836.00	-	-	-	676,529.00	1,888,365.00
Incomes from grants	-	26,665,643.00	47,077.00	-	982,123.00	7,694,843.00
Incomes from external transfers not elsewhere classified	-	-	-	-	(260,639.00)	(260,639.00)
Incomes from internal transfers	-	-	-	-	-	-
Incomes from exchange transactions other than interest and incomes from sale of non-current assets	-	-	-	-	636,312.00	636,312.00
Gains from the sale of non-current assets	-	-	-	-	-	-
Interest incomes	-	-	-	-	303,767.00	303,767.00
Incomes from reversal of doubtful (bad) debts/depreciation/impairment	-	-	-	11,634.00	-	11,634.00
Various incomes	-	-	-	-	8,257.00	8,257.00
Total incomes	1,211,836.00	26,665,643.00	47,077.00	11,634.00	2,346,349.00	30,282,539.00

Note №15 – Incomes from exchange transactions:

As of 01.01.2023, the opening balances are recorded in the following program codes:

	S15!G13		
N3	7,276,759.00	Development and management of the quality of education	32 01 03
N4	939,162.00	Education Management Information System	32 01 04
N8	1,023,368,413.00	Funding of general education schools	32 02 01
N10	72,640.00	Provision of a safe educational environment	32 02 03
N25	26,552,948.00	Promotion of vocational education development	32 03 01
N27	207,770.00	Vocational training of national minorities	32 03 03
N28	5,669,597.00	Organization of examinations	32 04 01
N39	318,488,882.00	Promotion of higher educational institutions	32 04 05 02-12
N40	518,280.00	Promotion of scientific grants and scientific research 32050101, 32050102 Rustaveli Foundation	32 05 01 01- 02
N42	913,995.00	Scientific institutions programs	32 05 02

N43	5,600.00	Promotion of the Georgian Academy of Agricultural Sciences	32 05 03
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	1,384,014,046.00		
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There are changes in the incomes from exchange operations in the opening balances, they are increased by 940,079 GEL. For detailed information on changes, please see the relevant program code definition.

Title	Turnover of the previous reporting period of 2023	Financial Statements 2022	Difference
Incomes from property 4-41-0000	15,443,521.00	15,139,754.00	303,767.00
Interest incomes 4-41-1000	15,443,521.00	15,139,754.00	303,767.00
Dividend incomes 4-41-2000	-	-	-
Income from rent 4-41-3000	-	-	-
Income from sales of goods and services 4-42-0000	1,368,052,245.00	1,367,415,933.00	636,312.00
Income from sales of goods 4-42-1000	3,941,908.00	3,941,908.00	-
Income from provision of services 4-42-1000	1,364,110,337.00	1,363,474,025.00	636,312.00
Other operating income	518,280.00	518,280.00	-
Total	1,384,014,046.00	1,383,073,967.00	940,079.00

Above change was caused by the adjustment of the income received from the exchange transactions of the previous year by higher education institutions, in particular:

Title	Adjustment			Total
	Ilia University	Javakhishvili University	Akaki Tsereteli University	
Incomes from property 4-41-0000	303,767.00	-	-	303,767.00
Interest incomes 4-41-1000	303,767.00			303,767.00
Dividend incomes 4-41-2000				-
Income from rent 4-41-3000				-
Income from sales of goods and services 4-42-0000	(89,219.00)	610,341.00	115,190.00	636,312.00
Income from sales of goods 4-42-1000				-
Income from provision of services 4-42-1000	(89,219.00)	610,341.00	115,190.00	636,312.00
Other operating income				-
Total	214,548.00	610,341.00	115,190.00	940,079.00

Note №16 - Impairment expenses and impairment reversal

No change was made in the opening balances, and in accordance with the program codes, as of 31.12.2023, the reversing impairment income is distributed according to individual accounts as follows:

Title	Turnover of 31.12.2023 reporting period			
	Total	35	39	62
Reversing impairment income		32 04 02 07	32 04 05 02-12	*
Revenue generated by reversal of provisions for bad debts 4-91-0000	374,612.00	14,579.00	286,632.00	73,401.00

Incomes generated by reversal of depreciation of fixed assets 4-93-0000	3,478.00		3,478.00	
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In accordance with the program codes, as of 31.12.2023, reversing depreciation expenses are distributed according to individual accounts as follows:

N	Program codes	Expenses of doubtful/bad debts 5-91-0000	Expenses for reduction of value of the inventories 5-92-0000	Fixed assets depreciation expenses 5-93-0000	Intangible assets depreciation expenses 5-95-0000
1	32 01 01	2,077.00	302,540.00	67,930.00	129.00
2	32 01 02		865.00		
3	32 01 03	1,704.00			
5	32 01 05		639,459.00		
8	32 02 01	931.00	333,969.00	6,593,025.00	
10	32 02 03	122.00		24,167.00	
11	32 02 04		5,862.00		
16	32 02 09				1,440.00
20	32 02 13 01		576.00	482.00	
25	32 03 01	7,074.00	2,300.00	11,145.00	
28	32 04 01		1,219.00	12,538.00	
39	32 04 05 02-12	11,322,064.00	74.00	773,981.00	43,290.00
40	32 05 01 01-02			876.00	
42	32 05 02		361.00		
46	32 06 01		22,945.00		
60	32 01 01 -G		14,411.00		56.00
61	32 01 01 -H		412.00		
62	*	101,185.00	5,415.00		
		11,435,157.00	1,330,408.00	7,484,144.00	44,915.00

The accounts receivable recorded in the financial statements 2023 of the Ministry prior to elimination amounted to 479,834,282 GEL, and the accounts payable amounted to 170,475,950 GEL. Please see the table below for individual program codes:

32 00	2023	
Program code	Debtor	Creditor
32 01 01	29,367.00	13,219.00
32 01 02	20,810.00	5,856.00
32 01 03	1,987,170.00	3,136,012.00
32 01 04	2,529,301.00	734.00
32 01 05	131,133,137.00	25,323,322.00
32 01 06	4,152,986.00	-
32 01 07	519,605.00	519,605.00
32 01 08	-	29.00
32 02 01	16,714,470.00	10,392,430.00
32 02 02	533,615.00	222,826.00
32 02 03	272,136.00	200,492.00
32 02 04	39,580.00	-
32 02 12	210,949.00	-
32 02 13 03	9.00	9.00
32 03 01	27,003,537.00	8,869,701.00
32 03 02	5,470,012.00	324,118.00
32 03 03	120,192.00	54,505.00
32 04 01	1,740,572.00	98,890.00
32 04 02 07	340,518.00	-
32 04 02 08	95,891.00	-
32 04 03 01	12,246.00	-
32 04 04	14,695,870.00	-
32 04 05 02-12	195,858,719.00	114,868,946.00
32 05 01 01- 02	52,951,459.00	24,521.00

32 05 01 03	9,473,796.00	121,449.00
32 05 02	3,417,508.00	2,808,039.00
32 05 03	95,066.00	120,779.00
32 05 04	39,500.00	-
32 05 05	100,539.00	30,262.00
32 06 01	3,421.00	-
32 08	6,038,643.00	1,114,716.00
32 10	2,225,490.00	2,225,490.00
32 04 05 01	109,114.00	-
32 03 01 01	1,858,581.00	-
32 01 01 -H	1,104.00	-
*	39,369.00	-
Total:	479,834,282.00	170,475,950.00

Elimination

1. Elimination of accounts receivable and accounts payable

From the report on the consolidated financial statements 2023 of the Ministry, the accounts receivable of the internal system of the Ministry, which are subject to elimination according to individual programs, amount to **62,141,274 GEL**, and **according to the reports**, a total of **15,522,274 GEL** is subject to elimination from **S2a - Short-term (current) accounts receivable**, and a total of **46,619,000 GEL** from **S4 – Other short-term (current) assets**. In total, the accounts receivable of the internal system subject to elimination is **62,141,274 GEL**, including:

Program codes	Debtor
32 01 03	8,405,503.00
32 02 03	200,000.00
32 03 03	54,155.00
32 05 01 01-02	18,539.00
32 05 02	2,594,183.00
32 02 01	9,060,475.00
32 04 05 02-12	39,613,976.00
32 01 03	1,996,539.00
32 02 02	77,134.00
32 05 03	120,770.00
32 00	62,141,274.00

Report N	Debtor
1-13-4000	1,963,833.00
1-13-6000	2,407,501.00
1-13-9000	11,150,940.00
1-15-1100	474,134.00
1-15-1200	2,040,957.00
1-15-1300	44,103,909.00
	62,141,274.00

The accounts payable of the internal system of the Ministry, which is subject to elimination according to the individual programs, also amounted to 62,141,274 GEL, including 62,141,274 GEL according to separate reports from S13a – Cost estimate. Please see the table for details:

Program codes	Creditors
32 02 04 01	36,810.00
32 02 12 01	210,949.00
32 04 02 07	275,649.00
32 04 02 08 01	95,892.00
32 05 05	1,812.00
32 06 01 01	3,422.00
32 08	4,408,424.00
32 01 05	16,016,402.00
32 03 01	56,207.00
32 01 04	19,050.00
32 05 01 01-02	32,311,587.00

Report N	Creditors
2-13-4000	287,755.00
2-13-9000	140,173.00
2-15-1220	54,412,151.00
2-15-1230	7,301,195.00
	62,141,274.00

32 03 01 01	1,858,581.00
32 05 01 03	6,932.00
32 02 01	1,580,232.00
32 03 02	4,747,770.00
32 04 05 02-12	507,040.00
32 04 01	1,815.00
32 01 03	2,700.00

62,141,274.00

According to the organizations under the control of the Ministry, program codes, years of origin and relevant accounts – please find the detailed information in the Appendix N1 – Accounts receivable and accounts payable.

2. Elimination of assets

In the financial statements of 2023, a total of **237,717,452** GEL is recorded in the **inflow** according to assets grants article, including **71,543,045.00** GEL of the inventories – in S3, **166,041,095.00** GEL of fixed assets – in S6, **6,300.00** GEL of intangible assets - in S8, and **127,012.00** GEL of other non-financial long-term assets - in S11. Please see the detailed information shown in the forms in the table below, according to individual program codes:

32 00	Inflow				Total inflow
Program code	S3	S6	S8	S11	
32 01 01	94,411.00	2,128,761.00	-	-	2,223,172.00
32 01 02	5,999,283.00	493,825.00	-	-	6,493,108.00
32 01 03	238.00	-	-	-	238.00
32 01 04	1,160.00	27,812.00	-	-	28,972.00
32 01 05	343,745.00	611,269.00	-	26,272.00	981,286.00
32 02 01	64,437,599.00	153,163,741.00	-	13,120.00	217,614,460.00
32 02 03	-	12,413.00	-	-	12,413.00
32 02 12	8,520.00	-	-	-	8,520.00
32 02 13 03	45.00	-	-	0.00	45.00
32 03 01	159,472.00	4,255,398.00	-	-	4,414,870.00
32 04 01	612.00	-	-	-	612.00
32 04 05 02-12	359,010.00	4,848,256.00	-	-	5,207,266.00
32 05 01 03	1,015.00	30,611.00	6,300.00	-	37,926.00
32 05 02	-	469,009.00	-	87,620.00	556,629.00
32 01 01 -H	137,935.00	-	-	-	137,935.00
	71,543,045.00	166,041,095.00	6,300.00	127,012.00	237,717,452.00

In the financial statements of 2023, a total of **177,906,732** GEL is recorded in the **outflow** according to assets grants article, including 49,934,767.00 GEL of the inventories – in S3, 11,332,141.00 GEL of fixed assets – in S6, 6,300.00 GEL of intangible assets - in S8, and 116,633,524.00 GEL of other non-financial long-term assets - in S11. Please see the detailed information shown in the forms in the table below, according to individual program codes:

32 00	Outflow				Total outflow
Program code	S3	S6	S8	S11	
32 01 01	15,630.00	462,875.00	-	-	478,505.00
32 01 02	-	4,667.00	-	-	4,667.00
32 01 03	4,747.00	17,703.00	-	-	22,450.00
32 01 04	205,273.00	1,882,304.00	-	-	2,087,577.00
32 01 05	48,570,834.00	228,236.00	-	116,633,524.00	165,432,594.00
32 01 06	992.00	-	-	-	992.00

32 02 01	39,878.00	126,778.00	-	-	166,656.00
32 02 02	75,396.00	2,770.00	-	-	78,166.00
32 02 03	-	19,282.00	-	-	19,282.00
32 02 12	6,816.00	-	-	-	6,816.00
32 02 13 03	3,811.00	-	-	0.00	3811
32 03 01	281,460.00	1,183,418.00	-	-	1,464,878.00
32 04 01	-	21,736.00	-	-	21,736.00
32 04 03 01	7,944.00	-	-	-	7,944.00
32 04 05 02-12	45,824.00	7,315,384.00	-	-	7,361,208.00
32 05 01 01- 02	1,015.00	30,611.00	6,300.00	-	37,926.00
32 05 02	5,577.00	742.00	-	-	6,319.00
32 05 05	143,479.00	-	-	-	143,479.00
32 06 01	41,861.00	-	-	-	41,861.00
32 08	341,372.00	35,635.00	-	-	377,007.00
32 01 01 -G	150.00	-	-	-	150.00
32 01 01 -H	142,708.00	-	-	-	142,708.00
	49,934,767.00	11,332,141.00	6,300.00	116,633,524.00	177,906,732.00

A total of **150,190,072** GEL assets were subject to elimination from the consolidated financial statements of the Ministry for 2023, including according to separate reports, please see the analytical table below:

	With grants	Total elimination from the inflow	With grants	Elimination from the outflow
Raw materials and supplies 1-14-1100	116,473.00	116,473.00	3,835.00	3,835.00
Low-value assets 1-14-1410	15,456,803.00	14,584,965.00	16,633,013.00	16,548,112.00
Rest of other materials and supplies 1-14-1420	55,969,769.00	55,506,929.00	33,297,919.00	33,115,068.00
Total	71,543,045	70,208,367	49,934,767	49,667,015

	119,814,133	36,138,008	7,762,523	677,073
Residential apartments 1-22-1100	0	0	0	
Non-residential buildings 1-22-1200	113,939,839	32,202,897	2,255,049	142,558
Other premises 1-22-1300	5,031,570	3,405,556	5,569	4,960
Land improvement 1-22-1400	0	0	0	
Land 1-22-1500	842,724	529,555	5,501,905	529,555
Transport equipment 1-22-2100	412,759	310,963	310,963	310,963
Other machinery and equipment 1-22-2200	45,775,543	43,399,332	3,257,358	3,246,290
Information, computer, telecommunication and other devices, furniture and equipment 1-22-2210	27,309,277	26,053,497	2,030,321	2,030,321
Other machinery 1-22-2220	18,466,266	17,345,835	1,227,037	1,215,969
Military weapon systems 1-22-2300	0	0	0	
Cultivated plants and animals 1-22-3000	38,660	90	1,297	186
Total	166,041,095	79,848,393	11,332,141	4,234,512

Other intellectual property products 1-24-1500	6,300	6,300	6,300	6,300
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Assets, the title of which has not yet been acquired or accepted for transfer to other entities 1-27-4200	127,012	127,012	116,633,524	96,282,245	20,351,279
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0	150,190,072	150,190,072	0
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Accordingly, the following are removed from the financial statements' forms:

N	GEL is eliminated from the infow	GEL is eliminated from the outflow	Balance
S3	-70,208,367	-49,667,015	-20,541,352
S6	-79,848,393	-4,234,512	-75,613,881
S8	-6,300	-6,300	0
S11	-127,012	-96,282,245	96,155,233

	-150,190,072	-150,190,072	0
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Note №11 - Other non-financial long-term assets - 116,633,524 GEL are recorded in the outflow of assets, of which 96,282,245 GEL of assets were subject to elimination, and the difference of 20,351,279 GEL, which is shown in the outflow, is the value of services invested in the assets, which was recognized by the recipient in the income during 2023 as the running costs. Above-mentioned information is provided in the Note №14 b - Incomes from grants, including:

	S14'027		
N1	(339,738.00)	Development of state policies and management of programs in the fields of education and science	32 01 01
N2	(28,420.00)	Facilitation of implementation of the policy of the Ministry in the field of education	32 01 02
N8	(19,983,121.00)	Funding of general education schools	32 02 01
	(20,351,279.00)		

LEPL - Education and Scientific Infrastructure Development Agency carries out procurements from various economic classification articles within the allocations determined from the state budget, including:

- from current transfers not elsewhere classified -2.8.2.1,
- from capital transfers not elsewhere classified -2.8.2.2,
- from article – Increase of non-financial assets - 31,

Purchased assets, which are transferred free of charge to the organizations included in the system of the Ministry - various types of supplies, materials, fixed assets, as well as it carries out construction and rehabilitation works. Accordingly, the articles of the economic classification of procurements by infrastructure are different (it is logical that inflow with grants is not in compliance with the articles of the economic classification of outflow). However, the analysis of inflow and transfer of the assets in the internal system of the Appendix N2 shows that a total of **150,190,072** GEL was subject to elimination.

It should be mentioned that the Note S6 – inflow of fixed assets under the Grant article exceeds outflow under the Grant article, and inflow of inventories S3 – under the Grant article is less than outflow under the Grant article, however this is balanced by the Note №S11 - Unfinished assets (Assets, the title of which has not yet been acquired or accepted for transfer to other entities, account №1-27-4200).

3. Elimination of income and expenses in monetary form

From the consolidated financial statements, 2023 of the Ministry, in order to eliminate the actual income and actual expenses in the internal education system, the Ministry has prepared the Appendix N3, which provides for reflection of the actual expenses and actual income from the cash operations carried out in 2023 between the organizations under the control of the Ministry, for the purpose of final elimination.

As a result of consolidation and analysis of the above-mentioned form, it was determined that **1,253,281,260 GEL is subject to elimination from the expenses according to separate program codes and the accounting reports**, in particular:

	Account 5-31-1310	Account 5-20-000	Account 5-35-0000	Account 5-52-000	Account 5-73-1000	Account 5-73-2000	Total actual expenses
	8,269,092.00	799,817.64	2,448,845.91	294,353.26	1,239,234,320.01	2,295,177.06	1,253,341,605.88
32 01 03	0.00	87,771.00					87,771.00
32 01 05	4,366,713.96	66,600.00			161,400.00	2,295,177.06	6,889,891.02
32 02 01	0.00	171,449.66			1,086,177,491.87		1,086,348,941.53
32 02 02	0.00	56,790.00					56,790.00
32 02 03	0.00	60,678.00					60,678.00
32 02 04 01	92,459.61	0.00	55,099.12		5,625.00		153,183.73
32 02 08	135,153.25		38,943.07				174,096.32
32 02 12			1,531,404.22		441,963.15		1,973,367.37
32 02 13 03	18,050.00						18,050.00
32 03 01	0.00	23,600.00	33,958.00		36,446,677.96		36,504,235.96

32 03 02	2,350,931.83	62,219.00					2,413,150.83
32 03 03	0.00	16,500.00					16,500.00
32 04 01	0.00	84,206.86					84,206.86
32 04 02 01					68,809,149.25		68,809,149.25
32 04 02 02					2,738,200.00		2,738,200.00
32 04 02 03					1,778,850.00		1,778,850.00
32 04 02 04					1,627,500.00		1,627,500.00
32 04 02 05					1,394,425.00		1,394,425.00
32 04 02 06					11,100.00		11,100.00
32 04 02 07					265,979.43		265,979.43
32 04 02 08	688,468.24						688,468.24
32 04 04	0.00	15,600.00					15,600.00
32 04 05 02-12	432,537.30	105,683.12	28,799.00	294,353.26	1,675.23		863,047.91
32 05 01-02	114,051.51	48,720.00					162,771.51
32 05 01 03	26,670.00						26,670.00
32 05 05	40,489.30						40,489.30
32 06 01	3,567.00		760,642.50				764,209.50
32 06 03					39,374,283.12		39,374,283.12
VAT paid by governance		-60,345.46					
	8,269,092.00	739,472.18	2,448,845.91	294,353.26	1,239,234,320.01	2,295,177.06	1,253,281,260.42

The **actual income** subject to the internal system totaled **1,257,475,677** GEL.

	Account 4-31-1200	Account 4-31-1310	Account 4-31-2310	Account 4-42-1000	
	48,036.30	12,629,661.73	877,404.94	1,243,920,574.26	Total
32 01 03		19,146.20		4,472,559.36	4,491,705.56
32 01 04				335,532.20	335,532.20
32 02 01		6,814,494.55		1,125,993,738.14	1,132,808,232.69
32 02 03				27,600.00	27,600.00
32 03 01		1,801,787.12	850,734.94	26,351,770.73	29,004,292.79
32 04 01				7,367.50	7,367.50
32 04 05 02-12	48,036.00	3,988,325.20	26,670.00	86,732,006.33	90,795,037.53
32 05 01-02		0.00			0.00
32 05 02		5,908.66			5,908.66
Schools				-3,549,158.00	-3,549,158.00
Universities				-577,449.41	-577,449.41
Colleges				-67,809.00	-67,809.00
	48,036.00	12,629,661.00	877,405.00	1,239,726,158.00	1,253,281,260.00

Note: 4,194,416.41 GEL was not subject to elimination from actual income and was removed (from actual income), including:

32 02 01	3,549,158.00	The funds of the schools, credited to the account of LEPL - National Center for Education Quality Enhancement, were recognized by the recipient in the actual income, however, due to recognition by the schools as an intangible asset, they were not recognized in the actual expenses in the current year of 2023.
32 04 05 02-12	577,449.41	Funds deposited by the universities into the account of LEPL - National Center for Education Quality Enhancement were recognized by the recipient in the actual income, however, due to recognition by the universities as an intangible asset, they were not recognized in the actual expenses in the current year of 2023.
32 03 01	67,809.00	Funds deposited by the colleges into the account of LEPL - National Center for Education Quality Enhancement were recognized by the recipient in the actual income, however, due to recognition as an intangible asset by the universities, they were not recognized in the actual expenses in the current year.
	4,194,416.41	

1,253,281,260 GEL is subject to elimination from the actual incomes according to separate software codes and accounting reports.

Elimination result:

1. As a result of elimination of notes S2a, S4, S8, S11 in note forms, a total of 62,141,274 GEL of accounts receivable and accounts payables were eliminated, including in accordance with the accounts:

Account №	Debtor	Account №	Creditors
1-13-4000	1,963,833.00	2-13-4000	287,755.00
1-13-6000	2,407,501.00	2-13-9000	140,173.00
1-13-9000	11,150,940.00	2-15-1220	54,412,151.00
1-15-1100	474,134.00	2-15-1230	7,301,195.00
1-15-1200	2,040,957.00		
1-15-1300	44,103,909.00		
	62,141,274.00		62,141,274.00

2. As a result of elimination of notes S3, S6, S8, S11, S14, S17 in note forms, a total of 150,190,072 GEL of assets received and issued as a commodity grant of the internal system have been eliminated, including:

N	GEL is eliminated from inflow	GEL is eliminated from outflow	Balance
S3	-70,208,367	-49,667,015	-20,541,352
S6	-79,848,393	-4,234,512	-75,613,881
S8	-6,300	-6,300	0
S11	-127,012	-96,282,245	96,155,233
	-150,190,072	-150,190,072	0

3. From the consolidated financial statements of the Ministry of 2023, the actual income and actual expenses in the internal education system are eliminated in the amount of 1,253,281,260 GEL - in total note S14, S15, S17, respectively in total 1,253,281,260 GEL was subject to elimination in the income and expenses items in the statement of financial results - F2.

As a result of elimination, the balance of the Ministry's balance sheet in the reporting period of F1 – statement of financial position as of 31.12.2023 was reduced by 62,141,274 GEL (in the amount of accounts receivable and account payable), and as of December 31, 2022 by 107,992,111 GEL.

Please see the detailed information on financial position by individual budget program codes, including:

1. Development of state policies and management of programs in the fields of education and science - 32 01 01

32 01 01	Development of state policies and management of programs in the fields of education and science	
00	Total	14,641,979.04
2	Expenses	14,532,614.04
31	Increase of non-financial assets	109,365.00

As of December 31, 2023, Within the framework of the program “Development of state policies and management of programs in the fields of education and science” (apparatus), the following are credited to the balance sheet:

Note 2: At the beginning of 2023, 858.76 GEL was credited to the account of the budget organization in the commercial bank in national currency, which was repaid to the budget on January 24, 2023. In order to spread the social activities of the Ministry widely in the society, a multi-currency account belonging to the Ministry has been opened in TBC Bank, where from July 2, 2019, funds from the State Budget are being transferred in advance for the purpose of purchasing advertising services. During 2023, 37,000 GEL was deposited into the account within the framework of the apparatus (a total of 39,800 GEL was deposited,

including 37,000.00 GEL - program code 32 01 01 and 2,800 GEL - 32 02 13 01 code) and was utilized, 35,760.35 GEL was spent (in total 38,446.27 GEL, including 35,760.35 GEL - program code 32 01 01 and 2,685.92 GEL - program code 32 02 13 01).

As of December 31, 2023, account №1-11-2410, a balance of **1,239.65** GEL is credited to the account of budget organization in the commercial bank in national currency (total 1,435.78 GEL, including 1,239.65 GEL - program code 32 01 01 and 196.13 GEL - program code 32 02 13 01). The balance on the above-mentioned account was repaid to the State Budget on January 15, 2024 (payment orders N1, N2).

Note 2a: Account №1-13-2100 – receivables with income tax. 1,704.16 GEL was credited to the account for during the reporting period, in particular:

- **128.74** GEL - [REDACTED] was given maternity leave from December 22, 2023 through June 21, 2024, based on the Order N1772976 of the Minister of Education and Science of Georgia dated December 27, 2023. On December 20, 2023, the salary for December was fully credited to [REDACTED], therefore, the overpaid salary of December 23-31 - 514.98, was repaid to the budget (charged salary is **656.86** GEL, including: pension contribution - **13.14** GEL, income tax - **128.74** GEL). In December, the income tax offset could not be done because the Treasury technically disabled the stand-alone module tab. Therefore, **128.74** GEL was written off from the account 5-91-0000 - with doubtful/bad debts costs.
- **1,575.42** GEL - on the basis of the order N100712 of the Ministry of Education and Science of Georgia, dated January 31, 2023, on February 3, 2023, maternity leave of Ms. [REDACTED] was reimbursed with the net amount of 8,736.80 GEL (charged 11,143.88 GEL, income – 1,575.42 GEL), which includes the vacation amount for the period from January 27 through July 28, 2023 (183 calendar days). A lawsuit has been filed in the Tbilisi City Court for the net amount received by Ms. [REDACTED], and the trial has not been scheduled (service card N171313, 16.02.2024). Based on the minutes of meeting, dated November 30, of the financial inventory commission of 2023, 1,575.42 GEL of income tax was offset in December 2023 and deducted from the relevant account.

Account №1-13-3200 – Short-term (current) accounts receivable with the employee's contributions in the pension scheme. 173.90 GEL was credited to the account during the reporting period, namely:

- **160.76** GEL - represents the pension tax of Ms. [REDACTED]. Based on the minutes of meeting of the financial inventory commission of 2023, dated November 30, **160.76** GEL of pension tax was returned from the Pension Agency.
- **13.14** GEL - the pension contribution of the employee transferred to the Pension Agency in December is credited to the account, totaling **13.14** GEL, which is the amount of salary of [REDACTED] transferred in excess for the month of December. A request was sent to the administration of the pension system of the State Treasury program for over-transferred pension amount of [REDACTED] - **13.14** GEL, although this amount was recorded on January 05, 2024 on the treasury code 302003460. Therefore, 13.14 GEL was recognized as an account receivable that was written off in January 2024.

Account №1-13-4610 - Short-term (current) receivable for other fines, sanctions and charges in the national currency. Opening balance amounted to 67.28 GEL in the reporting period. During the year, fines in the amount of 2,201.21 GEL were recognized on the account, of which **1,631.21** GEL was deducted from the balance, according to the amounts returned by the organizations and the receipts presented. As of December 31, 2023, **637.28** GEL is credited to the account. In particular:

- Accounts receivable in the amount of **67.28** GEL arising on the basis of the agreement N02-13/2 signed by and between the Ministry of Education and Science of Georgia and “Tbilisi Business House” LLC on February 10, 2022. Above-mentioned debt arose due to improper fulfillment of the contractual obligation by the provider. By the letter N1533402 of the Economic Department, dated December 01, 2022, the organization was informed about the debt and its repayment was requested. As of December 31, 2023, the amount was not repaid. On the initiative of the Accounting Division of the Ministry, the case was transferred to the Legal Department for the purpose of legal proceedings, with the service card N1473389, dated November 01, 2023. According to the service card N171313 of the Legal Department, dated February 16, 2024, the Ministry filed a lawsuit against “Tbilisi Business House” LLC in the Tbilisi City Court with a request for the repayment of **67.28** GEL. At this stage, the trial is not scheduled.
- Accounts receivable in the amount of **570.00** GEL was arisen in the basis of the agreement N1-95/1 signed by and between the Ministry of Education and Science of Georgia and “DV Group” LLC signed on January 12, 2023. Above-mentioned debt arose due to improper fulfillment of the contractual obligation by the contractor. On February 8, 2023,

by the letter N142431 of the Ministry of Science, "DV Group" LLC was informed about imposition of fine in the amount of **570.00** GEL and payment obligation. As of December 31, 2023, the amount was not repaid by the company. By the service card N1473860 of the Accounting Department of the Ministry, dated November 01, 2023, the case was transferred to the Legal Department for the purpose of legal proceedings. According to the service card N171313 of the Legal Department, dated February 16, 2024, a lawsuit was filed against "DV Group" LLC by the Ministry in the Tbilisi City Court with a request for repayment of **570.00** GEL. At this stage, the trial is not scheduled.

Account №1-13-7000 - Short-term (current) receivables for employees and accountable persons. As of December 2023, short-term receivables in the amount of **6,301.68** GEL generated by the employer in the form of monetary social assistance (maternity leave) are credited to the account. On February 3, 2023, on the basis of the Order №100712 of Mr. [REDACTED] the Head of the Administration (Department) of the Ministry of Education and Science of Georgia, dated January 31, 2023, "On use of the vacation due to pregnancy, delivery and childcare by Ms. [REDACTED]", the amount of maternity leave was reimbursed in the net amount of 8,736.80 GEL (charged 11,143.88 GEL), which includes the vacation amount for the period from January 27 through July 28, 2023 (183 calendar days).

According to the Order №367902 of the Head of Administration (Department) of the Ministry of Education and Science of Georgia, dated March 31, 2023, on amendment to the Order №100712 of Mr. [REDACTED] the Head of the Administration (Department) of the Ministry of Education and Science of Georgia, dated January 31, 2023, "On use of the vacation due to pregnancy, delivery and childcare by Ms. [REDACTED] the maternity leave was determined from January 27, 2023 through March 19, 2023 (52 calendar days). Accordingly, the net amount of **6,301.68** GEL paid for the period from March 20 through July 28, 2023 was subject to repayment from 8,736.80 GEL of pre-paid maternity leave. Ms. [REDACTED] was informed about repayment by the letter N384168 of April 5, 2023 initiated by the Accounting Department, but she did not repay. Again - with the letter N670216 of June 9, 2023, request on repayment was sent, however she did not respond.

With the Service card №818206 of the Economic Department, dated July 4, 2023, the case was transferred to the Legal Department for legal consideration. According to the service card N171313 of the Legal Department, dated February 16, 2024, a lawsuit was submitted by the Ministry to the Tbilisi City Court against Ms. [REDACTED] a person employed under an administrative agreement, requesting the repayment of **6,301.68** GEL. No trial has been scheduled.

Account №1-13-7500 - Short-term (current) receivables for business trips inside the country. During the reporting period, the accounts receivable in the amount of 89,814.99 GEL were credited to the account, which were fully written off based on the documentation received in the Accounting Division. As of December 31, 2023, the accounts receivable are not credited.

Account №1-13-7600 - Short-term (current) receivables for business trips outside the country. During the reporting period, the accounts receivable in the amount of **201,122.18** GEL were credited, which were fully written off based on the documentation received in the Accounting Division. As of December 31, 2023, the accounts receivable are not credited.

Account №1-13-7600 - Short-term (current) receivables for business trips abroad (impairment expense/doubtful and bad debts expenses for the year). Short-term accounts receivable in the amount of **1,948.21** GEL were credited to account in the reporting period, which were written off according to the article "Impairment expenses", in particular:

- **145 GEL** - the visit of [REDACTED] - the former Minister of Education and Science of Georgia to London was planned [REDACTED] (Order N212353, [REDACTED]), Within the framework of which, based on the act of acceptance signed by and between the Ministry and "Travelwise" LLC, 6,646.00 GEL was reimbursed for the travel fee of the Minister.
By the Order N290898, [REDACTED], the Order N212353 "On business trip of [REDACTED]", dated [REDACTED] was declared invalid. The flight tickets of the Minister were purchased in advance. Due to the fact that the flight tickets were refundable, the travel company returned the pre-purchased flight tickets, however, the airline imposed a refund penalty for the flight ticket of the Minister - in the amount of **145.00** GEL, the amount of the penalty was recorded as the expenses of doubtful/bad debts **5-91-0000**, in the Note №2 and the Note №16 (the service card N766081 [REDACTED]).
- **1590.21 GEL** - the visit of Mr. [REDACTED] - the former Minister of Education and Science of Georgia to London was planned [REDACTED] - the Head of the Protocol Division of the Strategic Communication Department was also traveling to London with the Minister (order N212866, [REDACTED]). [REDACTED] was compensated for the travel fee of **5813.32** GEL. Due to cancellation of the visit, the business trip orders of the Minister and his accompanying person were declared invalid (Order №298750 [REDACTED]). The airline

imposed a fine for repayment of the flight ticket of the person accompanying the Minister - **1590.21** GEL. The fine amount was recorded as expenses of doubtful/bad debts 5-91-0000, in the Note №2 and the Note №16 (the service card N325792, [REDACTED]).

- **213.00** GEL – [REDACTED] the Head of the Strategic Planning Division of the Department of International Relations and Strategic Development, as a member of the Georgian delegation, was on a business trip from Tbilisi to Geneva, Switzerland [REDACTED]. Based on the Order №26 of the Prime Minister of Georgia, dated February 13, 2023, above-mentioned business trip was canceled and the report Georgia was reviewed in online mode. The order of the business trip was declared invalid (order of cancellation of the business trip №139043; 07/02/2023). The flight tickets for the visit to the Swiss city of Geneva were purchased in advance and the cost of the flight ticket amounted to **1212.80** GEL. The flight tickets were refundable, the travel company repaid the pre-purchased flight tickets, however the airline charged a refund fine in the amount of **213.00** (two hundred and thirteen) GEL. The amount of fine was recorded as the expenses of doubtful/bad debts 5-91-0000, in the Note №2 and the Note №16 (the service card N280124 13.03.2023).

Note 3: №1-14-0000 - Inventory. As of 01.01.2023, total assets worth **908,730.43** GEL were credited to the account Including: **258,832.00** GEL – to the account №1-14-1410, **649,898.00** GEL – to the account №1-14-1420.

During the reporting period, a capital adjustment was made using the retrospective method, which led to a change in the opening balance. The adjustment of capital is due to the fact that the documentation confirming the receipt and issuance of tangible assets for the past 2019 year is presented in the current 2023 year. Accordingly, in the financial statements of 2023, the opening balances of other materials and supplies have increased by **3470.19** GEL and amounted to **912,200.00** GEL, in particular:

- **Account №1-14-1420.** The opening balance was increased by the Christmas tree accessories transferred by the LEPL - Educational and Scientific Infrastructure Development Agency on the basis of the act of acceptance of 2019 in the amount of **1,024.00** GEL, which was not provided to the Accounting Division. (the service card N1753931, 22.12.2023);
- **Account №1-14-1420.** The opening balance was increased by the textbooks delivered to the Preschool and General Education Development Department in 2018 and 2020 by LEPL - Educational and Scientific Infrastructure Agency in the amount of **2,470.71** GEL, which was not provided to the Accounting Division. The National Curriculum and Instructional Resources Division needs the textbooks for fulfillment of the imposed rights and obligations (the service card N1474544, 01.11.2023);
- **Account №1-14-1420.** The opening balance was decreased by **25.22** GEL. This represents the transfer of 4 textbooks with a total value of 8.96 GEL on November 12, 2019 and 6 textbooks with a total value of 16.26 GEL on November 2020 to the National Library of the Parliament of Georgia (the service card N1474544, 01.11.2023) (Appendix N1).

Assets acquired through procurement total **466,668.47 GEL, including:**

- Account №1-14-1410 – **70'225.67** GEL;
- Account №1-14-1420 – **396'442.80** GEL (Appendix N6).

Assets acquired under the article - Grant amount to a total of **94,411.00 GEL, including:**

- Account №1-14-1410 – 11'448.48 GEL;
- Account №1-14-1420 – 82'963.00 GEL (Appendix №3).

Assets received through external transfers amounts to a total of **52,050.00 GEL, including:**

- The service card N1501072 of the Preschool and General Education Development Department, dated November 6, 2023, provides for the factual description of the textbooks, according to which the redundancy of 105 textbooks of 226 units with a total value of **1196.95** GEL is confirmed. Based on the fact that the National Curriculum and Instructional Resources Division needs these textbooks to fulfill the imposed rights and duties, the textbooks worth 1,196.95 GEL were recorded in the income of the financial statements of the Department under the account №4-45-1000, based on the summary protocol of the non-financial inventory of 2023, dated January 29, 2024.
- **Scrap assessed by the audit** - on the basis of the Order №1612348 of the Minister of Education and Science of Georgia, dated November 28, 2023, 337,335 units of printed material with a total value of 255,256.41 GEL were written off within the scope of the machine, including the account №1-14-1420 - 337,317 units in the amount of 254,398.31 GEL; the account №1-22-2220 - 18 units in the amount of 858.10 GEL. Based on the audit report №457-k of "Kompaudi" LLC, dated December 06, 2023, the printed material, including the printed material written off within the programs of the

past and current period, was evaluated as waste paper, the weight of which was 82.6 tons in total, with a value of **49,588.00** GEL. "Kompaudi" LLC has also assessed the scrap of ferrous metal remaining from the written-off assets - 1200 kg with a value of **1265.00** GEL (the service card N1683037, 08.12.2023), which will be transferred to the State Agency of Property National (Order N1715820, 14.12.2023). Above-mentioned amount is recorded in the external transfers of the Note №S3 (Appendix N14).

Assets written off under the article – "Goods and services" amount to **484,191.00 GEL in total, including:**

- Account №1-14-1410 – **144'101.32** GEL;
- Account №1-14-1420 – **340'090.00** GEL (Appendix N8).

Assets provided under the article – "Grant" amount to a total of **15,630.65 GEL, including:**

- Account №1-14-1410 – **412.45** GEL
- Account №1-14-1420 – **15'218.00** GEL (Appendix N4).

Supplies given free of charge/as a gift amount to:

Account №1-14-1420 – **52,961.50** GEL - which was given as a gift to natural persons and non-governmental institutions (Appendix N9).

Assets written off with impairment costs total **302,540.00 GEL, in particular:**

According to the Order N873325, dated July 12, 2023 and the act of acceptances, dated October 13 and 17, 2023, certain property was written off from the relevant accounts of the financial statements and transferred to LEPL – National Agency of State Property for further disposal (the service cards: N1367111 13.10.2023, N1391039 13.10.2023), with a total value of **22,395.10** GEL, which is recorded in the various expenses of the Note 3 (Appendix N11).

N	Accounting statement	Name of account	Quantity	Balance value
1	Account №1-14-1410	Inventory	126	19'087.70
2	Account №1-14-1420	Inventory	12	3307.40
	Total		138	22'395.10

According to the Order №873324, dated July 12, 2023 and on the basis of the act of acceptance №12-63/2 signed by and between the Ministry of Education and Science of Georgia and "Tbilsservice Group" LLC, dated 27.12.2023, certain assets with a total value of **23,620.94** GEL were destroyed and written off from the financial statements (the service cards: №1771884 27.12.2023), which are recorded in various expenses of the Note 3 (Appendix N11).

N	Accounting statement	Name of account	Quantity	Balance value
1	Account №1-14-1410	Inventory	45	3647.86
2	Account №1-14-1420	Inventory	964	19973.08
	Total		1009	23'620.94

According to the Order N833324, dated July 12, 2023 and on the basis of the act of acceptance №09-51/2-2 signed by and between the Ministry of Education and Science of Georgia and "Kompaudi" LLC on 09.12.2023, certain assets with a total value of **2,122.60** GEL were assessed as scrap and written off from the financial statements (the service card N1727973, 18.12.2023), which is recorded in the miscellaneous expenses of the Note 3 (Appendix N11).

N	Accounting report	Name of account	Quantity	Balance value
1	Account №1-14-1410	Inventory	10	717.60
2	Account №1-14-1420	Inventory	20	1405.00
	Total		30	2'122.60

Based on the Order №1612348 of the Minister of Education and Science of Georgia, dated November 28, 2023, **337317** units of printed materials with a total value of **254,398.31** GEL were written off from the account, which is recorded in the Note №3 - Miscellaneous expenses (Appendix №18).

A total of **672,733.00** GEL of inventory is credited to the on the **account №1-14-1400 as of 31.12.2023**, including **172,540.00** GEL – to the **Account №1-14-1410, 500,193** GEL – to the account №1-14-1420 (Appendix N23).

Note №4: Account №1-15-1100 - Short-term (current) receivables for purchase of goods and services with advance payments:

A total of **209,103.36** GEL of accounts receivable were recorded on the account as of **01.01.2023**. in particular:

- On the basis of the agreement N08-95/2 signed by and between the Ministry and “Wissol Petroleum Georgia” on August 6, 2015, the amount transferred in advance to “Wissol Petroleum Georgia” LLC for car washing and dry-cleaning services - in the amount of **418.00** GEL. According to the act of writing off the coupons for washing minibuses submitted under the service card N1715539, dated December 14, 2023, and the service card N1764791, dated December 26, 2023 of the Property Management and Material-Technical Support Division, the accounts receivable are fully **written off**, and **as of December 31, 2023**, no debts are credited to the account.
- The accounts receivable in the amount of **650.00** GEL are credited to **the account as of 01.01.2023**, which on December 21, 2023, according to the Article 21(1¹)(d) of the Law of Georgia “On State Procurements”, was transferred to LEPL State Services Development Agency, for procurement of the means for creation of a qualified electronic stamp of the Ministry (token). As of December 31, 2023, the act of acceptance has not been signed with the Agency, therefore **650.00** GEL is recorded as accounts receivable.
- **Account № 1-15-1200 - Short-term current receivables with advance payments for the purchase of non-financial assets** – based on the agreement N12-85/1 signed by and between the Ministry and “UGT” LLC on December 22, 2022, the amount transferred in advance to “UGT” LLC for purchase of personal computers - in the amount of **168,800.00** GEL was credited to **the account as of 01.01.2023**. Based on the act of acceptance of April 5, 2023, the debt is fully written off.
- **Account №1-15-5000 - Short-term non-monetary receivables with a deficit of non-financial assets** - the deficit of non-financial assets in the amount of **39,885.36** GEL was credited to the account as of 01.01.2023, including: **39,784.36** GEL - fixed assets; **101.00** GEL - low-value assets.
- For the purpose of fulfillment of an inventory of fixed assets, inventory (on the balance sheet and reference items (credited to off-balance sheet accounts)) created under the Order N1243138 of the Acting Minister of Education and Science of Georgia, dated 26.09.2023 (amendment to the Order N1344439, dated 10.10.2023; N1780983, dated 29.12.2023) – recorded in the financial statements of the programs carried out by the Office of the Ministry of Education and Science of Georgia and by the Ministry as of October 01, 2023, the working group of the Inventory Commission carried out a detailed investigation/search of the assets listed on the deficit accounts and determination of the actual location in the building of the Ministry. Out of 53 units of non-financial assets of 45 denominations recorded in the financial statements of the Office of the Ministry, 21 units of assets of 19 denominations were found, on the basis of which the working group of the Inventory Commission submitted a comparison of the deficit and actual census data, in order to clarify the accounting information. Therefore, 21 units of assets of 19 denominations with a total residual value of **18,120.00** GEL were removed from the deficit account, and the assets were restored to the **account №1-22-2210** with a balance value of **18,255.37** GEL.

Accounting name	Actual name	Inventory number	Year of commissioning / acquisition / handover	Quantity (pcs)	Price		
					Unit price (GEL)	Initial balance (historical) value (GEL)	Residual value (GEL)
Tape-recorder “DEW”	Tape-recorder Kometa	010100026	1997	1	36.20	36.20	36.20
HM USR 28800	Scanner Mustek	010100015, 010100016	1997	2	200.94	401.88	401.88
Printer	Printer HP DJ D3160	010100020	2002	1	220.00	220.00	220.00
Printer Epson	Printer Epson FX-800	010100021	1997	1	230.38	230.38	230.38
Color TV “SAMSUNG”	P/A 1357, TV LG	2220003541	2007	1	270.00	270.00	135.00
Xerox “Canon HP 230”	Copier Canon CP660	010100023	1997	1	299.68	299.68	299.68
Xerox P6218	Xerox Copycentre C45	010100025	1997	1	391.80	391.80	391.80
Xerox “HP6216”	Copier Duplo	010100022	1997	1	454.38	454.38	454.38
Copier	Copier Ricoh Priport 3800	013001196	1997	1	614.80	614.80	614.80
Xerox R 5023	Xerox Copycentre 5645	010100024	1997	1	616.63	616.63	616.63
PC	Computer monitor ergo	010100003	2002	1	770.00	770.00	770.00
PC	Computer monitor Spc	010100002	2002	1	840.00	840.00	840.00
PC	Computer monitor HP, Qompaq	010100007, 010100008	2002	2	1400.00	2800.00	2800.00
PC	Computer monitor Kente	DT 013000061	1997	1	1488.80	1488.80	1488.80
PC	Printer - EPSON LQ-100	13001200	2002	1	220.00	220.00	220.00
PC	Computer monitor HP	010100004	1997	1	1583.68	1583.68	1583.68
PC	Computer monitor Kente	DT 013000072	1997	1	2248.00	2248.00	2248.00
PC	Computer monitor CTX	DT 013000093	1997	1	2248.18	2248.18	2248.18

Pentium 101 PC	Pentium PC Monitor Techway	010100006	1997	1	2520.96	2520.96	2520.96
				21		18255.4	18120

As of December 31, 2023, the total debt on the deficit account amounts to 21,764.99 GEL, including fixed assets - **21,663.99 GEL**, low-value assets - **101.00 GEL** (Appendix №16).

Note №6: Account №1-22-1200 - Non-residential buildings for own purposes – as of 01.01.2023, buildings with a historical value of **4,678,059.25 GEL** were credited to the account. During the reporting period, the value of the building increased by a total of **1,012,150.00 GEL**, in particular:

- **Assets received free of charge under the article “Grant”** – a construction agreement N34 was signed by and between the Ministry of Education and Science of Georgia and Telavi Municipality City Hall on May 01, 2023, based on which the Ministry was registered as a construction right holder in the National Agency of Public Registry, and on May 03, 2023, an act of acceptance was signed between the parties on the transfer of the real estate located at the address: №1, Georgian University Str., Telavi (the service card N573954, 22.05.2023), with the initial historical value of **1,012,150.00 GEL**, which is recorded in the Note №6 - Grants (Appendix N3).

Title	Amount
Building and structure 3415 m ² (N1a, Georgian University Str., Telavi), ID code: 53.20.42.026	853,750.00
Building and structure №2 (N1a, Georgian University Str., Telavi), ID code: 53.20.42.026	158,400.00
Total	1'012'150.00

On July 25, 2023, a lease agreement was signed by and between the Ministry of Education and Science and N(N)LE - College “Prestige”, based on which the Ministry was registered as a lessor in LEPL - National Agency of Public Registry (cadastral code: 53.20.42.026), and on the basis of the act of acceptance signed on August 11, 2023, the real estate located at the address: N1a, Georgian University Street, Telavi (land plot area - 13244 m², building and structure №1 - area 3415 m², building and structure N2, pool N3) was transferred **temporarily**, free of charge, to N(N)LE College “Prestige” (the service card N1029028, 23.08.2023). The asset has not been removed from the corresponding account of the financial statements of the Ministry.

As of 31.12.2023, **account №1-22-1200 - Non-residential buildings for own purposes** - a building with a historical value of **5,690,209.25 GEL**, accumulated depreciation – **1,005,159.00 GEL**, residual value – **4,685,051.00 GEL** is credited (Appendix №24).

Account №1-22-1300 - Other premises, for own purposes – as of 01.01.2023, other premises with historical value of **25,141.5 GEL**, accumulated depreciation - **14,837.00 GEL**, residual value of **10,305.00 GEL** were credited to the account. During the reporting period, the value of the building increased by a total of **5,950.00 GEL**, in particular:

On the basis of the construction agreement №34 signed on May 1, 2023 by and between the Ministry of Education and Science of Georgia and Telavi Municipality City Hall and the act of acceptance signed between the parties on May 03, 2023, the real estate located at the address: N1a, Georgian University Street, Telavi, was transferred (the service card N573954, 22.05.2023), with the initial historical value of **5950.00 GEL**, **which is recorded in the Note №6 - Grants** (Appendix N3).

Title	Amount
Pool №3 (N1a, Georgian University Str., Telavi), ID code: 53.20.42.026	5950.00

On August 11, 2023, on the basis of the act of acceptance, the real estate was **temporarily** transferred to N(N)LE College “Prestige” for free use (the service card N1029028, 23.08.2023). The asset has not been removed from the corresponding account of the financial statements of the Ministry.

As of 31.12.2023, other premises with a historical value of **31,091.50 GEL**, accumulated depreciation - **15,556.44 GEL**, residual value of **15,537.00 GEL** are credited to the account (Appendix N24).

Account №1-22-1500 - Land, for own purposes – as of 01.01.2023, land with a value of **417,584.00** GEL was credited to the account. During the reporting period, on the basis of the construction agreement N34 signed by and between the Ministry of Education and Science of Georgia and Telavi Municipality City Hall on May 01, 2023, and act of acceptance signed between the parties on May 03, 2023, the land plot located at the address: N1a, Georgian University Str., Telavi, with the initial historical value of **252,696.00 GEL**, was transferred (the service card N573954, 22.05.2023), **which is recorded in the Note №6 - Grants** (Appendix №3).

Title	mount
Non-agricultural land plot 13244 m ² (N1a, Georgian University Str., Telavi), ID code: 53.20.42.026	252'696.00

On August 11, 2023, the real estate was temporarily transferred to N(N)LE College “Prestige” for free use (the service card N1029028, 23.08.2023) on the basis of the act of acceptance. The asset has not been removed from the corresponding account of the financial statements of the Ministry.

By the decision of the National Agency of Public Registry (N882023288753, 30/03/2023) (the service card N1491792, 03.11.2023); the real estate listed in the financial statements of the Ministry was transferred to LEPL Education and Scientific Infrastructure Development Agency – the non-agricultural land plot, with a total area of **24069** m², located adjacent to Lisi Lake, Tbilisi, C=cadastral code: 01.72.16.097.002. with initial historical value - **417,104.00** GEL (**which is recorded in the Note №6 - Grants**) (Appendix N4).

In addition, non-agricultural land plot, with a total area of 30 m², adjacent to Lisi Lake, cadastral code: 01.72.16.097.005 was transferred to joint-stock company “Telasi” (the service card N1491792, 03.11.2023), with an initial value of **480.00** GEL (**which is recorded in the Note №6 – External transfers**) (Appendix №10).

Title	Quantity / m ²	Amount	Note
Non-agricultural land plot – Tbilisi, adjacent to Lisi Lake (26037m ²)	26037	416,592.00	It was handed over to LEPL Education and Scientific Infrastructure Development Agency 26037 m ² .
Non-agricultural land plot - Tbilisi, adjacent to Lisi Lake (32 m ²) ID code: 01.72.16.097.002	32	512.00	It was handed over to LEPL Education and Scientific Infrastructure Development Agency 32 m ² .
Non-agricultural land plot - Tbilisi, adjacent to Lisi Lake (30 m ²)	30	480.00	It was handed over to the owner JSC “Telasi” 30 m ² .
	26099	417'584.00	

As of 31.12.2023, land with historical value of **252,696.00 GEL** is credited to the account (Appendix №24).

Account №1-22-2100 - Vehicles - 29 vehicles were registered on account as of 01.01.2023, with the initial historical value of **1,022,300.00 GEL**.

- Vehicles received free of charge under the article “Grant” amount to a total of **182,619.00 GEL**, including:

1 vehicle (RENAULT KOLEOS with state (plate) number - OO 693 OD) was handed over free of charge, with the right to lifetime use, by LEPL - Education and Scientific Infrastructure Development Agency to the Ministry of Education and Science of Georgia, according to the relevant act of acceptance (**№1, 24.05.2023**), with initial balance value of **64,000.00 GEL**, accumulated depreciation – **9,146.00 GEL**, residual value – **54,854.00 GEL** (Appendix №3).

1 vehicle (Toyota Camry with state (plate) number SS 270 DP) was handed over free of charge, with the right to lifetime use, by LEPL - Education and Scientific Infrastructure Development Agency to the Ministry of Education and Science of Georgia, according to the relevant act of acceptance (**№1, 15.09.2023**), with an initial balance value of **127,765.00 GEL** (Appendix №3).

- The vehicles received free of charge under the article “Other inflows” amount to a total of 56,283.35 GEL, including: in the current year, fully worn out/depreciated 2 vehicles (HYUNDAI ELANTRA) with an initial balance value of 56,283.35 GEL, accumulated depreciation - in total 56,283.35 GEL, residual value - 0.00 GEL, was handed over from LEPL International Education Centre. The amount is recorded in the Note №6 of the financial statements – “Other inflows and other outflows”.
- **Vehicles received through external transfers, which are not classified elsewhere, amount to a total of 25,600.00 GEL, in particular:**

Based on the Order №1494227 of the Director of LEPL - International Education Center, dated November 06, 2023, two vehicles (HYUNDAI ELANTRA with state (plate) number – LL 012 NN and HYUNDAI ELANTRA with state (plate) number - LL 021 NN) were handed over from the Center to the Ministry of Education and Science, free of charge, with the right of lifetime use, the book (residual) value of which amounted to zero. Accordingly, the vehicles were credited to the reference account 08 for a total of **56,283.35 GEL**. The vehicles were evaluated by “Intellect Audit” LLC. (agreement N11-55/2, 21.11.2023, act of acceptance №11-55/2, 28.11.23, agreement N1619427, 29.11.2023.) The market value amounted **25,600.00 GEL**. The vehicles were removed from the account 08 and the existing balance value was taken in the Note 6 - External transfers and income, with the account №4-45-2200 (capital transfers and other unclassified income from non-exchange transaction), in the amount of **25,600.00 GEL** (Appendix №17).

Title	State (Plate) N	Quantity	Price	Balance indicators before assessment (was credited to the reference account 08)			Market value	Account №3-22-3000
				Balance value	Total depreciation	Residual value		
Car HYUNDAI ELANTRA	LL 012 NN	1	27282.53	27282.53	27282.53	0.00	13600.00	Cars are evaluated by “Intellect Audit” LLC. Agreement N11-55/2, dated 21.11.2023; Act of acceptance N11-55/2, dated 28.11.23, service card N1619427, dated 29.11.2023
Car HYUNDAI ELANTRA	LL 021 NN	1	29000.82	29000.82	29000.82	0.00	12000.00	
				56283.35	56283.35		25600.00	

- **The initial historical value of the vehicles provided under the article “Grant” amounts to 53,400.00 GEL, the accumulated depreciation is 7,628.57 GEL, the residual value is 45,771.43 GEL, in particular:**

Based on the Order N588394 of the Minister of Education and Science of Georgia, dated 24/05/2023, 1 vehicle (RENAULT DUSTER with state (plate) number CV 916 CC) recorded in the financial statements of the Office of the Ministry of Education and Science of Georgia with the initial balance value of **53,400.00 GEL**, accumulated depreciation - **7628.57 GEL**, residual value – **45,771.43 GEL**, was transferred to LEPL - Education and Scientific Infrastructure Development Agency, free of charge and with the right to lifetime use, as well as 4 units of summer season tires worth **635.04 GEL (Account 04)** (Appendix №4).

As of 31.12.2023, 32 vehicles with a historical value of **1,186,265.00 GEL**, accumulated depreciation - **290,180.00 GEL**, residual value - **896,085.00 GEL** are credited to the account (Appendix №24).

Account №1-22-2200 - Other machinery and equipment - As of 01.01.2023, total assets worth **1,085,759.00 GEL** were credited to the account, including **622,178.00 GEL** - on account №1-22-2210 and **463,581.00 GEL** - on the account №1-22-2220.

On the account №1-22-2210, a capital adjustment was carried out during the reporting period, using the retrospective method, which resulted in a change in the opening balance. The capital adjustment is due to the fact that one unit of Christmas tree was delivered by LEPL Education and Scientific Infrastructure Development Agency on December 11, 2019, however, the document confirming the receipt was submitted to the Accounting Department with the service card N1753931, dated December 22, 2023. Therefore, in the financial statement of 2022, the opening balance of the account №1-22-2210 was increased by **2,968.00 GEL**, and the account №1-28-2210 - by **1,187.20 GEL** (Appendix N1).

In the financial statements of 2023, **the opening recalculated balance** of the information and communication technology equipment **amounted to 625,146.00 GEL**, the opening recalculated balance of accumulated depreciation was **256,742.00 GEL**.

In the reporting period, the amount of the computers received from “UGT” LLC was added to the value of the information and communication technology equipment in the amount of **168,800.00 GEL**, which was spent by reduction of the advances of the previous reporting periods (the amount was transferred in advance in 2022, N12-85/1, 05.04.2023. Transfer was certified in 2023 based on the act of acceptance) (the service card N390050, 06.04.2023).

- **Assets received by purchase on the account total 109,365.00 GEL**, account №1-22-2210 - **109,365.00 GEL** (Appendix №7).
- **Assets received free of charge under the article “Grant” amounted to 675,346.00 GEL, including:**

The assets received under the article “Grant” to the account №1-22-2210 amounted to 634,188.00 GEL (Appendix №3);

The assets received under the article “Grant” in the account №1-22-2220 amounted to 41,158.00 GEL (Appendix №3).

- **Recovery of deficit in fixed assets** – For the purpose of fulfillment of an inventory of fixed assets, inventory (on the balance sheet and reference articles (credited to off-balance sheet accounts)) created under the Order N1243138 of the Acting Minister of Education and Science of Georgia, dated 26.09.2023 (amendment to the Order N1344439, dated 10.10.2023; N1780983, dated 29.12.2023) – recorded in the financial statements of the programs carried out by the Office of the Ministry of Education and Science of Georgia and by the Ministry as of October 01, 2023, the working group of the Inventory Commission carried out a detailed investigation/search of the assets listed on the deficit accounts and determination of the actual location in the building of the Ministry. Out of 53 units of non-financial assets of 45 denominations recorded in the financial statements of the Office of the Ministry, 21 units of assets of 19 denominations were found, on the basis of which the working group of the Inventory Commission submitted a comparison of the deficit and actual census data, in order to clarify the accounting information. Therefore, 21 units of assets of 19 denominations with a total residual value of **18,120.00 GEL** were removed from the deficit account, and the assets were restored to **Account №1-22-2210** with a balance value of **18,255.37 GEL** (Appendix N16).

- **Assets written off with impairment costs total 67,930.00 GEL, in particular:**

1. **According to the Order №873324, dated July 12, 2023** and on the basis of the act of acceptance N12-63/2 signed by and between the Ministry of Education and Science of Georgia and “Tbilservice Group” LLC, dated 27.12.2023, certain assets with a balance value of **51,701.40 GEL** and residual value of **46,584.43 GEL** were **destroyed and written off** from the financial statements (the service cards: №1771884 27.12.2023; №1783572, 29.12.2023), which are recorded in various expenses of the Note 3 (Appendix NN№11).

N	Accounting statement	Name of account	Quantity	Balance value	Accumulated depreciation	Residual value
1	Account №1-22-2210	Other machinery and equipment	386	51'701.40	5116.98	46'584.43
	Total		386	51'701.40	5116.98	46'584.43

The write-off of these assets is recorded in the various expenses of the Note 6 and in the account №5-93-0000 of the Note 16 – “Fixed assets depreciation expenses”. And the accumulated depreciation of written-off assets in the amount of **5116.98 GEL** is recorded in other outflows of the Note 6.

2. **According to the Order №833324, dated July 12, 2023** and on the basis of the act of acceptance N09-51/2-2 signed by and between the Ministry of Education and Science of Georgia and “Kompaudi” LLC on 09.12.2023, certain assets with a total initial balance value of **137.91 GEL** and a residual value of **124.12 GEL**, were assessed as scrap and written off from the financial statements (Service card №1388178, 01.11.2022) (Service card N1727973, 18.12.2023) (Appendix №11).

N	Accounting statement	Name of account	Quantity	Balance value	Accumulated depreciation	Residual value
1	Account №1-22-2210	Other machinery and equipment	1	137.91	13.79	124.12
	Total		1	137.91	13.79	124.12

The write-off these assets is recorded in the various expenses of Note 6 and in the account №5-93-0000 of the Note 16 “Fixed assets depreciation expenses”. And the accumulated depreciation of written-off assets in the amount of **13.79 GEL** is recorded in other articles of the Note 6.

- **Assets transferred to National Agency of State Property** – According to the Order №873325, dated July 12, 2023 and the act of acceptance, dated October 13 and 17, 2023, certain assets with a balance value of **47,061.55 GEL** and a residual value of **20,363.53 GEL** were written off from the relevant accounts of the financial statements and transferred to the State Agency of National Property for further disposal (Service cards: №1367111, 13.10.2023, N1391039, 13.10.2023), (Appendix №11), in particular:

N	Accounting statement	Name of account	Quantity	Balance value	Accumulated depreciation	Residual value
1	Account №1-22-2210	Other machinery and equipment	56	44'309.83	24'111.06	20'198.78

2	Account №1-22-2220	Other machinery and equipment	4	2'751.72	2'586.98	164.74
	Total		60	47,061.55	26,698.04	20,363.53

Based on the Order N1612348 of the Minister of Education and Science of Georgia, dated November 28, 2023, 18 units of printed materials with a total value of **858.10** GEL were written off from the account №1-22-2220, which is recorded in miscellaneous expenses of the Note 6 and on the account №5-93-0000 of the Note 16 – “Fixed assets depreciation expenses”.

Based on the Order N1499271 of the Ministry of Education and Science, dated November 06, 2023, the public schools of Ninotsminda Municipality were given free of charge, with the right to lifetime use, fully depreciated second-hand computer equipment worth **1137.00** GEL from the account №1-22-2210, which is recorded in other articles of the Note 6.

As of 31.12.2023, a total of other machinery and equipment with initial historical value of **1,959,597.00** GEL, accumulated depreciation - **696,306.00** GEL, residual value of **1,263,291.00** GEL is credited to the account №1-22-2200, including:

Account №1-22-2210 – initial historical value - **1,458,468.79** GEL; accumulated depreciation - **422,282.00** GEL, residual value - **1,036,186.00** GEL (Appendix №24).

Account №1-22-2220 - initial historical value - **501,129.00** GEL; accumulated depreciation - **274,024.00** GEL, residual value - **227,105.00** GEL (Appendix №24).

For the purpose of fulfillment of an inventory of fixed assets, inventory (on the balance sheet and reference articles (credited to off-balance sheet accounts)), created under the Order N1243138 of the Acting Minister of Education and Science of Georgia, dated 26.09.2023 (amendment to the Order N1344439, dated 10.10.2023; N1780983, dated 29.12.2023), **recorded in the financial statements of the programs carried out by the Office of the Ministry of Education and Science of Georgia and by the Ministry as of October 01, 2023,** during the actual census by the working groups of the Inventory Commission, as a result of the visual inspection and evaluation of the non-financial assets, a list of assets of 64 denominations and 64 unit assets with a total balance value of 167,931.48 GEL was identified, which residual value became zero as a result of depreciation of 2023. However, depending on their actual condition, they are subject to future use. Since the above-mentioned assets provide the opportunity to receive economic benefits/services and are subject to future use, their useful service life has been extended for a certain period according to the appendix (please see the Appendix N21).

Note №8: Account № 1-24-0000 - Intangible assets - as of 01.01.2023, intangible assets with a total historical value of **236,542.99** GEL, accumulated depreciation of **104,570.00** GEL, residual value of **131,973.00** GEL were credited to the account.

Account № 1-24-1310 - Computer programs. As of 31.12.2023, the intangible asset “Oris Manager” with historical value - **41,468.00** GEL, accumulated depreciation - **20,735.00** GEL, residual value - **20,733.00** GEL is credited.

Account № 1-24-1500 - Other intellectual property products - As of 01.01.2023, other intellectual property products with a historical value of **195,075.00** GEL were credited to the account.

In the reporting period, the intangible assets of 2 denominations – “Software product - IBS store-warehouse” and “IBS mobile inventory” with a total balance value of **2,572.40** GEL, with accumulated depreciation - **2,444.00** GEL and a residual value - **128.62** GEL, do not subject to future use, they were written off under the intangible asset impairment expense, according to the information submitted by the service card N1594147 of the Economic Department on of November 22, 2023 and on the basis of summary protocol 2023 of the Non-Financial Inventory Commission, dated January 29, 2024.

As of 31.12.2023, intangible assets are credited to the **account № 1-24-0000**, with historical value of **233,970.59** GEL, accumulated depreciation – **121,783.00** GEL, residual value – **112,187.59** GEL (Appendix N24).

Note S13: the amount of the maternity leave income of [REDACTED] in the amount of **2,590.97** GEL is credited to the **account №2-13-2100 - Short-term (current) accounts payable arising from income tax**, based on the Order N1772976 of the Minister of Education and Science of Georgia, dated December 27, 2023, which is transferred in 2024.

The amount of maternity leave of [REDACTED] in the amount of **10,628.66** GEL, including the net amount of **10,363.89** GEL, and the pension tax of **264.77** GEL is credited to the **account №2-13-3000 – Employee-related payables**, which has been transferred in 2024.

Account №2-13-3300 - Short-term (current) accounts payable arising from business trips within the country - no account payable is credited to the account as of December 31, 2023.

Account №2-13-3400 - Short-term (current) accounts payable arising from business trips outside the country - no account payable is credited to the account as of December 31, 2023.

Account №2-13-2400 - Short-term (current) accounts payable arising from value added tax - no account payable is credited to the account as of December 31, 2023.

Account №2-13-4100 - Short-term (current) accounts payable arising as a result of provision of goods and services Within the framework of the budget year, during the reporting period, a total of **5,050,406.47 GEL** of goods and services costs were credited to the account. As of December 31, 2023, no account payable is credited to the account.

Note №14: Low-value assets of **97,197.00 GEL** and services of **339,738.00 GEL** are credited to the **account №4-32-1310 - Current grants received in kind from state entities of the same level**. The report shows the service of repair works carried out in the building of the Ministry with the value of **339,737.69 GEL** within the framework of the agreement N320703/03/211 signed by and between LEPL - Education and Scientific Infrastructure Development Agency and "Absolutplus" LLC on 07.10.2022 (letter 627167, 31.05.23, the service card №873051, 12.07.23, №1215543, 22.09.23) (Appendix N3).

Fixed assets received free of charge in the amount of **2,128,761.00 GEL** are credited to the **account №4-32-1310 - Capital grants received in kind from state entities of the same level** (Appendix №3).

The amounts of penalties charged to the organizations Within the framework of the agreements in the amount of **2201.00 GEL** are credited to the **account №4-44-0000 - Other incomes**, which are returned to the Budget in 2023 and are also recorded in the expenses with internal transfers.

Following is credited to the **account №4-45-0000 - Incomes from external transfers not elsewhere classified**:

- On the basis of the audit report N 457 of "Kompaudi" LLC, dated December 6, 2023, the remaining ferrous metal-scrap with the value of **1265.00 GEL** from the written-off assets, as well as the written-off printed material was assessed as waste paper, the weight of which amounted to 82.6 tons, with the value of **49,588.00 GEL** (the service card N1683037, 08.12.2023), which is also recorded in the **Note №S3 - External transfers** (Appendix N14);

The service card N1501072 of the Preschool and General Education Development Department, dated November 6, 2023, provides for the factual description of the textbooks, according to which the redundancy of 105 textbooks of 226 units with a total value of **1196.95 GEL** is confirmed. Based on the fact that the National Curriculum and Instructional Resources Division needs these textbooks to fulfill the imposed rights and duties, the textbooks worth **1,196.95 GEL** were recorded in the income of the financial statements of the Office under the account №4-45-1000;

According to the writ of execution issued by the Appellate Court of Tbilisi, the amounts deducted from the unified account of the Treasury in the amount of **4,560.00 GEL** are credited to the account, based on the collection tasks submitted by National Bureau of Enforcement to the National Bank of Georgia on monthly basis in 2023 (for benefit of [REDACTED] the affected pupil of Akhlagori N1 Secondary School), which totals **54,720.00 GEL**;

According to the writ of execution N BS-106 (2k-22) of Telavi District Court, obligation of payment of missed salary in the amount of **58,819.62 GEL** (total net amount to be compensated for the period from the date of dismissal until reinstatement - October 20, 2022), which was collected in 2023 by force, was imposed to the Ministry of Education and Science of Georgia, in favor of the plaintiff – [REDACTED] in the manner of collection.

Based on the Order N1494227 of the Director of LEPL - International Education Center, dated November 06, 2023, two vehicles (HYUNDAI ELANTRA with state (plate) number – LL 012 NN and HYUNDAI ELANTRA with state (plate) number - LL 021 NN) were handed over from the Center to the Ministry of Education and Science, free of charge, with the right of lifetime use, the book (residual) value of which amounted to zero. Accordingly, the vehicles were credited to the reference account 08 for a total of **56,283.35 GEL**. The vehicles were evaluated by "Intellect Audit" LLC. (agreement N11-55/2, 21.11.2023, act of acceptance N11-55/2, 28.11.23, agreement N1619427, 29.11.2023.) The market value amounted **25,600.00 GEL**. The vehicles were removed from the account 08 and the existing balance value was taken in the Note 6 - External transfers and income, with the account №4-45-2200 (capital transfers and other unclassified income from non-exchange transaction), in the amount of **25,600.00 GEL**.

Account №4-50-0000 - Incomes from internal transfers - the Ministry has received incomes from internal transfers (funding) during 2023 - **14,641,979.04 GEL**, including current transfer - **14,532,614.04 GEL**; capital transfer - **109,365.00 GEL**.

Note №16: Account 5-90-0000 – **Expenses arising from other economic flows** – a total of 372,676.00 GEL is recorded, including:

- **Expenses of doubtful/bad debts** - arising from the cancellation of a business trip, which was credited as a depreciation expense to the account №5-91-0000, in the amount of **2,077.00 GEL**;
- **Expenses for reduction of value of the inventory** - on the basis of the audit report, the inventory were destroyed and written off from the financial statements with the expense of impairment, which amounts to **302,540.00 GEL**;
- **Fixed assets depreciation expenses** - on the basis of the audit report, fixed assets were destroyed and written off from the financial statements with depreciation expenses, which amounts to **67,930.00 GEL**;
- **Intangible assets depreciation expenses** - in accordance with the information provided by the service card N1594147 of the Economic Department, dated November 22, 2023, an unusable intangible asset was written off under the article "Depreciation expenses", which amounted to **129.00 GEL**.

Note №17:

Account №5-10-0000 – Salaries – 5,881,292 GEL;

Account №5-20-0000 - Costs of goods and services – 8,309,557 GEL (including remuneration of freelancers - 2,899,305 GEL and business trip expenses - 347,966 GEL);

Account №5-40-0000 - Depreciation and amortization expense - A total of **465,501.00 GEL** is credited to the account, including: Fixed assets depreciation expense – **445,844.00 GEL**, intangible assets amortization expense – **19,657.00 GEL** (Appendix N22).

Account №5-52-0000 - Internal current transfer costs – 2,490.00 GEL is recorded in total. including:

- Penalty repaid by "MKS" LLC in 2023 in the amount of **2.24 GEL**;
- Penalty repaid by "Geo Tech" LLC in the amount of **3.28 GEL**;
- Penalty repaid by "Edwings" LLC in the amount of **15.79 GEL**;
- Penalty repaid by "Bedi G" LLC in the amount of **1286.40 GEL**;
- Penalty repaid by "UGT" LLC in the amount of **309.50 GEL**;
- Penalty repaid by "Favorite Style" LLC in the amount of **14.50 GEL**;
- Remaining balance of **858.76 GEL** for purchase of advertising space on the official Facebook page of the Ministry by January 01, 2023, which was repaid to the Treasury in 2023.

Account №5-73-0000 - External transfers not classified elsewhere - 264,315.00 GEL, including expenses for current transfers - **263,835 GEL** (amounts deducted on the basis of collection orders, gifts given to individuals in the context of ministerial meetings, car insurance and fees), and **480 GEL** represents the value of the land transferred to JSC "Telasi".

- **Account №5-32-0000- Grants issued in kind – 818,244.00 GEL** is credited to the account during the reporting period, including: current grants – **355,369.00 GEL** (including grants issued to foreign governments – **15,033.00 GEL** (issued to the Republic of Azerbaijan), capital grants - **462,875.00 GEL** (Appendix N4).

4 pieces of assets received for responsible custody in the amount of 2,774.38 GEL are credited to the account of the **reference article N02** as of 31.12.2023 (Appendix N23).

2,706 pieces of inventory worth **370,185 GEL** have written off in expenses are credited to the account of the **reference article N04** as of 01.01.2023.

- According to the Order N873325, dated July 12, 2023 and the act of acceptances, dated October 13 and 17, 2023, certain assets were written off from the relevant accounts of the financial statements and transferred to LEPL – National Agency of State Property for further disposal (the service cards: N1367111, 13.10.2023; N1391039, 13.10.2023), with a total initial balance value of **26,416.17 GEL** (Appendix N11);

N	Accounting report	Name of account	Quantity	Balance value
1	Account №04	Inventory and low-value assets delivered in operation and recorded in expenses	174	26'416.17
	Total		174	26'416.17

- According to the Order №873324, dated July 12, 2023 and the act of acceptance N12-63/2 signed by and between the Ministry of Education and Science of Georgia and "Tbilsservice Group" LLC, dated 27.12.2023. On the basis of the act of

acceptance, certain assets with a total initial balance value of **4,647.25 GEL** were destroyed and written off from the financial statements (Service cards: №1771884, 27.12.2023; №1783572, 29.12.2023) (Appendix №11);

N	Accounting report	Name of account	Quantity	Balance value	Residual value
1	Account №04	Inventory and low-value assets delivered in operation and recorded in expenses	38	4'647.25	
	Total		38	4'647.25	

- According to the Order №833324, dated July 12, 2023 and the act of acceptance N09-51/2-2 signed by and between the Ministry of Education and Science of Georgia and “Kompaudi” LLC on 09.12.2023. On the basis of the act of acceptance, certain assets with a total initial balance value of **3,642.80 GEL** were assessed as **scrap** and written off from the financial statements (the service card №1727973, 18.12.2023) (Appendix №11);

N	Accounting report	Name of account	Quantity	Balance value	Residual value
1	Account №04	Inventory and low-value assets delivered in operation and recorded in expenses	43	3'642.80	
	Total		43	3'642.80	

In addition, the assets were written off and transferred from the reference account №04 during the year, in particular:

- for public schools - 26,280.77 GEL;
- for Infrastructure Agency - 635.04 GEL;
- for Ministry of Finance - 181.72 GEL (Digipasses)

3390 pieces of tangible stocks worth **452,397.38 GEL**, written off in expenses, are credited on the account of **reference article №04** as of 31.12.2023 (Appendix N23).

Assets with an initial balance value of **1,678,455.00 GEL** were credited to the account of the **reference article №08** as of 01.01.2023.

LEPL - Education Management Information System transferred fully depreciated/amortized 9 units of assets in the amount of **247,374 GEL** free of charge to the reference account №08 of the financial statements in the current year. In addition, two units of HYUNDAI ELANTRA are received from the International Education Center with an initial balance value of **56,283.35 GEL**, which was evaluated by “Intellect Audit” LLC (agreement N11-5/2, 21.11.2023; the act of acceptance 11-55/2, 28.11.23; the service card N 1619427, 29.11.2023).

In addition, following is written-off from the account №08 and transferred to the account №1-22-2100 of the financial statements.

- Assets in the amount of **42,732.69 GEL** credited to the account №08 were transferred to public schools;
- **153,258.24 GEL** was transferred to LEPL - National Agency of State Property;
- For destroying - **5,836.52 GEL**;
- For isolation - **436 GEL**.

As of 31.12.2023, 772 pieces of amortized fixed assets worth **1,795,751.97 GEL** are credited (Appendix №24).

2. Facilitation of implementation of the policy of the Ministry in the field of education - 32 01 02

32 01 02	Facilitation of implementation of the policy of the Ministry in the field of education	
00	Total	7,324,145.04
2	Expenses	7,275,420.31
31	Increase of non-financial assets	48,724.73

Educational resource centers (“Facilitation of implementation of the policy of the Ministry in the field of education” - budget code 32 01 02).

Note S2A: As of January 01, 2024, the total amount of the accounts receivable amounted to 11.00 GEL, caused by overpayment of the salary to the employee by the Resource Center of Dmanisi Municipality in 2021 (income tax - 99.47 GEL, pension tax - 2% - 11 GEL, and net salary - 397.88 GEL) , in the current accounting year, the dismissed employee repaid net salary - 398.00 GEL, income tax - 99.00 GEL remained in excess, and pension tax - 11.00 GEL remained an account receivable as of December 31, 2023. According to Dmanisi Resource Center, the Pension Agency would repay above-mentioned 11.00 GEL in 2024.

Note S4: At the end of the year, short-term (current) non-monetary receivables with the deficit of non-financial assets in the amount of 20,799.00 GEL are accrued to the educational resource centers, which have arisen in previous years (please see the Appendix 1.2 - Appendix on accounts payable), in particular:

- Kutaisi Resource Center - 2,529.00 GEL;
- Kharagauli Resource Center - 15,197.00 GEL;
- Borjomi Resource Center - 499.00 GEL;
- Mtskheta Resource Center - 1,185.00 GEL;
- Ozurgeti Resource Center - 1,389.00 GEL.

In Note S3, as of January 01, 2023, the opening balance of other materials and supplies amounted to 8,079.00 GEL. In the reporting period of 2023, various inventories totaling **5,998,397.00 GEL** were transferred to the educational resource centers from LEPL - Education and Scientific Infrastructure Development Agency, LEPL - National Center for Teacher Professional Development and LEPL - Education Management Information System. Above-mentioned inventories are mostly textbooks and notebooks to be delivered to the private schools, as well as computers to be delivered to the excellent pupils. In the reporting year, the resource centers distributed the inventories worth 5,918,785.00 GEL received under the grant to the private schools and excellent pupils, which is recorded in external transfers.

LEPL -Educational and Scientific Infrastructure Development Agency transferred the inventories worth **79,612.00 GEL** to the resource centers for personal use, part of which has been written off under the article “Goods and services” during the reporting year, and part has been credited to the balance as of December 31, 2023.

In the current reporting year, Gardabani Resource Center received 886.00 GEL of low-value inventory from Village Martkopi №1 Public School free of charge, which is recorded in the inflow of grants on the account №1-14-1410.

As a result of the dismantling, a second-hand roof was received as supplies in Zugdidi Resource Center, which was assessed as scrap by the audit and based on the approval of the Ministry of Education and Science of Georgia (letter N1486424, 02.11.2023) was transferred to LEPL - National Agency of State Property with a total value of 865.00 GEL and was recorded in the Note S3 – Inflow - “External transfers not classified elsewhere” and Outflow – “With various expenses”.

Note S6: Opening balance of fixed assets of the reporting period - amounts to **4,278,001.00 GEL**, and **recalculated opening balance of the reporting period is 4,386,025.00 GEL**. In 2023, the resource centers retrospectively adjusted the mistakes of the previous period. Difference is due to the following accounts, in particular:

Account	Opening balance	Recalculated opening balance	Difference	Kutaisi	Akhmeta	Mtskheta	Rustavi	Lanchkhuti
1-22-1200	2'620'542.00	2'724'796.00	(104'254.00)	74'029.00			(583.00)	30'808.00
1-22-2210	687'508.00	691'278.00	(3'770.00)		1'920.00	1'850.00		

- Adjustment of the opening balance totaling **3,770.00 GEL** is recorded in the account №1-22-2210 - **Information, computer, telecommunication and other devices, furniture and equipment, in particular:**
 - Mtskheta Resource Center retrospectively recorded the works worth 4,397.00 GEL in the balance, performed on March 26, 2016, transferred to the Resource Center under the act of acceptance N1252 of September 9, 2023 by LEPL - Infrastructure Agency (the central heating was repaired), including the central heating boiler worth 1,850.00 GEL, which is recorded retrospectively in the financial statements of 2023, and the difference is recorded as an expense in the balance sheet of 2016.

- On the basis of act of acceptance of 2023, the Infrastructure Agency handed over the rehabilitation works performed in 2017 to Akhmeta Resource Center in the amount of 44,832.00 GEL, of which 1,920.00 GEL represents the cost of the heating boiler. The Resource Center retrospectively increased the value of the asset by 1,920.00 GEL, the opening recalculated balance of accumulated depreciation was increased by 640.00 GEL, and the residual value – 1,280.00 GEL is recorded in the Form F4. The difference spent on building repairs, according to the Resource Center, is recorded in the balance sheet of 2017 - Expenses.
- Adjustment of the opening balance **totaling 104,254.00 GEL** is recorded in the account №1-22-1200 - **Non-residential buildings, in particular:**
 - Infrastructure Agency handed over to Kutaisi Resource Center the overhaul of the non-residential building completed in 2016, which was recorded retrospectively, with a historical value of **74,029.00 GEL**. Recalculated opening balance of depreciation was increased by 4,442.00 GEL on the account №1-22-1200, and the residual balance value of 69,587.00 GEL is recorded in the Form F4.
 - In the period of 2023, LEPL - Education and Scientific Infrastructure Development Agency carried out a clarification of the value of the works performed by “Shodi” LLC on the basis of the (adjusted) act of acceptance N T-793.1-793.2 signed on November 15, 2023, where it was determined that according to the agreement №32070204/03/97 SPA170008493 signed on July 6, 2017 by and between the Agency and “Shodi” LLC and the conclusion N5000379418 of LEPL - Levan Samkharauli National Forensics, dated January 22, 2018, the overhaul works of the building (office) of Rustavi Educational Resource Center with a total value of 78,477.33 GEL was completed on January 26, 2018, which should be recorded retrospectively in the financial statements of 2023. Accordingly, in the financial statements of 2023, using retrospective recalculation, the Resource Center recalculated the initial cost of works received by “Shodi” LLC in the amount of “-583.00” GEL. The opening recalculated balance of depreciation was corrected by “-35.00” GEL, and the residual value “-548.00” GEL is recorded in the Form F4.
 - In the current reporting year, the works worth 42,536 GEL were the retrospectively corrected in 2018-2019 in the balance sheet of Lanchkhuti Resource Center, which were financed by Infrastructure Development Agency. Among them, the value of the building increased by 30,808.00 GEL, the opening recalculated balance of depreciation was adjusted by 1,181.00 GEL, and the residual value - 29,627.00 GEL is recorded in the Form F4.

In Note 6, a total of 493,825.00 GEL is recorded in grant inflows. Among them, 307,765.00 GEL credited to the account №1-22-2210 represent computers and printers delivered by the Infrastructure to the resource centers for their own use, 41.00 GEL credited to the account №1-22-2220 represent books transferred to the library fund. In addition, a total of 174,447.00 is recorded in the article “Grant inflow” on the account №1-22-1200, in particular:

- Construction and rehabilitation works completed in 2023 by Infrastructure Agency for Khoni Resource Center in the amount of 33,762.28 GEL;
- Construction-rehabilitation works carried out by Infrastructure Agency for Akhaltsikhe Resource Center with a total amount of 38,529.28 GEL;
- Construction-rehabilitation works carried out by Infrastructure Agency for Baghdati Resource Center with a total amount of 50,191.35 GEL;
- Construction-rehabilitation works carried out by Infrastructure Agency for Kutaisi Resource Center with a total amount of 51,965.52 GEL;

Account №1-22-2100 - Transport equipment - in the current reporting year, the Office of Resource Officers handed over one unit of the vehicle free of charge with a residual value of 11,572.00 GEL, to Tsalendjikha Resource Center, total depreciation amounted to 1,928.00 GEL.

Account №1-22-2220 - Other machinery – a book fund of 4,667.00 GEL is recorded in the grant outflow of fixed assets free of charge, which was credited to the balance sheet of Ozurgeti Resource Center and was transferred to Ozurgeti N2 Public School free of charge.

Account №1-22-2210 - Information, computer, telecommunication and other devices, furniture and equipment – a portable computer written off by Zugdidi Resource Center on the basis of the approval of the Ministry (letter N544487, 15.05.2023), which was handed over to LEPL - National Agency of State Property at a cost of 1,130.00 GEL, is recorded in other outflows. It is recorded in both other outflows and annulment upon outflowing (accumulated depreciation).

In note S13, as of December 31, 2022, a total of 5,748.00 GEL of accounts payable was credited to the balance sheet of the resource centers. In particular:

- Didube-Chugureti Educational Resource Center of the city of Tbilisi has the accounts payable to the Revenue Service in the amount of 1,723.00 GEL, which is an income tax, on the personal registration card. Above-mentioned debt originated in the period before 2015 and the status was recognized by the Revenue Service in 2022.
- As of January 1, 2023, the Zestaponi Educational Resource Center owes 981.00 GEL to the Tax Service, which originated in 2005. During the reporting period, the Resource Center was charged with 82.00 GEL, and in total, as of December 31, 2023, the accounts payable of the organization amounted to 1,063.00 GEL.
- As of January 1, 2023, Dedoplistskaro Resource Center had the accounts payable in the amount of 1,389.00 GEL.
- As of January 1, 2022, Lagodekhi Resource Center had the accounts payable in the amount of 1,296.00 GEL. Above-mentioned debt originated from 2009 and amounted to 229,756.04 GEL. On the basis of the deed of comparison signed with Telavi Tax Inspection on August 24, 2009, 229,000.00 GEL was paid. However, as of December 31, 2023, the organization still has the accounts payable in the amount of 1,420.00 GEL.
- As of December 31, 2023, Tkibuli Educational Resource Center still owes the cellular telephone service debt in the amount of 107.59 GEL to JSC "Silknet" defined by the agreement N18 signed on December 21, 2022.

Note 14: The office building of Zugdidi Educational Resource Center was rehabilitated with the financing of LEPL - Education and Scientific Infrastructure Agency at a cost of **28,420.00 GEL**. The services received free of charge are recorded in the Note S14 of the financial statements - received from the entities of the same level (4-32-1310) and in the Note S17 - Expenses.

Note S16: Account №5-92-0000 - Expenses for reduction of value of the inventories - as of December 31, 2023, a total of 865.00 GEL is credited to the balance sheet of Zugdidi Resource Center, which represents the second-hand roof assessed as scrap by the audit and written off with the approval of the Ministry of the Ministry and handed over to LEPL - National Agency of State Property.

Note 17:

Salaries - 5-10-0000 - 5,004,867.00 GEL;

- **Costs of goods and services - 5-20-0000 - 2,312,517.00 GEL;**
- **Depreciation and amortization expenses 5-40-0000 - 139,653.00 GEL;**
- **Social assistance/security - 5-60-0000 - 46,564.00 GEL;**
- **Other expenses - 5-73-0000 - 5,928,013.00 GEL.** Including: the supplies in the amount of 5,918,785.00 GEL transferred by Infrastructure re delivered by the resource center to private schools and beneficiaries.

Account №5-32-1310 - Issued to state units of the same level - 4,667.00 GEL represents the book fund, which was credited to the balance sheet of Ozurgeti Resource Center and was transferred free of charge to LEPL - Ozurgeti N2 Public School.

Form F4

Title	Kutaisi	Akhmeta	Mtskheta	Rustavi	Lanchkhuti	Total
Years	2016	2017	2016	2018	2018	
Retrospective recalculation of significant errors of previous periods	69'587.00	1'280.00	987.00		29'627.00	101'481.00
Adjustments as a result of one-time revaluation				-548.00		-548.00

Elimination: In the current reporting year, a total of 57,713,025.42 GEL of supplies and fixed assets were transferred to the resource centers (including resource centers of Abkhazia, Batumi, Kobuleti, Shuakhevi, Keda, Khelvachauri and Khulo) by the organizations subject to control of the Ministry, in particular:

Resource centers	Infrastructure	Teachers House	Management	Office of Resource Officers	Total
1-14-1410	2235062.45				2,235,062.45
1-14-1420	26561220.10	52887.16	593.00		26,614,700.26
1-27-5200	36149349.08				28,849,762.71
1-22-2100				13500.00	13,500.00
				Total	57,713,025.42

In the consolidated financial statements of the resource centers, the assets in a total of 6,303,749.00 GEL were received free of charge and recorded in the grant inflow, which in turn include the assets to be transferred to the private schools (textbooks, notebooks, computers, medals, certificates, etc.), the assets to be transferred to the beneficiaries and the assets to be transferred to their own resource centers for consumption, in particular:

Resource centers	Martkopi №1 Public School	Infrastructure	Teachers House	Management	Resource Officer	Total
1-14-1410	886.00					886.00
1-14-1420		5'996'867.73	1'072.95	456.00		5'998'396.68
1-22-1200		174'447.00				174,447.00
1-22-2100					11'572.00	11,572.00
1-22-2210		307'765.00				307,765.00
1-22-2220			41.05			41.05
					Total	6'493'107.73

A total of 6,493,108.00 GEL is subject to elimination, in particular:

- Note S3 – 5,999,283.00 GEL;
- Note S6 – 493,825.00 GEL.

3. Development and management of the quality of education - 32 01 03

32 01 03	Development and management of the quality of education	
00	Total	5,486,340.41
2	Expenses	5,448,836.41
31	Increase of non-financial assets	37,504.00

The sources of financing of LEPL – National Center for Educational Quality Enhancement are as follows:

1. Targeted funds allocated from the State Budget;
2. Revenues received from fees defined for authorization/accreditation of the educational institutions, recognition of education, checking the linguistic correctness of the educational documents;
3. Revenues received through provision of services based on the agreement;
4. Targeted grants;

The Centre prepared the financial statements of 2023 through the accrual method, using the following normative documents:

Order №108 of the Minister of Finance of Georgia “On approval of the instruction for preparation of financial statements and reporting by the budgetary organizations based on the International Public Sector Accounting Standards (IPSASs)”, dated May 5, 2020;

Order №24 of the Minister of Finance of Georgia “On approval of the instruction about the procedure for preparation and submission of financial statements of the budgetary organizations”, dated February 4, 2021;

Order №289 of the Minister of Finance of Georgia “On approval of the instruction on the accounting plan of depreciation/amortization by budgetary organizations and reflection in financial statements”, dated December 2, 2020,

Order №17 of the Minister of Finance of Georgia “On approval of the plan of accounting reports of budgetary organizations and instructions on its use”, dated January 15, 2020.

Note 2: The funds received for authorization, accreditation, recognition of education processes are credited to the own funds account of the Center. From these funds, in the form of a deposit, it was transferred to an account opened in a commercial bank and amounts to 9,110,000 GEL.

The account has also been opened in the commercial bank, through which the ZOOM software package (Zoom Business) can be purchased through internet subscription. The balance on the above-mentioned bank account amounts to 35 GEL, and the total balance on both accounts is 9110035 GEL and it is recorded in the Note 2.

Note 2a – Account receivables: The amounts shown in the note hereof represent overpaid income tax as the result of adjustment of the payroll (66,852 GEL), overpaid salary (1,852 GEL) and pension (1.96 GEL), prepaid business trip provisions (2,399 GEL), profit (26,863 GEL), current property tax (8,886 GEL), VAT (539 GEL), the amount received as a result of the service (3080 GEL),

the interest accrued on the deposit placed in the commercial bank (65,767 GEL) and the penalty imposed for violation of the terms and conditions of the agreement (316 GEL), as well as monetary claims from non-exchange transactions (targeted grants) (443360 GEL). The accounts receivable owed to the Treasury with own funds in GEL amounted to 1,178,603 GEL; with own funds in foreign currency – 142,537 GEL; and the balance of the targeted grant amounted to 39,143 GEL.

Note 3 – Inventories: Inventories (low-value assets and rest of other materials and supplies) are shown at cost. Above-mentioned inventories are recognized as an expense upon distribution. Inventories put into operation are recorded in the reference article.

LEPL - National Center for Teacher Professional Development provided free books in the amount of 238 GEL.

LEPL - L. Samkharauli National Forensics Bureau assessed waste paper (approximate weight - 3150.00 kg, estimated value - 1000.00 GEL) and second-hand stainless tin sheets (approximate weight - 3112.00 kg, estimated value - 5,900.00 GEL) for further disposal by National Agency of State Property and is recorded in the account of the reference article “10”.

According to the provision of the Ordinance N 82 of the Government of Georgia “On the procedure of write-off of the amortized or unused fixed assets on the balance sheet of legislative, executive and judicial authorities, legal entities under public law, other organizations financed by the State Budget, as well as Georgian diplomatic missions and consular institutions abroad and disposal of the resulting property”, dated March 22, 2010, unused low-value assets are written off in the amount of 19,619 GEL, in order to further dispose/destroy them according to the prescribed procedure, which is recorded in the account of the reference article “10”.

The Centre transferred the books (guides) in the amount of 4747 GEL to public nursery schools free of charge, and in the amount of 853 GEL to private nursery schools, which is recorded in the relevant notes (S3; S17).

As of the reporting date, the balance of inventories amounted to 60,807 GEL.

Note 4 - Other short-term (current) assets: the amounts shown in this note represent the amount paid in advance for provision of the services (2,874 GEL) and the deficit revealed as a result of the inventory (3,903 GEL).

Note 6 - Fixed assets: fixed assets are recorded in the financial statements at initial (historical) cost. Depreciation is charged using the straight-line method, in accordance with the “Instruction on accounting for depreciation/amortization and reflection in financial statements by the budgetary organizations”, approved by the Order N289 of the Minister of Finance of Georgia, dated December 2, 2020. The useful service years have been increased for certain assets by the Inventory Commission.

15 m² area of non-residential building was transferred to LEPL – Office of Resource Officers, residual value – **12,413 GEL**, total depreciation - 933 GEL;

The Ministry of Education, Science and Youth of Georgia was given an office desk in the amount of 5,290 GEL;

According to the provision of the Ordinance N 82 of the Government of Georgia “On the procedure of write-off of the amortized or unused fixed assets on the balance sheet of legislative, executive and judicial authorities, legal entities under public law, other organizations financed by the State Budget, as well as Georgian diplomatic missions and consular institutions abroad and disposal of the resulting property”, dated March 22, 2010, unused fixed assets in the amount of 19,049 GEL were written off, in order to dispose of them according to the prescribed procedure, which is recorded in the account of the reference article “10”.

As of the reporting date, the Center has a balance of fixed assets of 3973289 GEL.

Note 8 - Intangible assets: intangible assets are recorded in the initial (historical) cost. Depreciation is charged using the straight-line method, in accordance with “Instruction on accounting for depreciation/amortization and reflection in financial statements by the budgetary organizations”, approved by the Order N289 of the Minister of Finance of Georgia, dated December 2, 2020.

Intangible assets have a balance sheet value of 202,206 GEL.

Note 13a - Accounts payable: the amounts recorded in this note represent the payable VAT (27 GEL), income tax (8,370 GEL), salaries of the employees (33,483 GEL), amounts to be contributed to the pension scheme (803 GEL), amounts to be paid from provision of services (5,841 GEL), amounts to be returned to citizens of the state duty imposed by the judicial decision (39,815 GEL), which could not be paid by the reporting date, and their payment will be made in the next reporting year. The note also includes the amounts received in advance from the citizens and the organizations (2323445 GEL), which will be recognized as income based on the relevant documents in future, the obligation with a targeted grant (714.176 GEL) and provisions (10052 GEL).

According to the information provided by the Legal Department of the Center, in the reporting period, the low probability of occurrence of the obligation in the court disputes amounted to 602112 GEL, the average probability of occurrence of the obligation - 12400 GEL, which is recorded in the conditional obligation, and the high probability of occurrence of the obligation - 10052 GEL, which is recorded in the provisions.

Total accounts payable amounts to **3136012** GEL.

Note 14b, 14c - Incomes from grants, incomes from other transactions: the sums recorded are incomes received from non-exchange transactions:

1. 2491 - Education, Audiovisual and Culture Executive Agency (Innovacios Es Technologiai) - during the reporting period no expenditure operations were carried out, and the balance is 218 GEL, which is recorded in the Note 2a,
2. Project "Promoting the implementation of the procedure for recognition of education received by refugees in practice" funded Within the framework of the grant competition of the European Council ("ENIC CENTRES support in the process of implementation of the obligations under the Lisbon Convention") - the cash income amounted to 80214 GEL, incurred expenses - 80214 GEL. Since the grant was received "conditionally", it was initially recognized as a liability (with the contractual amount of 111982 GEL), and when the expenses were incurred, it was recognized as income for 80214 GEL and is recorded in the Note 14b. Difference between the obligation and the incurred expenses amounted to 31768 GEL, which is recorded in the Note 13.
3. 2605 - United Nations Children's Fund ("Conditional")- the amount of the initial balance was 26250 GEL, the cash income was 55260 GEL, the incurred expenses were 81510 GEL, which is recorded in the Note 14b.
4. 2798 - "Modernization of the system of vocational education and training related to agriculture in Georgia (VET phase 3)" - cash income amounted to 262060 GEL, incurred expenses - 238,775 GEL. Since the grant was received "conditionally", it was initially recognized as a liability (with the amount of 664,760 GEL), and when the expenditure was incurred, it was recognized as income for 238775 GEL and was recorded in the Note 14b. Difference between cash and actual expenses amounted to 23285 GEL, which is recorded in the Note 2a, and difference between the obligation and incurred expenses amounted to 425985 GEL, which is recorded in the Note 13.
5. 2731 - "Improvement of quality of general education through restructuring of the quality assurance framework and mechanisms" - cash income amounted to 207569 GEL, expenses incurred - 207569 GEL, which is recorded in the Note 14b.
6. 2810 - "Strengthening the possibilities of dual education in the higher education of Georgia" - cash income amounted to 27265 GEL, expenses incurred - 11,625 GEL. Since the grant was received "conditionally", it was initially recognized as a liability (with the amount of 68164 GEL), and when the expenditure was incurred, it was recognized as income for 11625 GEL and was recorded in the Note 14b. Difference between cash and actual expenses amounted to 15640 GEL, which is recorded in the Note 2a, and difference between the obligation and incurred expenses amounted to 56,539 GEL, which is recorded in the Note 13.

The opening balance of the total targeted grants amounted to 26468 GEL, cash income - 632368 GEL, incurred expenses - 619693 GEL, 619693 GEL was recognized as income (Note 14b.) Difference between cash and actual expenses amounted to 39143 GEL (Note 2a);

The Center, on its own funds account, also receives the funds deposited Within the framework of the grant based on the partnership agreement:

1. The project coordinated by LEPL - Ivane Javakhishvili Tbilisi State University - "Strengthening the quality and compliance of the third mission in Georgian universities" (SQUARE) - cash income amounted to 44258 GEL, of which 11110 GEL was recognized as income (S 14;), and the balance - 33,148 GEL (recorded in the Note S13);
2. Within the framework of the project coordinated by LEPL - Ilia State University - "ETHICS - Responsible Conduct of Research - Research Integrity and Ethics in Georgian Universities" (N-101082546) - the cash income amounted to 40929 GEL, from which 8035 GEL was recognized as income (S14), and the balance - 32893 GEL (recorded in the Note S13);
3. The project coordinated by LEPL - Georgian Technical University - "Microcredentials for Higher Education systems of Georgia and Armenia: South Caucasuslighthouse project" - cash income amounted to 133843 GEL (recorded in the Note 13).

In this note, LEPL - National Center for Teacher Professional Development has provided the books free of charge in the amount of 238 GEL and the funding received from the budget - 5486340 GEL.

Note 15a – Incomes from exchange transactions: The revenues of the Center are authorization/accreditation fees, education recognition fees, and fees for checking the linguistic correctness of educational documents. Payment of the above-mentioned fees is made by the organizations and the citizens as an advance, and it is recognized as income immediately after the service is provided, based on the relevant documents (in case of authorization and accreditation, it is recognized as income based on the decision of the Authorization/Accreditation Council, and in case of recognition of education and verification of the linguistic correctness of educational documents, based on the documents prepared by the relevant structural unit). In addition, the income of the Center is the income received from lease (1 m² building space is leased and the amount to be paid per month is 176 GEL). The income received from exchange transactions amount to 10714732 GEL (including: authorization/accreditation 7760875 GEL, recognition of education 2949320 GEL, language correctness check - 2740 GEL, income from lease - 1797 GEL), income received from the interest accrued on the deposit subscribed in the commercial bank - 652879 GEL, and the cash income amounted to 11212066 GEL. Difference between cash and actual income is mainly due to the fact that cash income represents the amount received in advance, and income is recognized by accrual method based on the relevant documents, as well as the difference is caused by the amounts credited in previous accounting periods, which were recognized as income in the current period.

Note 17 - Expenses: Expenses are recognized using the accrual method, which includes: salaries, costs of goods and services, depreciation and amortization costs, social assistance costs, other costs (taxes, insurance and sums imposed by judicial decisions are recorded), internal transfer costs (this includes the expenses incurred within the scope of targeted grants), expenses with grants (represents assets transferred to the organizations free of charge, paid membership fees paid to international organizations, as well as at least 10% of own income paid to the State Budget according to the Law of Georgia “On State Budget”).

Note 18 - Various incomes and expenses: Income and expenses from changes in exchange rates received as a result of transactions carried out in foreign currency are recorded.

Reference accounts:

Material stocks written off in costs in operation (04) - 342203 GEL;
Contingent liabilities (06) -12400 GEL;
Fully depreciated/amortized assets in service (08) - 423659 GEL;
Overdue debts (09) - 289971 GEL;
Movable property for disposal (10)- 45568 GEL.

4. Education management information system - 32 01 04

0	Total	30912138.32
2	Expenses	18,863,139.02
31	Increase of non-financial assets	12,048,999.30
32 01 04	Education Management Information System	
00	Total	21,419,176.07
2	Expenses	10,579,176.77
31	Increase of non-financial assets	10,839,999.30
32 02 06 02	Provision of the provisions with textbooks - LEPL - Education Management Information System	
00	Total	2,147,762.40
2	Expenses	2,147,762.40
32 02 13 02	Provision of public schools with information and communication technologies - disposal by LEPL - Education Management Information System	
00	Total	7,345,199.85
2	Expenses	6,136,199.85
31	Increase of non-financial assets	1,209,000.00

LEPL - Education Management Information System (ID code: 205300048) is a legal entity of the Ministry of Education, Science and Youth of Georgia.

The main activities of the system are as follows:

Code 32 01 04 Education Management Information System

Description and purpose

Development of management information systems to ensure automation of business processes and availability of electronic services in the educational system;

Development of education management information system databases to ensure availability of administrative and statistical information;

Promotion of educational innovations and technology introduction.

Code 32 02 06 02 - Provision of pupils with textbooks

Description and purpose

According to the general educational institution textbook/series classification rules, ensuring the textbook series/mockup review process, signing employment agreements with reviewers having the relevant competence;

Perfection of the electronic system of registration administration, software-based recording of the relevant changes and ensuring proper functioning;

Classification of all textbooks for all levels of the general education program.

Code - 32 02 13 02 - Promotion of general education reform

Description and purpose

Establishing an educational environment of modern requirements and opportunities in schools, which will allow all teenagers to realize their potential and provide them with the knowledge and skills necessary to face the challenges of the XXI century;

For the purpose of provision of access to electronic resources and services in the educational process, ensuring proper functioning of information and communication technologies in public schools and improvement of Internet connection;

Organization/technical support of centralized, electronic examinations and competitions in educational institutions throughout Georgia.

Access to relevant governance and statistical information.

Following normative acts were applied in preparation of the financial statements of the system:

- ✓ Order №17 of the Minister of Finance of Georgia “On approval of the plan of accounting reports of budgetary organizations and instructions on its use”, dated January 15, 2020;
- ✓ Order №108 of the Minister of Finance of Georgia “On approval of the instruction for preparation of financial statements and reporting by the budgetary organizations based on the International Public Sector Accounting Standards (IPSASs)”, dated May 5, 2020;
- ✓ Order №424 of the Minister of Finance of Georgia “On approval of the instruction on the procedure for making payments by the organizations served by the State Treasury”, dated December 31, 2014;
- ✓ Order №99 of the Minister of Finance of Georgia “On Approval of the budget classification of Georgia”, dated April 5, 2019;
- ✓ Order №289 of the Minister of Finance of Georgia “On approval of the instruction on the accounting plan of depreciation/amortization by budgetary organizations and reflection in financial statements”, dated December 2, 2020.

Note №2a – Credit receivables: The amounts recorded in this note represent the short-term accounts receivable of the system to the Treasury. In particular, the balance of non-budgetary (own) funds at the end of 2023 - **1,888,951 GEL** is the money received from sale of goods and services, while the short-term (current) accounts receivable for public schools are **19,050 GEL** and the accounts receivable from the employee are **1,300 GEL**, which is an advance received for a business trip outside the country.

Note №3 - Inventory include low-value assets, monetary documents (certificates of secondary general education), and materials and supplies for the of the office, with which the cost of acquisition is recorded in the accounting, the unit price is up to 500 GEL. Inventories are recognized as expenses immediately after leaving the warehouse, while low-value assets above 100 GEL are

transferred to the reference article – “Inventories written off as expenses in operation”. The balance of inventories at the end of 2023, as of 31.12.2021, amounts to **60,134 GEL** (including low-value assets -32,831 GEL, supplies - 27,303 GEL). Inventories and low-value assets worth 89,585 GEL were purchased during the reporting period. According to the Article 8(4) of the multi-year agreement N01/41 (*electronic tender SPA170010646 (CPV72400000 - Internet services, CPV72410000 - provider services)*), concluded on September 01, 2017, by and between “Green System” LLC and LEPL - Education Management Information System, ***“the Contractor shall be obliged to hand over the equipment used placed for the service / put into operation for the Buyer in full after expiration of the service period”***, free of charge, for the purpose of delivery to public schools. The Provider delivered the low-value assets in the amount of 177 650, installed in 48 public schools of Georgia (49 point/buildings), as well as the inventories in the amount of 1160 GEL transferred from the Educational and Scientific Infrastructure for the needs of the directors’ certification process, on the basis of the act of acceptance signed on September 29, 2023 for free, with the right to lifetime use.

Inventories of 64 336 6 GEL were spent through various expenses, under the article Goods and services”, and 205,273 GEL of low-value assets were given free of charge to public schools, resource centers and service development agencies.

Including:

1. Low-cost equipment worth 179,945.67 GEL is transferred to 63 public schools, at different times of the year, with the relevant permits of the Ministry, the orders of the Head of the System and on the basis of the act of acceptances with the schools, free of charge, with the right to lifetime use;
2. Certificates of 593 GEL school directors have been handed over to the educational resource centers based on the relevant act of acceptances;
3. Low-cost equipment worth 12,214.96 GEL was transferred to the Ministry of Education and Science of Georgia, based on the act of acceptances, free of charge, with the right to lifetime use;
4. According to the Articles 4 and 5 of the Order N113/N of the Minister of Education and Science of Georgia, dated June 8, 2012, general education documents amounting to 12,519.10 GEL were transferred to the Service Development Agency based on the act of acceptance.

At the same time, due to the changes in the name of the Ministry of Education and Science, a certain number of strict accounting documents were not consumed in the Service Development Agency, collection of which, sorting by series and delivery from the Agency’s territorial organizations to the Agency will be completed in 2024, and under the examination and utilization procedures, they will be returned to the Education Management Information System, therefore, the results will be recorded in the depreciation expenses of the statement of 2024.

Note №4 – Other short-term (current) assets

In the reporting year, according to the Article **“Goods and services of the previous year”**, on the basis of the bank guarantees, **1,935,705 GEL** of single licenses were purchased in advance, including:

1. **223,250 GEL** for the data storage system program on the basis of the agreement N01- 69 signed by and between **“UGT” LLC** and the System on December 19, 2022, and **1,712,053.64 GEL** for the Microsoft license on the basis of the agreement N01-36, dated May 22, 2019;
2. And **400 GEL** was the fee for examination and utilization of strict accounting forms. According to the Article 1(3)(c) of the instruction approved by the Order N1-1/344 of the Minister of Economy and Sustainable Development of Georgia “On examination and utilization of strict accounting forms”, dated August 31, 2020, utilization means a right to destroy the strict accounting forms by the Agency, which are canceled by the legal subject, in the manner specified by the instruction hereunder. According to the Article 11(2) of the Law of Georgia “On strict accounting forms”, examination and utilization of the strict accounting forms is carried out by a legal entity under public law of the Ministry of Economy and Sustainable Development of Georgia - National Agency of State Property.

In the reporting year, under the article - **Long-term, non-financial assets of the previous year**, on the basis of the bank guarantees, **758,965 GEL** were purchased with advances.

Including:

1. On the basis of the agreement №01-71 signed by and between “Orient Logic” LLC and the System on May 13, 2022, the updated functionality of the e-magazine is 245,000 GEL;

2. According to the agreement N01-62 of signed by and between “UGT” LLC and the System on December 6, 2022, continuous power supply - 323,985 GEL;
3. And based on the agreement N01-68, dated December 19, 2022, a liquid cooling cabinet was purchased for 189,980 GEL.

In this note, under the article - Increase of non-financial assets, in the current accounting year - 2023, 620,000 GEL is the amount transferred as an advance to “Orient Logic” LLC under the agreement N46, dated 14.02.2023, for creation of the mobile application of the electronic magazine of Georgian public schools, based on the bank guarantee. Completion of the creation of mobile application of the magazine under the agreement is expected in April 2024.

Note №6 - The historical value of assets is used as initial value in this form. Fixed assets are depreciated using the straight-line method. Useful service terms and residual value of each class of fixed assets are determined in accordance with the Order N289 of the Minister of Finance, dated December 02, 2020. As of December 31, 2023, the balance of fixed assets is 22,865,846 GEL, including buildings - 1,242,800 GEL, land - 390 22,106,875 GEL.

Fixed assets, uninterrupted power supply, computer equipment and storage equipment worth 9,648,426 GEL were purchased during the reporting period (including 513,965 after reducing the advances of the previous period).

From 76,115 GEL transferred free of charge:

At different times of the year, according to the relevant permits of the Ministry, the orders of the school directors and on the basis of the act of acceptances with the schools, the routers worth **27 812 GEL** were transferred to the system free of charge, with the right to lifetime use, from public schools, as well as wireless WI-FI network access points worth **48,303 GEL** from “Green Systems” LLC Within the framework of the agreement signed by and between “Green System” LLC mentioned in Note №3 and LEPL - Education Management Information System on September 01, 2017.

In addition, a room of 12.47 m² from the premises of the University, located at №2, Aleksidze street was handed over from LEPL - Ivane Javakhishvili Tbilisi State University, with the permissions of the Ministry of Education and Science, National Agency of Property Management, to the System on 19.10.2023, which will be assessed in 2024.

Residual assets with a balance value of **1,882,304 GEL** were transferred to public schools, colleges, resource centers and the Ministry of Education and Science;

Including:

1. In full compliance with the relevant legislation and the orders of the Head of the System, two vehicles with a residual balance value of **9,332 GEL** were transferred to LEPL - College “Academy of Information Technologies” and Tskaltubo College.
2. Wireless WI-FI network, **Within the framework of the agreement NGE-MESCS-210068-GO-RFB-2(LOT-2) (DEP210000020) signed by and between the Ministry of Education and Science of Georgia and “Green Systems” LLC and on the basis of the Order N1.1/45 of the Head of LEPL - Education Management Information System, dated March 20, 2023, wireless WI-FI network, worth 406866.80 GEL, were given to 10 public schools with installation, together with permanent licenses.**
3. During the previous year, in compliance with the relevant legal documentation, computer equipment of various denominations worth 51,364.47 GEL was transferred to public schools, as well as furniture and hardware worth 430,713.22 GEL was transferred to the Ministry of Education and Science.

In addition, 984 027 GEL from the article - Other machinery and equipment and fixtures:

Inventory worth 9450 GEL was transferred to the Ministry of Education and Science free of charge, with the right to lifetime use, the assets worth 972 584 GEL - to public schools and resource centers and a firewall worth 1993 GEL - to the Education and Scientific Infrastructure.

In all the above-mentioned cases, during the transfer of the property free of charge, with the right to lifetime use, the appropriate consent has been received from the Ministry, the order of the Head of the System has been signed, and the act of acceptance has been drawn up with the relevant organizations (schools, resource centers, the Ministry).

Note №8 - Intangible assets are also recorded at historical cost, similar to the Note 6.

As of December 31, 2023, the balance of intangible assets amounts to 6584721 GEL, including software - 2431563 GEL, and specific activity permits - 4153158 GEL.

On the basis of the agreement N01-71 signed by and between “Orient Logic” LLC and the System on May 13, 2022, software, e-magazine and updated functionality were purchased for 245,000 GEL in 2023 with advances from the previous year.

A total of software– in the amount of 1,660,330 GEL and specific activity permits – in the amount of 657,150 GEL were purchased during the reporting year.

Note №13 - Accounts payable, provisions and other liabilities

VAT for the month of December 2023 - 734 GEL remained on the account as the accounts payable, the total VAT charged during the year is 198,028 GEL, and cash expenses are 197,311 GEL.

Note №14 - Incomes from internal transfers. Funding received from the budget, both current and capital, in the amount of 30 912 139 GEL is recorded in the account №4-50-0000, including:

Organization code 32 01 04 = 21,419,177.00 GEL

Organization code 32 02 06 02 = 2 147 762 GEL

Organization code 32 02 13 02 = 7 345 200 GEL

17,988 GEL recorded in the account №4-44-0000 is the amount of penalty imposed due to violation of the terms and conditions of the state procurement agreements, which has been transferred to the State Budget and which is in the process of providing IP connections to the public schools and resource centers stipulated in the agreement in various months of 2024, Within the framework of the multi-year agreement N01-19 signed by and between LEPL - Education Management Information System and “Skytel” LLC on April 14, 2022.

Note №15 - Account №4-42-0000 - Cash income received from provision of services totaled 1298184 GEL, including VAT = 198 028 GEL and income without VAT amounted to 1 100 156 GEL.

(including:

1. From the sale of certificates and duplicates - 415,061 GEL (including VAT = 489,772 GEL);
2. From internet sales - 429 122 GEL (including VAT = 506 364 GEL);
3. Student mobility funds - 251,617 GEL (including VAT = 296,908 GEL);
4. Certification of directors - 4 356 GEL (including VAT = 5140 GEL).

Note №17. Operational and current expenses presented in this form are incurred in accordance with the budgetary classification. Costs are recognized using the accrual method, which includes: salaries, goods and services costs, depreciation and amortization costs, social assistance costs, other costs, grants (given to state organizations free of charge), as well as at least 10% of own income - 28500 GEL paid on the State Budget according to the Law of Georgia “On State Budget” are also recorded.

Total expenses in the budget part amount to: 31 443 932 GEL, including:

- Salaries - **949 970 GEL**;
- Goods and services - 19,769,269 GEL (**including salaries of freelance employees - 11,587,579 GEL and business trips - 10,826 GEL**);
- Depreciation and amortization expenses - 8,571,214 GEL;
- Expenses with internal transfers - 17,988 GEL (for violating the terms of the contract with suppliers);
- Social assistance - 57,900 GEL;
- Other expenses - 3 311 GEL;
- Grants issued to state entities in kind - 194,807 GEL;
- Grants issued to state entities in capital form - 1,880,633 GEL;

Total expenses in the non-budgetary part amount to 853,008 GEL, including:

- Salaries - 172 414 GEL;
- Goods and services - 490 556 GEL (**including salary of freelance employees - 282 588 GEL and business trip - 34 875 GEL**);
- Depreciation and amortization – 8 892 GEL;
- Social assistance – 27 600 GEL;

- Other expenses – 12 409 GEL;
- Grants, issued to state entities in kind – 10 466 GEL;
- Grants issued to state entities in capital form - 1671 GEL;
- According to Article 12(4) of the Law of Georgia “On Legal Entities under Public Law”, “Legal entities under public law, annual income of which exceeds one million Georgian laris in addition to financing received from the state budget and which spend funds from the state budget, and/or legal entities under public law (except for a cultural, educational or scientific institution) that are under control of the Government of Georgia, the Ministry of Georgia and the State Minister shall be obliged to agree to an appropriate draft budget, the staff list and the payroll with the Government of Georgia,” as well as according to Article 35 of the Law of Georgia “On State Budget of Georgia for 2023”, LEPL - Education Management Information System shall be obliged to direct at least 10% of (own) revenues mobilized in 2023, allowed by the legislation of Georgia, to the State Budget of Georgia. The relevant authority shall carry out shall direct the funds to the State Budget of Georgia on the last working day of each quarter, in the amount of not less than 10% of the income received in the quarter as of the day of the transfer”.

In 2023 the system paid - 129,000 GEL to the budget according to the cash income of 2023.

4,670,075 GEL recorded in the reference article of F1, received for storage, represents the assets temporarily transferred free of charge by “UGT” LLC on October 27, 2023, for the purpose of testing, until March 10, 2024.

5. LEPL - Education and Scientific Infrastructure Development Agency - 32 01 05

0	Total	428,278,444.64
2	Expenses	175,718,407.35
31	Increase of non-financial assets	252,560,037.29
32 01 05	LEPL - Education and Scientific Infrastructure Development Agency	
00	Total	2,034,346.88
2	Expenses	2,005,423.38
31	Increase of non-financial assets	28,923.50
32 02 04 04	Medals for excellent pupils - LEPL - Education and Scientific Infrastructure Development Agency	
00	Total	236,518.42
2	Expenses	236,518.42
32 02 06 01	Provision of the pupils with textbooks - LEPL - Education and Scientific Infrastructure Development Agency	
00	Total	36,432,631.93
2	Expenses	36,432,631.93
32 02 10 02	Provision of public-school pupils with transport - LEPL - Education and Scientific Infrastructure Development Agency	
00	Total	51,605,431.70
2	Expenses	51,605,431.70
32 02 11	Program “My first computer”	
00	Total	49,459,600.00
2	Expenses	49,459,600.00
32 02 12 03	Promotion of general education - Disposal by LEPL - Education and Scientific Infrastructure Development Agency	
00	Total	26,288.00
2	Expenses	26,288.00
32 02 13 07	Promotion of general education reform - LEPL - Education and Scientific Infrastructure Development Agency	
00	Total	15,751,203.14
2	Expenses	349,877.00
31	Increase of non-financial assets	15,401,326.14
32 07 01	Development of the infrastructure of general educational institutions	
0	Total	232,002,992.91
2	Expenses	19,874,189.81
31	Increase of non-financial assets	212,128,803.10
32 07 02	Development of the infrastructure of vocational educational institutions	
00	Total	16,660,098.44
2	Expenses	1,545,166.16
31	Increase of non-financial assets	15,114,932.28

32 07 03	Development of the infrastructure of the Ministry and the legal entities public law and territorial bodies included in its system	
00	Total	2,203,084.66
2	Expenses	261,206.00
31	Increase of non-financial assets	1,941,878.66
32 07 04	Development of the infrastructure of higher educational and scientific institutions	
00	Total	8,298,897.64
2	Expenses	4,384,345.53
31	Increase of non-financial assets	3,914,552.11
32 07 05	Development of the system of operation and maintenance of public schools	
00	Total	9,118,139.55
2	Expenses	7,047,456.39
31	Increase of non-financial assets	2,070,683.16
32 09	Vocational Education I (KfW)	
00	Total	4,449,211.37
2	Expenses	2,490,273.03
31	Increase of non-financial assets	1,958,938.34

Article 1. General information about the organization

1. Education and Scientific Infrastructure Development Agency (hereinafter - the Agency) is a legal entity under public law. The statute of the Agency was approved by the Order N225/N of the Minister of Education and Science of Georgia, dated December 30, 2011.

2. The purpose of the Agency is to rehabilitate the property of the institutions included in the system of the Ministry of Education, Science and Youth of Georgia, as well as the territorial bodies determined on the basis of the order of the Minister and the legal entities under public law included in the system of the Ministry, as well as construction, supply with manuals, inventory and equipment.

LEPL - Education and Scientific Infrastructure Development Agency is located at the address: №6, Z. Anjaparidze 1 lane, 8th floor, Tbilisi.

Article 2. Basic provisions on accounting policy

1. Accounting and financial reporting in the Agency is carried out in accordance with the International Public Sector Accounting Standards (IPSASs).

2. The purpose of preparation and submission of the forms of financial statements in the forms of financial statements and explanatory notes of IPSASs is to ensure accountability and transparency of the state funds.

3. The accounting policy is prepared in accordance with the Order №108 of the Minister of Finance of Georgia “On approval of the instruction for preparation of financial statements and reporting by the budgetary organizations based on the International Public Sector Accounting Standards (IPSASs)”, dated May 5, 2020.

In addition, the following legal acts are mainly used in preparation of the accounting policy:

- Order №17 of the Minister of Finance of Georgia “On approval of the plan of accounting reports of the budget organizations and instructions on its use”, dated January 15, 2020;
- Tax Code of Georgia;
- Budget Code of Georgia;
- Order №99 of the Minister of Finance of Georgia “On approval of the budget classification of Georgia”, dated of April 5, 2019.;
- Order №289 of the Minister of Finance of Georgia regarding approval of the instruction “On the norms of physical depreciation of fixed assets of the budgetary organizations and their reflection in accounting”, dated December 2, 2020;
- Order №605 of the Minister of Finance of Georgia on approval of “Procedure for conducting inventory of property, receivables and liabilities in the budgetary organizations”, dated July 23, 2010;

- g) Order №220 of the Minister of Finance of Georgia “On determining the norms of travel expenses paid to the employees”, dated April 5, 2005;
- h) Order №424 of the Minister of Finance of Georgia “On approval of the instruction on the procedure for making payments by the organizations served by the State Treasury”, dated December 31, 2014.

According to the updated plan for 2023, the budget funding of the Agency amounted to 428,278,444 GEL, from which **175,718,407 GEL** is provided for current expenses:

- 1,245,184 GEL for salaries;
- 74,472,683 GEL for goods and services;
- 2,860,079 GEL for subsidies;
- 43,809,605 GEL for grants;
- 13,125 GEL for social assistance;
- 53,317,730 GEL for other expenses.

For increase of non-financial assets - 252,560,037 GEL

Comparison of budget financing provides for following data:

Title	2023	2022
Salaries	1,245,185	1,037,114
Goods and services	74,855,896	54,069,686
Subsidies	2,860,079	15,259
Grants	43,426,871	37,796,140
Social assistance	13,125	18,678
Other expenses	53,317,251	60,356,318
Increase of non-financial assets	252,560,037	90,114,522
Total	428,278,444	243,407,717

Funding for 2023 is divided into 13 program codes:

Program code 32 01 05 – LEPL - Education and Scientific Infrastructure Development Agency

Purpose of the program: implementation of administration, financial and budgetary, procurement and legal directions in relation to the listed programs;

According to the revised plan of 2023, the budget financing of the program amounted to 2,034,347 GEL, of which 2,005,423 GEL is provided for **current expenses**:

- For salaries - 1,245,184 GEL;
- For goods and services - 723,501 GEL;
- For other expenses - 53,317,730 GEL;

For increase of non-financial assets - 28,924 GEL

Program code 32 02 04 04 – Medals for excellent students - LEPL - Education and Scientific Infrastructure Development Agency

Purpose of the program: Providing schools with medals and appropriate certificates for excellent pupils

According to the revised plan of 2023, the budget financing of the program amounted to 236,518 GEL, of which 236,518 GEL is provided for current expenses:

- For goods and services - 236,518 GEL;

For increase of non-financial assets - 0 GEL.

Program code 32 02 06 01 – Provision of the pupils with textbooks - LEPL - Education and Scientific Infrastructure Development Agency

Purpose of the program: Provision of textbooks for pupils of all classes of public schools, families below poverty line of private schools and pupils of other categories determined by the order of the Minister of Education and Science of Georgia;

According to the revised plan of 2023, the budget financing of the program amounted to 36,432,634 GEL, of which 51,605,432 GEL is provided **for current expenses**:

- For goods and services - 36,432,634 GEL;

For increase of non-financial assets - 0 GEL.

Program code 32 02 10 02 – Provision of public-school pupils with transport - LEPL - Education and Scientific Infrastructure Development Agency

Purpose of the program: Provision of transportation of pupils in the settlements (villages, townships), where no schools are functioning and the distance between the villages is noticeable; transfer of allocations for the purpose of provision of transportation for the pupils according to the government decree on delegation of powers to some municipalities;

According to the revised plan of 2023, the budget financing of the program amounted to 51,605,432 GEL, of which 51,605,432 GEL is provided **for current expenses**:

- For goods and services - 13,867,731 GEL;
- For subsidies 380,924 GEL;
- For grants - 37,356,777 GEL;

For increase of non-financial assets - 0 GEL.

Program code 32 02 11 – Program “My first computer”

Purpose of the program: Provision of first-grade pupils of public schools, second- and third-grade pupils enrolled in additional terms in public schools and their tutors with portable computers (notebooks), and encouraging excellent pupils with hardware;

According to the revised plan of 2023, the budget financing of the program amounted to 49,459,600 GEL, of which 49,459,600 GEL is provided **for current expenses**:

- For other expenses - 49,459,600 GEL;

For increase of non-financial assets - 0 GEL.

Program code 32 02 12 03 – Promotion of general education - LEPL - Education and Scientific Infrastructure Development Agency

Purpose of the program: The purpose of the sub-program is to support the raising of pupils' patriotic spirit, state thinking and civic self-awareness in pilot schools; to acquaint the pupil with the threats facing Georgia and the world and the mechanisms for responding to them; to introduce the pupil to the basics of military work; to provide the pupils with information about the armed forces and military service of Georgia; to develop the skills of safe behavior, self-preservation and helping others in emergency situations to the pupil should.

According to the revised plan of 2023, the budget financing of the program amounted to 26,288 GEL, of which 26,288 GEL is provided **for current expenses**:

- For goods and services - 26,288 GEL;

For increase of non-financial assets - 0 GEL.

Program code 32 02 13 07 – Promotion of general education reform - LEPL - Education and Scientific Infrastructure Development Agency

Purpose of the program: The program of promotion of general education reform implies, on the one hand, improvement of access to quality education, and on the other hand, improvement of the quality of teaching and learning and establishing such an educational environment in schools that will at least allow all adolescents to realize their potential and provide them with the knowledge and skills necessary to face the challenges of the XXI century; will form a strong team as a school community, which will ensure the sustainable development of the school; will create an attractive socio-cultural space for the local community with its positive environment, diverse educational and civic activities.

For the purpose of fulfillment of the above-mentioned goal, the Agency provides for purchase of appropriate hardware for equipment of schools and delivery of the purchased hardware to the schools.

According to the updated plan of 2023, the budget financing of the program amounted to 26,288 GEL, of which 26,288 GEL is provided for **current expenses**:

- For goods and services - 26,288 GEL;

For increase of non-financial assets - 0 GEL.

Program code 32 07 01 – Development of the infrastructure of general educational institutions

Purpose of the program: Construction and rehabilitation of general educational institutions in different regions of Georgia; provision of general educational institutions with various types of inventory and equipment;

According to the revised plan of 2023, the budget financing of the program amounted to 232,002,993 GEL, of which 19,874,190 GEL is provided for **current expenses**:

- For goods and services - 15,242,594 GEL;
- For subsidies - 32,400 GEL;
- For grants - 835,674 GEL;
- For social assistance - 13,125 GEL;
- For other expenses - 3,750,397 GEL;

For increase of non-financial assets - 212,128,803 GEL.

Program code 32 07 02 – Development of the infrastructure of vocational educational institutions

Purpose of the program: Construction and rehabilitation of vocational educational institutions in different regions of Georgia, including colleges operating on the basis of existing vocational educational institutions in order to increase geographical accessibility; provision of various types of inventory and equipment to vocational educational institutions;

In order to increase geographical access to vocational education, construction of new vocational educational institutions and providing them with appropriate inventory and equipment; Also transfer of current/capital grant for purchase of various equipment for the purpose of authorization of vocational colleges;

According to the revised plan of 2023, the budget financing of the program amounted to 16,660,098 GEL, of which 1,545,166 GEL is provided for **current expenses**:

- For goods and services - 498,245 GEL;
- For grants - 1,046,921 GEL;

For increase of non-financial assets - 15,114,932 GEL.

Program code 32 07 03 – Development of the infrastructure of the Ministry and the legal entities under public law and territorial bodies included in its system

Purpose of the program: Construction and rehabilitation of legal entities under public law and territorial bodies included in the system of the Ministry; provision of legal entities under public law and territorial bodies included in the system of the Ministry with different types of inventory and equipment;

According to the revised plan of 2023, the budget financing of the program amounted to 2,203,085 GEL, of which 261,206 GEL is provided for **current expenses**:

- For goods and services - 61,206 GEL;
- For grants - 200,000 GEL;

For increase of non-financial assets -1,941,879 GEL.

Program code 32 07 04 – Development of the infrastructure of higher educational and scientific institutions

Purpose of the program: Financing of higher educational and scientific institutions, fulfillment of rehabilitation works and provision of various types of inventory

According to the revised plan of 2023, the budget financing of the program amounted to 8,298,898 GEL, of which 4,384,346 GEL is provided for **current expenses**:

- For grants - 4,319,358 GEL;
- For other expenses - 64,987 GEL;

For increase of non-financial assets 3,914,552 GEL.

Program code 32 07 05 – Development of operation and maintenance system of public schools

Purpose of the program: Promoting the development of operation and maintenance system of public schools; capacity building of the parties responsible for maintenance of public schools; public school inventory and inventory related software measures;

According to the revised plan of 2023, the budget financing of the program amounted to 9,118,140 GEL, of which 7,047,456 GEL is provided for **current expenses**:

- For goods and services - 4,549,827 GEL;
- For subsidies - 2,446,755 GEL;
- For grants - 50,875 GEL;

For increase of non-financial assets 2,070,683 GEL.

Program code 32 09 – Vocational Education I (KfW)

Purpose of the program: Improvement of quality of vocational education and increasing the number of vocational education providers; In order to strengthen professional educational institutions implementing construction and logistics programs, allocation of additional investments (the partner of which will be the Excellence Center in implementation of a number of programs).

According to the revised plan of 2023, the budget financing of the program amounted to 4,449,211 GEL, of which 2,490,273 GEL is provided for **current expenses**:

- Goods and services - 2,484,265 GEL;
- For other expenses - 6,008 GEL;

For increase of non-financial assets - 1,958,938 GEL.

In addition to budget funding, the Agency received the following incomes:

Due to violation of the contractual conditions, the fines charged to the supplier organizations amount to 1,091,522 GEL (above fines, in case of payment, will be directed to the budget).

The income received in the form of a grant amounted to 1,127,564 GEL, of which 647,000 GEL represent funds deposited by schools (626,680 GEL of this amount was spent on purchase of heating equipment (so-called “briquettes”) for schools), and 480,564 GEL are in-kind grants (a detailed analysis of in kind grants is provided below).

The structural analysis of income shows:

Title	Volume	% of total revenue
Budget income	428,278,444	99,42
Income from fines	985,175	0,23
Income from grants, external transfers	1,513,197	0,35
Total	430,776,817	100

According to comparison with the previous reporting period of income:

Title	2023	2022
Budget income	428,278,444	241,186,320
Income from fines	985,175	3,771,070
Income from grants	1,479,894	1,459,406
Other incomes	33,304	1,950
Total	430,776,817	245,206,910

A comparative analysis of incurred expenses reveals:

Title	2023	2022
Salary	1,245,185	1,037,114
Goods and services	29,986,313	19,404,577
Grants	214,683,697	181,588,080
External transfers and other operating expenses	8,097,491	4,135,925
Expenses with internal transfers	6,520,395	3,861,132
Depreciation and amortization	257,103.00	178,568.00
Social assistance/security	13,125.00	18,678.00
Doubtful debts/impairment/depreciation expenses	639,459	-
Various expenses	59,594	-
Total expenses	261,502,370	210,224,077

Inventories: In the Agency, inventories are obtained mainly by purchase and in the form of grants, and are spent by consumption for own purposes and by transfer to other organizations (mainly subdivisions under the Ministry).

Flow of the inventories in 2023 is described in the tables below:

Inflow

Title	Procurement	Inflow with a grant	Other inflows	Total inflow
Low-value assets	15,663,814	326,692	0	15,990,506
Other materials and supplies	32,607,580	17,053	33,304	32,657,937
Total	48,271,394	343,745	33,304	48,648,443

Outflow

Title	For own consumption	Outflow with a grant	Other outflows	Total outflow
Low-value assets	17,107	15,772,958	0	15,790,065
Other materials and supplies	30,390	32,797,876	639,459	33,467,725
Total	47,497	48,570,834	639,459	49,257,790

Note: Expense arising from depreciation is meant under other expenses. More specific information on this issue is provided below.

Turnover

Name	Opening balance	Inflow	Outflow	Closing balance
Low-value assets	221,991	15,990,506	15,790,065	422,432
Other materials and supplies	6,081,496	32,657,937	33,467,725	5,271,705
Total	6,303,487	48,648,443	49,257,774	5,694,137

Fixed assets: Fixed assets in the Agency are obtained through procurement and in the form of a grant, and outflow is done by using it for its own purposes and transferring it to other organizations (mainly subdivisions under the Ministry). At the same time, fixed assets in operation are depreciated.

Flow of inventory in 2023 is described in the tables below:

Inflow

Title	Procurement	Inflow with a grant	Other inflows	Total inflow
Buildings	27,727	35,182	277,067	339,976
Structures	0	760	58,768	59,528
Land	0	529,555	0	529,555
Vehicles	524,268	45,772	7,628	577,688
Information, computer, telecommunication and other devices, furniture and equipment	43,142	0	0	43,142
Other machinery	2,624	0	0	2,624
Total	597,761	611,269	343,463	1,552,494

Outflow

Title	For own consumption (tear and wear)	Outflow with a grant	Other outflows	Total outflow
Buildings	13,074	0	277,067	290,141
Structures	525	0	58,768	59,293
Land	0	0	0	0
Vehicles	179,255	226,161	7,628	413,044
Information, computer, telecommunication and other devices, furniture and equipment	19,661	1,205	0	20,866
Other machinery	8,633	870	0	9,503
Total	221,148	228,236	343,463	792,847

Turnover

Title	Opening balance	Inflow	Outflow	Closing balance
Buildings	969,133	339,976	290,141	1,018,968
Structures	0	59,528	59,293	235
Land	0	529,555	0	529,555
Vehicles	888,230	577,688	413,044	1,052,854
Information, computer, telecommunication and other devices, furniture and equipment	90,133	43,142	20,866	112,409
Other machinery	62,937	2,624	9,503	56,058
Total	2,010,433	1,060,637	448,721	2,770,080

Property intended for transfer

The Agency, depending on its specificity, shall purchase, temporarily own and transfer the property to other entities (assets, the title of which has not yet been acquired or accepted for transfer to other entities).

Turnover of such assets during 2023 is given in the table below:

Title	Opening balance	Inflow (procurement, grant)	Outflow (transfer)	Closing balance
Property intended for transfer	75,761,759	261,133,095	116,915,134	219,979,720
Total	75,761,759	261,133,095	116,915,134	219,979,720

Contingent assets and contingent liabilities

The Agency has developed the following policy regarding the accounting of legal disputes in the financial statements:

Where the Agency acts in the capacity of the plaintiff:

- if the probability of a successful conclusion of the judicial dispute is less than 50%, it is recorded only in the explanatory notes of the financial statements;
- if the probability of a successful conclusion of the judicial dispute is greater than 50% and less than 80%, it is recorded in the financial statements as a contingent asset;
- if the probability of a successful conclusion of the judicial dispute is greater than 80%, it is recorded in the financial statements as an asset;

In addition, if the amount (as a rule, fine, penalty, etc.) is already recorded as an asset prior to commencement of the judicial proceedings, its change does not take place until the end of the judicial proceedings.

Where the Agency acts in the capacity of the defendant:

- if the probability of the liability arising as a result of a judicial dispute is less than 50%, it is recorded only in the explanatory notes of the financial statements;

- if the probability of liability arising as a result of a judicial dispute is greater than 50% and less than 80%, it is recorded in the financial statements as a contingent liability;
- if the probability of the liability arising as a result of a judicial dispute is greater than 80%, it is recorded in the financial statements as a provision;

In the financial statements of 2023, the following were subject to recording:

Where the Agency acts in the capacity of the plaintiff:

Company	Disputed (due) amount	Probability of winning	Recorded in
"Bza" LLC	4,428.66	>50% and <80%	In contingent assets
"Bza" LLC	371	>50% and <80%	In contingent assets
Individual Entrepreneur "Ruben Lutidze"	1,522.25	>50% and <80%	In contingent assets
"Elegant" LLC	1,093.82	>50% and <80%	In contingent assets
"Alliance" LLC	56,402.49	>50% and <80%	In contingent assets
"Alliance" LLC	10,752.58	>50% and <80%	In contingent assets
"Vasmoi Developer" LLC	5,265	>50% and <80%	In contingent assets
"Endeka Building" LLC	82,047.42	>50% and <80%	In contingent assets
"Terminal" LLC	3,445.82	>50% and <80%	In contingent assets
"Build Management" LLC	43,620.99	>50% and <80%	In contingent assets
"NTS" LLC	643.24	>50% and <80%	In contingent assets
"Begi Georgia" LLC	173 982.54	>50% and <80%	In contingent assets
"Begi Georgia" LLC	119,776.67	>50% and <80%	In contingent assets
Total	329,369.94		

Where the Agency acts in the capacity of the defendant:

Company	Disputed amount (GEL)	Probability of losing	Recorded in
"OT-MA Furniture" LLC	18,951.38	<50%	Explanatory notes
"Alliance" LLC	76,000	<50%	Explanatory notes
"Modern Building Company" LLC	57,387.36	<50%	Explanatory notes
"Synergy Systems" LLC	113 801.68	<50%	Explanatory notes
Foreign company branch "Classic Stroy"	1,397,942.61	<50%	Explanatory notes
"Endelika Building" LLC	82,047.02	<50%	Explanatory notes
"Begi Georgia" LLC	173,982.54	<50%	Explanatory notes
"Begi Georgia" LLC	119,776.67	<50%	Explanatory notes
"Rooms" LLC	81,478.96	<50%	Explanatory notes
Total	2,007,566.54		

Non-budget funds turnover

In 2023, it was determined for the Agency to purchase fuel briquettes through a tender. For this purpose, the schools transferred 1,706,650 GEL to the non-budgetary account of the Agency.

Due to the fact, that the tender procedures were extended, part of the amount - 1,059,650 GEL was repaid to the schools for purchase of the above-mentioned briquettes.

According to the conducted tender, fuel briquettes worth 626,770 GEL were purchased and transferred to the schools.

20,230 GEL remained in the non-budget funds account of the Agency and is included in the Appendix S2 of the statements.

Other important circumstances:

Recording of the recommendations of the State Audit of Georgia - errors of the previous period

In connection with the consolidated financial statements of the Ministry of Education, Science and Youth of Georgia for the year ending on December 31, 2022, based on the recommendations of the State Audit Service of Georgia, and for the purpose of correction of the identified errors, the following changes were made in the annual statement:

- **Note:** the expenses recognized Within the framework of the agreements signed with the publishing houses are not recorded in 2022.

Correction and effect on the financial statements: For the purpose of correction of this error, accounting transactions for accrual of these amounts were carried out. Therefore, in the financial statements of 2023, in the Appendix S4 - article "Advance payments for goods and services", the closing balance of the previous period was reduced by 4,343,823 GEL. At the same time, "Costs of goods and services" were increased by 4,343,823 GEL in the turnover of the previous reporting period of the Appendix S17.

- **Note:** In 2022, the actual expenses in the amount of 127,077 GEL of 2021 are recognized as the expenses.

Correction and effect on the financial statements: For the purpose of correction of this error, in the turnover of the previous accounting period of the Appendix S17, the amount of "Expenses with internal current transfers" is reduced by 127,077 GEL, and in the statement of changes in net assets/equity – "Retrospective recalculation of significant errors of previous periods" is adjusted by 127,077 GEL.

- **Note:** The rehabilitation works carried out before 2022 are incorrectly recorded, therefore the opening balance of the receivables has increased by 581,018 GEL, while the liabilities have decreased by 196,895 GEL; Accordingly, as a result of incorrect accounting of the rehabilitation works carried out before 2022, the opening balance of other long-term non-financial assets has been reduced in the financial statements of 2022, by a total of - 777,913 GEL.

Correction and effect on the financial statements: It should be noted that the above-mentioned operations are recorded in 2022 and therefore neither the closing balances nor the financial results of 2022 were affected. Accordingly, there will be no changes in the financial statements of 2023.

- **Note:** The Agency has not developed a policy regarding legal disputes, and based on assessment of their expected results, claims, obligations, contingent assets and contingent liabilities are not correctly recorded in the financial statements. The amounts are not correctly separated between contingent assets and accounts receivable, taking into account the probability of winning the dispute; The same debt is recorded both in contingent assets and the accounts receivable, total - 2,004,777 GEL.

Correction and effect on the financial statements: The explanatory notes, above, set forth the policies related to presentation of expected results from litigation in the financial statements. In the statement of financial position, the amount of contingent assets of the previous reporting period has been adjusted.

- In the financial statements of 2022, the amount of receipt and spending briquettes is reduced by 38,937 GEL and 38,940 GEL, respectively.

Correction and effect on the financial statements: For the purpose of correction of this error, the accounting transactions for accrual of these amounts were carried out. Accordingly, in the article "Short-term accounts payable related to supply of goods and services" of the Appendix of the financial statements 2023, the closing balance of the previous period increased by 38,937 GEL. At the same time, in the turnover of the previous reporting period of the Appendix S17 - "Current grants issued to state entities of the same level" increased by 38,940 GEL, and the opening balance of the Appendix S3 "Rest of other materials and supplies" decreased by 3 GEL.

- In the period until 2022, a PC worth 1,205 GEL was given to the Agency as a gift. The mentioned operation was not accounted for and recorded in the financial statements.

Correction and effect on the financial statements: For the purpose of correction of this error, the accounting treatment of this operation took place. Accordingly, in the financial statements of 2023, in the article "Information, computer, telecommunication and other devices, furniture and equipment" of the Appendix S6, the closing balance of the previous period increased by 1,205 GEL. At the same time, in the statement of changes in net assets/equity, 1,205 GEL is recorded in the article "Retrospective recalculation of significant errors of previous periods".

- As of December 31, 2023, from the assets transferred to other entities, recorded as work-in process assets, property worth 39,279,328 GEL were already completed at that moment, and the property worth 209,737 was transferred with excess (all

until 2022). Thus, a total of 39,069,591 GEL of property is recorded as non-transferred in balance (in particular, construction and rehabilitation of the property worth 6,952,419 GEL was completed in 2022, and a total of 32,117,172 GEL of the property in balance in the periods until 2022 (Appendix is attached).

Correction and effect on the financial statements: For the purpose of correction of this error, the initial value of “Assets, the title of which has not yet been acquired or accepted for transfer to other entities” (to which the opening balance of unfinished construction has been transferred due to the above-mentioned note) has been reduced by 39,069,591 GEL in the Appendix N11 of the financial statements of 2023, and at the same time has increased by 6,952,419 GEL in the turnover of the previous reporting period of the Appendix S17 – “Capital grants issued to the state entities of the same level” and 32,117,172 GEL was included in the statement of changes in net assets/equity in the section - Retrospective recalculation of significant errors of previous periods”.

Note: Above-mentioned adjustment includes the notes in the transfer of property recorded in the article “Other long-term non-financial assets” of the audit service.

- **By the end of 2022, the amount of construction in progress in the property to be transferred to others was recorded** with an excess of 600,889 GEL (including - 419,878 GEL in 2022). At the same time, 39,929 GEL more is recorded as the accounts receivable (107,087 GEL more in 2022 and 67,158 GEL less until 2022), 591,707 GEL more - as the accounts payable and 49,111 GEL less – as the expenses (all until 2022).

Correction and effect on the financial statements: For the purpose of correction of this error, the opening balance of the Appendix S11 – “Assets, the title of which has not yet been acquired or accepted for transfer to other entities” is reduced by 600,889 GEL; At the same time, the opening balance of the Appendix S4 – “Advance payments for long-term non-financial assets” is reduced by 39,929 GEL, the opening balance of the Appendix S13 – “Short-term accounts payable related to provision of non-financial assets” is reduced by 591,707 GEL and in the statement of changes in net assets/equity, the article “Retrospective recalculation of material errors of previous periods” was adjusted by 49 111 GEL.

Note: With the aforementioned correction, the note of the Audit Service regarding reimbursement of 48,164 GEL of services performed by the supplier company has been adjusted.

- **It was revealed that 84,347 GEL of the amount spent on transportation of pupils in the period until 2022 was not recognized** as an expense and was still included in the accounts receivable.

Correction and effect on the financial statements: For the purpose of correction of this error, the balance for “Advance payments for goods and services” in the amount of 84,347 GEL was reduced by 84,347 GEL in the Appendix S4 of the financial statements of 2023 and at the same time 84,347 GEL was included in the section “Retrospective recalculation of significant errors of previous periods” of the statement of changes in net assets/equity.

- **It was revealed that Within the framework of the project financed by KFW in 2022** (where the Agency was obliged to pay the value added tax), the contractor “Permanent Establishment of Pem Consulting in Georgia” incorrectly indicated the refundable amount, including VAT, in the tax invoice issued. The amount was reimbursed according to the said tax invoice. Therefore, VAT was transferred by 10,676 GEL less. The tax invoice was adjusted in 2023.

Correction and effect on the financial statements: For the purpose of correction of this error, the accounting transactions for accrual of these amounts were carried out. Accordingly, in the article “Short-term accounts payable related to supply of goods and services” of the Appendix S13 of the financial statement of 2023, the closing balance of the previous period increased by 10,676 GEL. At the same time, in the statement of financial results, the amount of “Goods and services” in the turnover of the previous reporting period has increased by 10,676 GEL.

- **In 2022, 540 GEL is recognized as an excess for business trips.**

Correction and effect on the financial statements: For the purpose of correction of this error, the amount of “Expense of goods and services” in the turnover of the previous reporting period of the Appendix S17 was reduced by 540 GEL, and the recalculated opening balance of the Appendix S2a - “Short-term (current) receivables to employees and accountable persons” was increased by 540 GEL.

- **Fines of 1,280,999 GEL charged to the contractors in previous periods are not recognized as income** (including 1,235,196 GEL charged in 2022). On the other hand, a fine in the amount of 23,360 GEL (2022) is recognized as excess.

Correction and effect on the financial statements: For the purpose of correction of this error, the opening balance of the Appendix S2a of the financial results – “Current accounts receivable with accrued interest and penalties” has been increased by $(128099-23360)=1,257,639$ GEL. On the other hand, “turnover of the reporting period”, preceding the line “Incomes from sanctions, fines and penalties” of the Section C, Appendix S14 has increased by $(1,235,196-23360)=1,211,836$ GEL, and 45,803 GEL has been included in the “Retrospective recalculation of significant in errors of previous periods”.

Note: Above-mentioned correction includes the note of the Audit Service regarding failure of accounting of fines in the amount of 210,562 GEL imposed on the contractor organizations and incorrect accounting of fines of 210,562 GEL towards the contractor organizations.

- **The fines paid by the fined companies in the Budget are not recognized as expenses** - a total of 565,187 GEL (including 528,229 GEL for the period of 2022).

Correction and effect on the financial statements: For the purpose of correction of this error, the opening balance of the Appendix S2a of the financial results - “Short-term (current) accounts receivable with accrued interests and penalties” has been reduced by 565,187 GEL. At the same time, in the turnover column of the previous reporting period of the Appendix S17 – “Expenses with internal current transfers” increased by 528,229 GEL (share of 2022), and in the statement of changes in net assets/equity, the article – “Retrospective recalculation of material errors of previous periods” was adjusted by 36,958 GEL.

Note: Above-mentioned adjustment includes the note of the Audit Service regarding the failure of accounting of 520,768 GEL entered in the budget by the supplier in 2022.

- **The debit balance in the amount of 2,000 GEL for the educational institution is not recorded.**

Correction and effect on the financial statements: For the purpose of correction of this error, the opening balance of the Appendix S2a – “Other short-term receivables” of the financial results has been increased by 2,000 GEL. On the other hand, 2,000 GEL was included in the “Retrospective recalculation of significant errors of previous periods” of the statement on changes in net assets/capital.

- **Repayment of 9,917 GEL to the budget by the contractor company is not recorded (in the period until 2022)**

Correction and effect on the financial statements: For the purpose of correction of this error, the opening balance of Appendix S13 of financial results “Short-term accounts payable related to provision of non-financial assets” was increased by 9,917 GEL. On the other hand, 9,917 GEL was included in the “Retrospective recalculation of significant errors of previous periods” of the statement on changes in net assets/capital.

- **Funds transferred by the Agency to the subdivisions of the Ministry are recorded as the accounts receivable at the time of transfer.**

Such debts are recognized as an expense only after the first submission of documents on targeted spending of the amount by the subdivision.

Note: Above-mentioned approach includes the note of the Audit Service that in some cases, the fact that the funds transferred to the contractors by the recipient organizations were only paid as an advance, was wrongly recognized by the Agency as an expense.

- **Project and cost accounting documentation in the amount of 881,628 GEL is credited to the balance sheet of the Agency from the period up to 2017 as an intangible asset.** The said asset is recorded in the period up to 2017. The Agency is working submission of proposals in relation to identification and further disposal of the mentioned documents.

Grants received in kind

- In 2023, the Ministry of Education and Science handed over a RENAULT DUSTER car with a residual value of 45,771 GEL to the Agency (with an initial cost of 53,400 GEL and accumulated depreciation of 7,629 GEL), which is recorded in the Appendix 6 (Receipt with grants and received accumulated depreciation) and the Appendix 14 (Received capital commodity grants); 635.04 GEL of tires were also received in operation, which is reflected in the reference article – “Inventories in operation written off in costs”;

- In 2023, portable computers worth 17,052.5 GEL, given in previous periods under the current grant, were returned from the resource centers. This is recorded in the Appendix 3 (Receipt with grants) and the Appendix 14 (Received commodity current grants);
- In 2023, the Ministry of Education, Science and Youth of Georgia handed over the equipment worth 350,972 GEL to the Agency within the framework of “Innovation, Inclusion and Quality Project - Georgia I2Q (IBRD)” program. Above-mentioned property was transferred to the educational institutions.
- In 2023, a router worth 1,993 GEL was handed over from LEPL - Education Management Information Systems to the Agency.
- In 2023, LEPL - Georgian Technical University transferred the land with buildings and structures (Institute of Food Industry) in Tetritskaro to the Agency with an initial cost of 484,229 GEL and depreciation of 335,835 GEL. Derivation of the property is outlined in the Appendix S6.
- In 2023, the Agency handed over 2 units of air conditioners with an initial cost of 3,186 GEL to Old Tbilisi Resource Center, which were recorded in the off-balance sheet account “Fully depreciated/amortized assets in service”. Accordingly, the off-balance sheet account “Fully depreciated/amortized assets in service” is reduced by 3,186 GEL.

Property write-off

- Over the years, the Agency has accumulated a large number of textbooks that are unusable for further issuance (mainly due to changes related to classification).
- Taking the above into account, by the order N127 of December 3, 2023, unclassified books were written off. According to the above-mentioned procedure, the textbooks worth 637,138 GEL were written off on the balance sheet at that moment.
- In 2023, gold and silver medal certificates worth 2,321 GEL were issued.

As a result of the aforementioned events, 639,439 GEL was included on the one hand in the column “Various expenses” of the Appendix 3 – “Inventories” and on the other hand in the Appendix 16 – “Expenses for reduction of value of the inventories”.

- Waste paper obtained from written off books is estimated by an independent evaluator at 33,304 GEL.

As a result of the aforementioned events, 33,304 GEL was included on the one hand in the column “Various incomes” of the Appendix 3 – “Inventories” and on the other hand in the line of the Appendix 14 – “Incomes from current external transfers not specified elsewhere”.

6. International relations support - 32 01 06

32 01 06	International relations support	
00	Total	5,448,482.40
2	Expenses	5,448,482.40

The program “International relations support” (program code - 32 01 06) was approved by the Order N1680648 of the Deputy Minister of Education and Science of Georgia, dated December 30, 2022 (amendment N1772872, 27.12.2023).

As of December 31, 2023, the cash expenditure incurred Within the framework of the program “International relations support” of the Ministry of Education and Science of Georgia - 32 01 06, amounted to **5,448,482.40 GEL**, and the actual expenses amounted to **8,399,878.40 GEL**.

Note S3: Account №1-14-1420 - Rest of other materials and supplies - this year a total of 156 units of educational books and materials worth 1,749.70 GEL were purchased based on the agreements №11-67/1 and N11-68/1 for Georgian schools, Sunday schools and libraries abroad in order to raise awareness of Georgian language and literature, history and culture of Georgia and strengthen the positive image of the country. On December 28, 2023, a total of 76 units of books, totaling 991.70 GEL, were transferred to the Ministry of Foreign Affairs of Georgia (service card N33901, 16.01.2024), and a total of 80 units of books, totaling 758.00 GEL, were credited to the balance as of December 31, which were transferred on the basis of the act of acceptance, dated January 23, 2024, and were handed over to the Ministry of Foreign Affairs of Georgia (service card N59024, 24.01.2024).

Note S4: Account №1-15-1300 - Other short-term (current) receivables with pre-paid payables totaling 49,298.50 GEL are credited as the initial balance of the reporting period, in particular:

- **130 GEL** – is originated on the basis of the agreement N107 signed by and between the Ministry of Education and Science of Georgia and “Digitalmate” LLC on November 11, 2022. The purpose of the aforementioned agreement was to provide financial support for the sixth event of the technological conference TOUCH22. Based on the financial report provided by the organization, the actual expenses as of December 31, 2022 amounted to 49,870.00 GEL, and the unappropriated amount of 130 GEL was credited as accounts receivable, which was repaid by the organization on March 10, 2023 and written off from the financial statement of 2023;
- **49,168.50 GEL** – is originated on the basis of the N112 agreement signed by and between the Ministry of Education and Science of Georgia and Oxford University, dated December 02, 2022. The purpose of the aforementioned agreement is financial support for fulfillment of the project – “Georgian literature translation project in Oxford: Continuing the legacy of the Warthrops”. According to the terms and conditions of the agreement, November 2, 2023 was defined as the deadline for submission of the financial report by the organization. Based on the fact that the financial report presented by the **University of Oxford** was not complete, in connection with the said accounts receivable, the Department of Economic Affairs informed the Department of International Relations and Strategic Development about the communication with the organization the presentation of the financial report determined by the agreement.

The service card MES 1 24 0000214454 of [REDACTED], the Head of the International Relations and Strategic Development Department, dated 26/02/2024, presents their position, namely: “Oxford University has provided the completed translation stipulated by the agreement. Hence, the terms and conditions of the agreement have been completely fulfilled.” However, due to failure of submission of financial the documentation confirming the actual expenses - **49,168.50 GEL** is credited as the accounts receivable as of December 31, 2023. The representatives of the Department of International Relations and Strategic Development periodically communicate with the University of Oxford.

Note S5: Account № 1-21-3000 – Long-term financial assets. The accounts receivable a total of **7,055,840.64 GEL** was credited as the opening balance, which originated on the basis of the bilateral agreement N880928 signed by and between the Ministry of Education and Science of Georgia and Harvard College on September 8, 2021. The sub-program “On the support of the program of knowledge of Georgia based on the Davis Center of Harvard University” includes three components: research, teaching and scholarships; financial support for implementation of the program includes 2,268,832.00 USD (7,055,840.64 GEL), which was transferred by the Ministry to Harvard College (President and Fellows of Harvard College) on September 21, 2021. A service card N1596688 was prepared and sent to the Head of the International Relations and Strategic Development Department of the Ministry by the Accounting Division of the Economic Department on 13.12.2022, for the purpose of submission of the report specified in the terms and conditions of the Agreement. In response to the aforementioned, according to the service card N14068 of January 11, 2023, the Department of International Relations and Strategic Development provided information by e-mail to the organization regarding submission of the corresponding interim financial report by Harvard College. On the basis of the service card N1690114 of December 11, 2023 and the service card N209850 of February 26, 2024, three interim reports of Harvard College for a total of 2,952,024.00 GEL (373,468.38\$+365,874.00\$+209'892.00\$, 1\$=3.1099 GEL) are submitted by the Department of International Relations and Strategic Development, which is written off from the financial statements of the program. As of December 31, 2023, the accounts receivable of 4,103,816.64 GEL are credited to the account of the Ministry.

Note S17: Within the framework of the program, the actual expenses of 2023 amount to a total of 8,399,878 GEL, including:

- Remunerations of persons employed under an employment agreement - 52,800 GEL;
- Consulting, notary, interpreter and translation services - 15,334.85 GEL;
- Current grants in kind issued to the state entities of the same level - 991.70 GEL (transfer of books to the Ministry of Foreign Affairs);
- Expenses with internal current transfers - 130.00 GEL (the amount repaid to the Budget by “Digitalmate” LLC);
- Transfers not classified elsewhere - 2,952,024.00 GEL (actual expenditure presented by Harvard);
- Current grants issued to international organizations in monetary form - 5,378,597.85 GEL. The program “International relations support” envisages the policy of cooperation with foreign countries and international organizations and foundations and the payment of membership fees in international organizations. Within the framework of the program, based on the relevant ministerial order in 2023, the membership fees indicated in the table below have been transferred to the organizations, including:

N	International organization	Transferred amount (GEL)	Purpose
1	COUNCIL OF EUROPE	43'017.42	Membership fee 2023 of the Observatory of History Teaching in Europe
2	EQAR aisbl/ivzw	10'596.64	European Quality Assurance Register EQAR membership fee 2023
3	European Commission	5'092'670.91	Membership fee 2023 of program "Horizon Europe - Georgia"
4	UNECE	2'587.90	Membership fee of the United Nations Economic Commission for Europe (UNECE) 2023
5	Regional Representative Office of the European Public Law Organization in the South Caucasus	50,000.00	Membership fee 2023 in the framework of the agreement between Georgia and European Public Law Organization (EPLO), dated 13.09.2020
6	CERN	8'347.50	Membership fee 2023 of CERN Educational Collaboration IPPOG
7	The Institute of International Education	171'377.48	Membership fee of 2023 of Fulbright English Teaching Assistant Program
	Total	5'378'597.85	

7. N(N)LE - Eastern Partnership European School - 32 01 07

32 01 07	N(N)LE - Eastern Partnership European School	
00	Total	587,544.12
2	Expenses	586,045.12
31	Increase of non-financial assets	1,499.00

N(N)LE Eastern Partnership European School was founded on the basis of the minutes of meeting N1 of the founder on November 26, 2021 (Act of Incorporation). It was registered in LEPL - National Agency of Public Registry of the Ministry of Justice of Georgia on December 1, 2021, registration number: 405495744.

The school is a joint initiative of the European Union and the Government of Georgia, which is one of the goals of the "20 main goals to be achieved by 2020" document of the European Union and is reflected in the action plan for implementation of the Association Agreement between the European Union and Georgia;

The goals of the school are as follows:

- implementation of general educational programs in an authorized mode in accordance with the legislation of Georgia;
- provision of high-quality general education with a residential component for 7th-12th grade pupils of different linguistic and cultural backgrounds living in Georgia and Eastern Partnership countries;
- teaching language is Georgian and English. Teaching of other European languages is also encouraged;
- strengthening pupils' faith in their own cultural identity, which will contribute to their formation as European citizens;
- promotion of the principles of cultural diversity, justice and equality in order to combat all forms of discrimination;
- creation of a high cultural and learning environment that will help pupils to achieve the best learning results and obtain the European standard diploma;
- establishment of high standards of teaching and learning in native language and foreign languages;
- development of pupils' mathematical and scientific skills and competencies throughout the entire period of teaching;
- promotion of development of pupils' creative skills in music and artistic disciplines, which will help the pupils to properly appreciate the common European cultural heritage;
- development of physical culture skills in pupils and promotion of a culture of healthy lifestyle through participation in sports and health activities;
- supporting the pupils in professional orientation and making informed career choices;
- ensuring reflection of European values in general educational programs (curricula);
- development of a culture of tolerance, cooperation and communication among pupils, as well as establishment of a culture of caring for others in the school community and beyond;
- promotion of attraction and professional development of competitive specialists with competencies corresponding to modern requirements, carrying national and international values on the international labor market.

Commencement of full-fledged functioning of the school (enrollment of the pupils and start of studies) is planned from September 2024. In 2022 and 2023, the preparatory work is scheduled and underway: preparation of documentation, formation of the structure, construction of the building, etc.

In 2023, the school had 6 employees - a director, an international director (freelance), a financial manager, an assistant director, an administration manager (freelance) and a curriculum coordinator (freelance). During 2023, the employees were accommodated in a building leased by the donor organization.

During 2023, the budgetary funds of the school without funds (cash and real) amounted to 209,922 (two hundred nine thousand nine hundred and twenty-two) GEL.

On September 16, 2022, a grant agreement was signed between the United Nations Office for Project Services and the Eastern Partnership European School, on the basis of which the school became a targeted grant recipient.

The general purpose of the grant is to establish a scholarship scheme for two cohorts (classes) of approximately 30 pupils each, from Eastern European Partnership countries, in order to participate in an International Baccalaureate (IB) diploma program focused on European Studies.

The detailed goals are as follows:

- development, publication and distribution of the online scholarship application;
- selection of pupils; organizing the application review process, administering tests and interviews for students from the six Eastern Partnership countries;
- management and administration of the scholarship scheme;
- organization of travel, study, food and accommodation of students in Tbilisi;
- involvement of Eastern Partnership European school pupils in extracurricular activities
- provision of permanent accommodations for scholarship students;
- recruitment and training of teachers and dormitory staff;
- capacity building of the project/school team in management, business planning and communication.

The targeted grant budget amounts to 2,743,340 (two million seven hundred and forty-three thousand three hundred and forty) EUR. During 2022, the school received 1,018,556 (one million eighteen thousand five hundred and fifty-six) GEL from the above-mentioned grant, there were no enrollments in 2023. The expenses amounted to 377622 (three hundred seventy-seven thousand six hundred twenty-two) GEL.

As of December 31, 2023, the inventories of the school amount to 2168 (two thousand one hundred and sixty-eight) GEL, assets (other machinery - 1-22-2220) with a residual balance value of 1349 (one thousand three hundred and forty-nine) GEL (1-28-2000 - accumulated machinery and inventory depreciation - 150 GEL), and short-term (current) accounts receivable - 519605 (five hundred nineteen thousand six hundred five) GEL.

70. National Center for Educational Research - 32 01 08

32 01 08	National Center for Educational Research	
00	Total	809,404.64
2	Expenses	765,192.94
31	Increase of non-financial assets	44,211.70

LEPL - National Center for Educational Research is an organization funded by the State Budget.

The financial statements are not the consolidated statements, since the Center does not have organizations subject to financial control.

Sources of funding: Funding from the Budget.

Main activities:

- conducting scientific studies, large-scale national and international evaluations at all levels of the education system, starting with pre-school education, ending with higher education and workforce readiness;
- continuous research of key issues for different levels of enhancement, deepening, expansion and application of scientific knowledge in practice – offering systematically organized knowledge to educational institutions to effectively respond to existing challenges and support the modernization of the education system;
- close cooperation with international research organizations; holding international conferences to support experience sharing and internationalization.

Non-financial assets:

Valuation:

Non-financial assets are valued at historical cost.

Accounts receivable/payable: The accounts payable of LEPL - National Center for Educational Research as of December 31, 2023 amount to 28.80 GEL, which is due to mobile phone services (December services. Consolidated tender NCON220000397).

Comparison of budget and actual amounts

in thousand GEL

With a plan approved by the budget	With revised plan	Deviation % between approved and revised plan	Cash expense	Deviation % between revised plan and cash expenses
849.99	809.68	95,6%	809.40	99,97%

Budget financing in the amount of 809,405.0 GEL was distributed according to the budget classification as follows, expenditure article - 765,193.0 GEL, non-financial assets article - 44,212.0 GEL.

8. Funding of general education schools - 32 02 01

0	Total	1,139,712,355.50
2	Expenses	1,139,707,355.50
31	Increase of non-financial assets	5,000.00
32 02 01	Funding of general education schools	
00	Total	1,136,320,167.35
2	Expenses	1,136,320,167.35
32 02 05 01	LEPL - Vladimir Komarov Tbilisi School of Physics and Mathematics N199	
00	Total	242,800.00
2	Expenses	242,800.00
32 06 02	Program for promotion of special institutions for children with special educational needs	
00	Total	3,149,388.15
2	Expenses	3,144,388.15
31	Increase of non-financial assets	5,000.00

The consolidated financial report of general education schools consists of **the consolidated financial statements of general education public schools** submitted by 68 educational resource centers and the Ministry of Education and Culture of Abkhazia (Abkhazian schools).

Funding from the budget Within the framework of the program "Funding of secondary schools" (program code 32 02 01) **totals 1,136,320,167.35 GEL**, including:

- ❖ **Cost of pupil vouchers (2.8.2.1.7) - 1,105,704,367.35 GEL**, including:

in public schools - 1,086,177,491.87 GEL;

in private schools - 19,259,416.03 GEL;

LEPL - Giorgi Kvinitadze Cadet Military Lyceum: 267,459.45 GEL (note: the founder of LEPL - Giorgi Kvinitadze Cadet Military Lyceum is the Ministry of Defense of Georgia, within the budget of the Ministry of Education and Science of Georgia, a voucher corresponding to the financial norms calculated only for one pupil is charged).

- ❖ **Subsidies (2.5.3) - 30,615,800.00 GEL.**

The transfer of funds was carried out through a standard transfer - on the basis of the Decree N461 of the Government of Georgia "On providing financial assistance to some institutions established by the Patriarchate of Georgia", dated 10.03.2023 (amendment - Government Decree N1168, 19.06.23);

Form №1 - Statement of financial position

During the reporting period, a number of changes were carried out by general education public schools (442 public schools) - opening balances were recalculated retrospectively. **Adjustment of capital (undistributed surplus/deficit) amounted to 29,340,479.00 GEL**, including:

Title of the account (recalculated opening balance)	Balance as of 31.12.202	Adjusted balance 31.12.2022	Difference
Inventory (S3)	2,931,436.00	2,934,429.00	2,993.00
Fixed assets (S6)	1,385,717,766.00	1,410,310,648.00	24,592,882.00
Other long-term non-financial assets (S11)	6,312,842.00	11,057,446.00	4,744,604.00
Undistributed surplus/deficit	1,453,102,926.00	1,482,443,405.00	29,340,479.00

For detailed information on changes/recalculations of the accounts, please see the Appendix “Retrospective adjustments 2023” in the table.

Form N2 - Statement of financial results. Turnover of the previous reporting period has been recalculated - and the difference is **16,166,684.00 GEL in excess**, which includes specifically **the balance value of the assets received in 2022**, introduced in the financial statements of 2023 - through the retrospective recalculation of the balances of the previous year - Note №6 and Note №11 - in addition to the opening balances (historical value) and the addition of accumulated depreciation of fixed assets to the opening balances.

Also, the Note №14 b - Incomes from grants - Turnover of the previous reporting period is adjusted

- **Current grant Received from state entities of the same level 4-32-1310 - increased by 10,411,185.00 GEL**, also Note №17 Operating costs - Turnover of the previous reporting period - **Costs of goods and services 5-20-0000 - increased by 10,411,185.00 GEL**;
- **Capital grant received from state entities of the same level 4-32-1310 - increased by 16,254,459.00 GEL**, also Note №17 operating expenses - Turnover of the previous reporting period - **Depreciation expense 5-41-0000 - increased by 87,774.59 GEL**, and difference between them - amounts to **16,021,734.00 GEL**.

Total Difference:

Incomes from grants - 26,665,643.00 GEL (including current - 10,411,185.00 GEL, capital - 16,254,459.00 GEL);

Goods and services - 10,411,185.00 GEL;

Depreciation and amortization - 87,774.00 GEL.

For detailed information, please see the table of the Appendix “GP 2022 opening balances (revenues and expenses) – adjustment”.

Form №4 - Statement of changes in net assets/equity: As it was mentioned above, **adjustment of capital (undistributed surplus/deficit) amounted to 29,340,479.00 GEL**, including:

- ❖ Retrospective recalculation of significant errors of previous periods - **29,087,920.00 GEL**;
- ❖ Adjustments as a result of one-time revaluation - **252,559.00 GEL**.
- In 2023, LEPL - Education and Scientific Infrastructure Development Agency transferred the repair/rehabilitation works carried out in the past period to public schools - accordingly, adjustment “by recalculation of the essential errors of the past period” - amounted to **13,127,376.72 GEL** in the part of increase of non-financial assets, and current repair works in the mount of **13,633,021.34 GEL** are included in the expenses of the financial statements of the GP school by the the schools, as well as **the fuel briquettes worth 39,560.00 GEL** transferred to the public schools in 2022, the acts of transfer of which were signed with the schools in 2023, were carried out by the schools retrospectively - recognition as expenses of the previous year
- LEPL - Municipal Development Fund transferred to the construction and rehabilitation works carried out in the past period with a value of 21,695,827.20 GEL to the public schools in 2023, of which in the part of increase of non-financial assets (taking into account the depreciation of previous years) - amounted to 14,980,04.28 GEL, and the schools included current repair works in the mount of 6,634,598.97 GEL in the expenses of the financial statements of GP school.
- Various operations with delayed information about transfers/receipts by the secondary schools in 2023, which were not reflected in the financial statements of the school in previous years or were reflected incorrectly - and accordingly the

recalculation of the essential errors of the past period and the current year 2023 was carried out. In total adjustment amounted to **983,181.00 GEL**.

- **Adjustments as a result of one-time revaluation - 252,559.00 GEL.**

For detailed information please see the **table of the Appendix “Retrospective Adjustments 2023”**.

In the form of statement of changes in net assets/equity - in the “period surplus/deficit” control formula of the previous reporting period, a difference in the amount of 16,166,684.00 GEL is recorded - for detailed explanation regarding this, please see the explanation of the Form №2.

Form №5 - Statement of comparison of budget and actual amounts: Except for code 32 02 01 - **Financing of general education schools (1,136,320,167.35 GEL)** - the consolidated financial statements of general education schools provide for the following financing:

- **32 06 02** – “from the program for promotion of special institutions for children with special educational needs” - **3,149,388.15 GEL** (including the Article 2.5.3 - 3,144,388.15 GEL, Article 3.1 - 5,000.00 GEL);
- **32 02 05 01** - from the program of LEPL - Vladimir Komarov Tbilisi Public School of Physics and Mathematics N199 - under the Article 2.5.3 - Financing - 242,800.00 GEL.

The mentioned budget codes are managed/spent by the public schools themselves and accordingly they include them in the financial statements submitted by them to the educational resource center - Form N5 and Note № 14 c - Incomes/expenditures through internal transfers.

Please see the table below:

Program 32 06 02 for promotion of special institutions for children with special educational needs	Article of economic classification	Name of school	Amount
Akhaltzikhe (49)	2.5.3	Akhaltzikhe N7 Public School	304,730.36
Gldani-Dadzaladevi (4)	2.5.3	Tbilisi N200 Public School	756,023.00
Vake-Saburtalo (3)	2.5.3	Tbilisi N203 Public School	687,479.48
	2.5.3	Tbilisi N198 Public School	401,987.90
Kutaisi (9)	2.5.3	Kutaisi N45 Public School	337,300.00
Old Tbilisi (5)	2.5.3	Tbilisi N202 Public School	349,454.02
Tchiatura (12)	2.5.3	Tchiatura N12 Public School	307,413.39
	3.1		5,000.00
		Total	3,149,388.15

Program 32 02 05 01 - LEPL - Vladimir Komarov Tbilisi School of Physics and Mathematics N199	Article of economic classification	Name of school	Amount
Vake-Saburtalo (3)	2.5.3	LEPL - Vladimir Komarov Tbilisi School of Physics and Mathematics N199	242,800.00

Total financial reporting form N5 - financing amounts to 1,139,712,355.50 GEL, including:

Name of the article of economic classification		32 02 01	32 02 05 01	32 06 01 01	Total
Subsidies	2.5	30,615,800.00	242,800.00	3,144,388.15	34,002,988.15
Other expenses	2.8	1,105,704,367.35	0.00	0.00	1,105,704,367.35
Increase of non-financial assets	3.1	0.00	0.00	5,000.00	5,000.00
Total		1,136,320,167.35	242,800.00	3,149,388.15	1,139,712,355.50

Note №2 – Cash and cash equivalents: Cash balances in commercial banks in national currency* – The cash balance in the amount of **43,809,938.00 GEL** is recorded on the account №1-11-2100, which as of 31.12.2023 was credited to the current and deposit accounts of general education secondary schools.

In the current year of 2023, part of the public schools - a total of 586 public schools – were transferred to the Treasury Service - at the end of the reporting period, 1,745,336.40 GEL remained in the deposit accounts of these schools in commercial banks, and the remaining 42,064,601.60 GEL amounted to the remaining balances in the commercial banks of the remaining public schools – as of 31.12.2023.

For detailed information, please see the Appendix – “**Treasury, Revenues, Balances, Schools, 2023**” in the table.

Note №2a - Current investments and short-term account receivable: Short-term (current) accounts receivable of the budgetary organizations to the Treasury, with non-budgetary (own) funds in national currency – account №1-13-1230 records the income (increase) - payments (decrease) of the schools transferred to Treasury Service in 2023 and the closing balance of the reporting period - **13,916,241.00 GEL** - which is fixed on the treasury account belonging to the budget inflows of the general education school (total 586 public schools).

For detailed information, please see the Appendix – “**Treasury, Revenues, Balances, Schools, 2023**” in the table.

Also, in the above-mentioned appendix (Sh2a), the accounts receivable of the schools are recorded - as of 31.12.2023, which amounts **to 800,328.00 GEL**.

Note №3 - Inventories: A retrospective recalculation of the opening balances of 2,993.00 GEL has been carried out on the inventory accounts (Account №1-14-1410) -

Note 3	Opening balance of 2023	Added to value	Recalculated opening balance
Low-value assets 1-14-1410	666,154.00	2,993.00	669,147.00

Inflows / outflows and write-off of the public schools are also recorded in the reporting period.

Detailed information on retrospective recalculation is provided in the table of the **Appendix - “Retrospective Adjustments 2023”**.

Note №4 - Other short-term (current) assets* In the above-mentioned form, the receivables are also recorded - **a total of 1,997,901.00 GEL;**

Advance payments - Goods and services 1-15-1100 – 106,171.00 GEL (including **3,845.00 GEL** - amounts paid by mistake / overpayment to LEPL – National Center for Educational Quality Enhancement).

Advance payments for long-term non-financial assets 1-15-1200 – 1,686,670.00 GEL (the receivables of the schools to LEPL - National Center for Educational Quality Enhancement - 1,576,387.00 GEL – are credited to this account, which is caused by the change in authorization fees (on the basis of the Order № 38/N of the Minister of Education, Science and Youth of Georgia, dated February 15, 2024, on amendment to the Order № 99/N of the Minister of Education and Science of Georgia “On approval of the regulations and fees for authorization of educational institutions”, dated October 1, 2010 (the fees specified in the Articles 15(1)(11)(12) and the Article 17(7) of this regulation shall be applied to the administrative proceedings against the general educational institutions known as applicants from March 29, 2023);

Advance payments with payables 1-15-1300 – 300.00 GEL;

Short-term (current) non-monetary receivables with a deficit of non-financial assets - 1-15-5000 – 204,760.00 GEL.

Explanation regarding the above-mentioned: Opening balance as of 01.01.2023 - the deficit (on the account №1-15-5000) amounted to 182,512.00 GEL, in the current accounting year it has increased (increase) by 24,433.00 GEL, including:

LEPL - Rustavi №23 Public School - 23,493.00 GEL (Note №2 - account №1-14-1420 - outflows with a deficit);

LEPL - Rustavi №7 Public School - 940.00 GEL (from reference account №04);

And the reduction (decrease) of 1,285.00 GEL includes:

LEPL - Eredi Public School of Mtskheta Municipality - 1,254.00 GEL (Note №6 – account №1-22-2220 - Recovery of the deficit);

LEPL - Rustavi №1 Public School - writing off of 931.00 GEL - Expenses of doubtful/bad debts to the account №5-91-0000.

In the consolidated financial statements - **1,580,232.00 GEL from the following accounts of Note №4 of the balance sheet is subject to elimination from the consolidated financial statement of general education public schools:**

Program code	Title	Amount	Amount, including	Credited to the account №4
32 01 03	LEPL – National Center for Educational Quality Enhancement	1,580,232.00	3,845.00	1-15-1100
			1,576,387.00	1-15-1200
	Total		1,580,232.00	

Advance payments for goods and services №1-15-1100 – 3845.00 GEL;

Advance payments for long-term non-financial assets №1-15-1200 – 1,576,387.00 GEL.

Detailed information - about receivables of schools - which is recorded in the respective accounts of the Note №2 and the Note №4 of the financial statements and amounts to a total of 16,714,470.00 GEL, including:

Current accounts receivable of the budgetary organizations to the Treasury with non-budgetary (own) funds in national currency on the account 1-13-1230 - 13,916,241.00 GEL;

Others (Note №2a - 800,328.00 GEL and Note №2 - 1,997,901.00 GEL) - 2,798,229.00 GEL

Please see the Appendix №1.1 - Information on financial assets and receivables by debtors;

Note №6 Fixed assets: Retrospective recalculations on the opening balances have been carried out on non-financial assets accounts - a total of 24,592,882 GEL, please see the tables by accounts:

Note №6 – Historical value of fixed assets*	Opening balance in 2023	Added to the historical value	Recalculated Opening balance
Non-residential buildings 1-22-1200	1,162,089,829.00	22,378,957	1,184,468,786.00
Other premises 1-22-1300	35,695,686.00	1,850,730	37,546,416.00
1-22-2210	114,927,255.00	438,319	115,365,574.00
1-22-2220	96,823,911.00	(1,817)	96,822,094.00
1-22-3000	512,204.00	12,000	524,204.00
Total		24,678,189.00	
Note №6 - Depreciation	Opening balance in 2023	Adds to the historical value	Recalculated Opening balance
Non-residential buildings 1-22-1200	146,648,199.00	(70,389)	146,577,810.00
Other premises 1-22-1300	7,301,402.00	171,443	7,472,845.00
1-22-2210	64,312,339.00	(15,747)	64,296,592.00
Total		85,307.00	

In the above-mentioned appendix (Note 6), inflows / outflows of the public schools, as well as the write-offs are also recorded in the reporting period.

Detailed information on retrospective recalculation is provided in the table of the Appendix “Retrospective Adjustments, 2023”.

Note №8 - Intangible assets: Intangible assets value accounts - purchases in the current period in the amount of a total of 3,478,568.00 GEL are shown, including software - account 1-24-1310 - 3,146.00 GEL and permits to carry out specific activities - account 1-24-2130 - 3,475,422.00 GEL, which is the cost of authorization passed by secondary schools.

Other – Inflow / outflow or retrospective recalculation on other accounts is not recorded.

Note №11 – Other non-financial long-term assets: Unfinished assets - 1-27-3000 - retrospective recalculation of the opening balance - 4,744,604.00 GEL,

Note №11	Opening balance in 2023	Added to historical value	Recalculated opening balance
Unfinished assets 1-27-4000	6,254,620.00	4,744,604.00	10,999,224.00

Detailed information on retrospective recalculation is provided for in the table of the Appendix “Retrospective Adjustments, 2023”.

Construction and rehabilitation work transferred by LEPL - Education and Scientific Infrastructure Development Agency to LEPL – Gori № 11 Public School was received with the current grants.

Completed construction works of LEPL - Village Iormungalo Public School of the of Sagarejo Municipality are shown with other inflows - 573,931.00 GEL (“with other receipts” transferred to Note №6 - Non-residential buildings on the account 1-22-1200).

Note №13 Accounts payable, provisions and other liabilities: Liabilities are recorded in this form – **In total 10,392,430.00 GEL;**

Including, the liabilities towards the internal system of the Ministry amount to 9,060,475.00 GEL,

Please see the table below:

Program code	Title	Amount	Amount including	Credited to the Note №13 Account
32 01 03	LEPL – Center of Education Quality Enhancement	2,700.00	2,600.00	2-13-4000
			100.00	2-15-1220
32 01 04	LEPL - Education Management Information System (EMIS)	19,050.00	3,670.00	2-13-9000
			15,380.00	2-15-1220
32 01 05	LEPL - Education and Scientific Infrastructure Development Agency	8,672,608.00	8,672,608.00	2-15-1220
32 02 04 01	Successful Students Encouragement	36,810.00	36,810.00	2-15-1220
32 02 12 01	Promotion of general education	210,949.00	210,949.00	2-15-1220
32 03 02	N(N)LE - Vocational Skills Agency	11,646.00	11,646.00	2-15-1220
32 05 01 01	LEPL - Shota Rustaveli National Science Foundation of Georgia 32 05 01 01	103,290.00	103,290.00	2-15-1220
32 06 01	Inclusive education promotion program	3,422.00	3,422.00	2-15-1220
	Total		9,060,475.00	

Accordingly, in the consolidated financial statement - 9.074.965.00 GEL is subject to elimination from the following accounts of Note №13 of the balance sheet:

- Short-term accounts payable related to supply of goods and services 2-13-4000 – 2,600.00 GEL;
- Other short-term (current) accounts payable 2-13-9000 – 3,670.00 GEL;
- Income from short-term (current) advances received from grants and other non-exchange transactions 2-15-1220 – 9,054,205.00 GEL.

For detailed information on liabilities of the schools by creditors - which amounts to a total of 10,392,430.00 GEL, please see the Appendix №1.2 - Information on liabilities by creditors;

Note №14 - Incomes from taxes, grants, etc.: In the aforementioned appendix, the following are recorded by the secondary schools:

Note №14b - Incomes from grants - Monetary and in-kind grants;

The construction and rehabilitation work received free of charge in the current year amounted to a total of 19,983,121.00 GEL, which is recorded in the **difference - 19,983,121.00 GEL** between the supplies received from - Note №14 - In kind 4-32-0000 - the state entities 4-32-1300 and the supplies received from current grants recorded in the Note №3, including:

19,435,059 GEL is received from LEPL - Education and Scientific Infrastructure Development Agency in 2023 for ongoing renovation works;

525.090 GEL is the current repair works received from local municipalities (Rustavi, Poti);

22,975 GEL is the ongoing renovation work transferred by the US Embassy (Isani-Samgori).

For a detailed explanation, please see the table “Repair and construction works received in 2023”

№14c - Income from other transactions -

Incomes from internal transfers 4-50-0000 – 1,139,712,354.00 GEL, which in turn includes -

Financing within the budget codes 32 02 01, 32 02 05 01 and 32 06 01 01;

Income from internal current transfers 4-52-0000 – 1,139,707,354.00 GEL;

Income from internal capital transfers 4-51-0000 – 5,000.00 GEL.

32 02 01	32 02 05 01	32 06 01 01	Total
30,615,800.00	242,800.00	3,144,388.15	34,002,988.15
1,105,704,367.35	0.00	0.00	1,105,704,367.35
0.00	0.00	5,000.00	5,000.00
1,136,320,167.35	242,800.00	3,149,388.15	1,139,712,355.50

Note №15 - Incomes from exchange transactions: In the above-mentioned appendix, the income from provision of services, voucher financing and other incomes (paid education, circles and others) received by the secondary schools are recorded in the account 4-42-1000 - 1,140,581,379.00 GEL;

Interest incomes 4-41-1000 - 5,649,906.00 GEL interest accrued to the current accounts in commercial banks of schools is recorded in the account;

Note №16 Impairment expenses and impairment reversal incomes: Impairment expenses – the write-offs of the inventories and non-financial assets carried out by the public schools in the current year are recorded in this appendix -

Expenses for reduction of value of the inventories 5-92-0000 – 333,969.00 GEL, which is also fixed in the table of the Note № 3 - reduction of value of the inventories - costs of reduction of value of the year/cancelled on outflow;

Fixed assets depreciation expenses 5-93-0000 – 6,593,025.00 GEL, which are also recorded in the table of the fixed assets accumulated impairment loss of the Note №6 – Impairment expenses of the year/cancelled on outflow;

Expenses of doubtful/bad debts 5-91-0000 – 931.00 GEL - which are also recorded in the table of accumulated impairment loss/doubtful receivables of the Note №4.

Note №17 - Operating expenses. In the above-mentioned appendix, the actual expenses incurred by the secondary schools in 2023 are recorded according to the relevant economic classification;

In addition, in the Note №17a - table - current transfers not classified elsewhere - 5-73-1000 - recorded from 1,150,024,502.00 GEL – including:

1,105,933,904.00 GEL is the actual expenses incurred Within the framework of the program “Funding of secondary schools” (32 02 01) – please see the table below:

External transfers not classified elsewhere 5-73-0000	1,105,933,904.00	
Current transfers not classified elsewhere 5-73-1000	1,105,704,367.00	Costs of pupil vouchers
Capital transfers not classified elsewhere 5-73-2000	229,537.00	Institutions of the Patriarchate

Note №17c - subsidies to other sectors in the table 5-35-0000 – **from 38,607,629.00 GEL** - including:

34,330,688.00 GEL - is the actual expenses incurred Within the framework of the program “Funding of secondary schools” (32 02 01) (institutions of the Patriarchate);

And the rest - 4,276,941.00 GEL - includes – the actual costs of credited subsidies of “Program for promotion of special institutions for children with special educational needs” (32 06 02), LEPL - Vladimir Komarov Tbilisi Public School of Physics and Mathematics №199 (32 05 02) and special funds from the budget of the Autonomous Republic of Adjara on the basis of the agreements signed with the boarding schools of educational needs (funds are transferred to schools in commercial banks);

About elimination:

In 2023, except from the program “General Education Schools” (32 02 01) - **in addition to voucher financing (2.8.2.1.7)**, which amounted to **1,086,177,492 GEL** in general education public schools (32 02 01 - the total cost of pupil vouchers (2.8.2.1.7) - 1,105,704,367 GEL less voucher for private schools: 19,259,416 GEL and LEPL - General Giorgi Kvinitadze Cadet Military Lyceum: 267 459 GEL)

In addition, in 2023, transfers from other programs implemented by the Ministry of Education and Science of Georgia were carried out in general education **public schools**, including:

- 32 02 04 01 - Successful Students Encouragement - 184,369 GEL;
- 32 02 08 - Access to education for accused and convicted persons - 174,096 GEL;
- 32 06 01 01 - Promotion of inclusive education - 767,988 GEL;
- 32 02 12 01 - Promotion of general education – 2,191,063 GEL (including program funding – 1,749,100 GEL; 2.8.2.1.7 – 441,963 GEL);
- 32 03 01 01 - Promotion of vocational education development - 113,559 GEL;
- 32 06 03 - Promotion of teaching of students with special educational needs - 39,374,283 GEL.

Total funds transferred to the accounts of general education public schools (cash), together with voucher incomes, amount to 1,128,982,850 GEL (please see the Appendix “Definition Table for Elimination, 2023”)

Since the consolidated financial statements of the Ministry of Education, Science and Youth of Georgia for 2023 reflect the funding of the program code 32 02 01, as well as the funds transferred to **the general education public schools** within the budget

allocations of the programs implemented by the Ministry of Education and Science of Georgia and the actual income and expenses reflected in the balance sheet of general education schools during consolidation is doubled, therefore **subject to elimination**:

It is also necessary to take into account the fact that - since the form of financial statements (balance sheet) includes the information about actual incomes, the accounts payable of 2022 (liabilities) of the public schools within the framework of the above-mentioned programs should be deducted upon elimination - because the financing of programs/projects is recognized as actual income by the public school only for contractual obligations after execution and signing of the final act of acceptance.

Accordingly, the liabilities (accounts receivable) arising in 2023 are deducted from the cash income - 1,128,982,850 GEL, which is recorded in the Note № 13 - Short-term (current) advances received through grants and incomes from other non-exchange transactions of the financial statements on the account 2-15-1220 and amounts to 251,180 GEL, including:

- Successful Students Encouragement - Within the framework of the program (32 02 04 01) - **36,810 GEL**;
- Promotion of inclusive education - Within the framework of the program (32 06 01 01) - **3,422 GEL**;
- Promotion of general education Within the framework of the program (32 02 12 01) – Liability - **210,949 GEL**.

and **1,128,731,670 GEL** was subject to elimination, please see the table below:

N	Program code	Program name	Cash funds transferred, 2023	Article of economic classification	Debt obligation – 2023	Subject to elimination in 2023	On the account consolidated financial statement, balance is reflected in the following notes/accounts	
1	32 02 04 01	Encouraging successful pupils	65,099.12	2.5.3	10,000.00	55,099.12	Note №14b	Grant in monetary form - Received from state entities of the same level 4-31-1310
			119,269.61	2.6.3.1.1.2	26,810.00	92,459.61		
2	32 02 08	Access to general education for accused and convicted persons	38,943.07	2.5.3	-	38,943.07		
			135,153.25	2.6.3.1.1.2	-	135,153.25		
3	32 03 01 01	Professional education development promotion program	113,558.78	2.8.2.1.18	-	113,558.78		
4	32 06 01 01	Promotion of inclusive education	764,054.22	2.5.3	3,054.72	760,999.50		
			3,934.00	2.6.3.1.1.2	367.00	3,567.00		
5	32 02 12 01	Promotion of general education	1,061,629.58	2.5.3	110,937.64	950,691.94		
	32 02 12 01		47,587.85	2.8.2.2	47,587.85	0.00		
	32 02 12 01		635,802.65	2.6.3.1.1.2	48,342.81	587,459.84		
	32 02 12 01		4,080.07	2.6.3.2.1.2	4,080.07	0.00		
5.1	32 02 12 01	Promotion of general education	441,963.15	2.8.2.1.7	-	441,963.15	Note №15a	Income from provision of services 4-42-1000
6	32 06 03	Promotion of teaching of pupils with special educational needs	39,374,283.12	2.8.2.1.7	-	39,374,283.12		
7	32 02 01	General educational public schools	1,086,177,491.87	2.8.2.1.7	-	1,086,177,491.87		
			1,128,982,850.34		251,180.09	1,128,731,670.25		

From actual incomes - Non-budget funds:

Note №14 – №14b - Incomes from grants - In monetary form - Received from state entities of the same level 4-31-1310 - Non-budget funds - Total 2,737,932 GEL.

Note №15 – №15 Incomes from exchange transactions - Income from provision of services 4-42-1000 - Non-budget funds - Total 1,125,993,738 GEL.

Note №14b - Incomes from grants	251,180	In monetary form - Received from state entities of the same level - 4-31-1311
Note №15 – Incomes from exchange transactions	1,125,993,738	Income from provision of services - 4-42-1001

Total	1,126,244,918	
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In total following is subject to elimination from income - 1,128,731,670 GEL.

From actual expenses - budget funds:

Deletion should be made from the articles of the economic classification of expenses from which the financing is carried out, in particular:

Note №17a - Current transfers not classified elsewhere 5-73-1000 – 1,126,107,297 GEL;

Note №17b - Grant in monetary form issued to state units of the same level on 5-31-1310 – 818,640 GEL;

Note №17c - Subsidies to other sectors 5-35-0000 - 1,805,734 GEL;

Article 2.8.2.1 of economic classification - current transfers not classified elsewhere	1,126,107,297	Note №17a - current transfers not classified elsewhere 5-73-1000
Article 2.6.3.1.1.2 of economic classification – Grants of LEPLs / N(N)Les of the Central Budget	818,640	Note №17b – Grants in monetary form, issued to the state entities of the same level 5-31-1310
Article 2.5 of economic classification – Subsidies to other sectors	1,805,734	Note № 7 c - Subsidies to other sectors 5-35-0000
Total	1,128,731,670	

Total elimination from expenses - 1,128,731,670 GEL.

Note: Elimination was carried out Within the framework of “Funding of general education schools” (32 02 01), only in terms of schools (public schools) established by the Order №448 of the Minister of Education and Science of Georgia “On establishment of public educational institutions as legal entities of public law and approval of public school statutes”, 15.09.2005.

9. Promotion of professional development for teachers - 32 02 02

00	Total	23,672,599.97
2	Expenses	23,594,525.97
31	Increase of non-financial assets	78,074.00
32 02 02	Promotion of professional development for teachers	
00	Total	12,419,591.74
2	Expenses	12,341,517.74
31	Increase of non-financial assets	78,074.00
32 02 12 06	Promotion of general education- LEPL - National Center for Teacher Professional Development	
00	Total	230,215.00
2	Expenses	230,215.00
32 02 13 04	Promotion of general education reform - LEPL - National Center for Teacher Professional Development	
00	Total	10,410,311.23
2	Expenses	10,410,311.23
32 06 04	Development of human resources to support inclusive education	
00	Total	612,482.00
2	Expenses	612,482.00

Order №108 of the Minister of Finance of Georgia on approval of the instruction “On preparation of the financial statements by the budgetary organizations based on International Public Sector Accounting Standards (IPSAS)”; Instruction “On the preparation and submission of financial statements of the budgetary organizations” approved by the Order №24 of the Minister of Finance of Georgia, dated February 4, 2021; the accounting policy document for accounting and financial reporting of the Ministry of Education, Science and Youth of Georgia and territorial bodies and budgetary organizations operating in the field of its governance; the Order №17 of the Minister of Finance of Georgia “Regarding the approval of the plan of accounting reports of budgetary organizations and the instruction on its use”, dated January 15, 2020, also, the Order №289 of the Minister of Finance of Georgia “On approval of the instruction on accounting of depreciation/amortization by budgetary organizations and recording in the financial statements”, dated December 02, 2020.

There was no deviation from the standard in the period of 2023.

The reporting period is from January 01, 2023 through December 31, 2023. The financial statement is prepared in national currency.

The financial statement, 2023, of LEPL - National Center for Teacher Professional Development covers the budget of 2023 and the following program subcodes:

- 32 02 02 (professional development of teachers);
- 32 02 12 06 (promotion of general education);
- 32 02 13 04 (promotion of general education reform);
- 32 06 04 (development of human resources to support inclusive education).

Accrual of depreciation on assets is carried out in accordance with the Order №289 on the accounting of depreciation/amortization by the budgetary organizations and recording in the financial statements, dated December 02, 2020. The assets purchased in the first half of the month are depreciated in the full amount of the month of purchase, while the assets purchased in the second half of the month are depreciated from the following month.

Short-term (current) accounts receivable: Short-term (current) accounts receivable of the budgetary organizations to the Treasury includes balances in the amount of 212,761.00 GEL, allocated to the following accounts:

- 1-13-1220 – 163,018.00 GEL;
- 1-13-1230 – GEL 45,809.00;
- 1-13-1240 – 9434.00 GEL (182 EUR and 1261.25 USD);

Closing balance of 2023 - Amounts receivable from taxes (account - 1-13-2000) totaling 192,395.00 GEL, consist of:

1. Overpaid income tax- 25,071.00 GEL;
2. Overpaid VAT - 167,324.00 GEL;
3. Overpaid pension fee - 132.00 GEL
4. Short-term receivables for employees - 115,965.00 GEL;
 - 4.1. Receivables arising as a result of the deficit - 10,672.00 GEL; deficit identified as a result of the inventory performed in 2015.
 - 4.2. Overpaid salaries - 60,142.00 GEL;
 - 4.2.1. Including: 60,060.00 GEL is the amount of overpaid salaries (excluding income tax) to an employee of the Center in 2018, which is the subject of litigation.
 - 4.3. In 2010, debts incurred by the employees as a result of business trips abroad - 45,151.00 GEL. The cost of paid flight tickets for foreign volunteer teachers within the sub-program "Teach and learn with Georgia". Above-mentioned amount had to be repaid by the employees for the Center due to violation of the terms and conditions of the agreement.

Inventories: Inventories are recognized at the lower of cost and net realizable value.

As of January 1, 2023, 237,201.00 GEL - Other materials and supplies (Article 1-14-1400) were recorded on the balance sheet, including:

1. Low-value assets - 2,232.00 GEL;
2. Inventories - 237'201.00 GEL.

It was introduced during the period of 2023

1. With the purchase of the current period – inventories worth 180,292.00 GEL and low-value assets worth 12,512.00 GEL.
 - The center used 294,275.00 GEL of supplies and low-value assets in the form of inventories for its own activities.
 - Throughout Georgia:

1. Printed products and stationery worth 2,701.00 GEL were given free of charge to the resource centers of the regions in the Autonomous Republic of Adjara.
2. Printed products and stationery materials worth 142.00 GEL were distributed free of charge to the school resource centers of the regions in the Autonomous Republic of Abkhazia;
3. Books at school resource centers - 71,953.00 GEL; books; magazines; laboratory materials and stationery;
4. Printed books in the amount of 155.00 GEL were given to LEPL - National Library of Parliament of Georgia;
5. Books in the amount of 13 GEL were transferred to the office of the Parliament of Georgia;
6. Books in the amount of 432 GEL were transferred to the Ministry of Foreign Affairs of Georgia;
7. Stationery, magazines and books of 26101 GEL were given to the employees employed in the programs of the center, authors of published books, participants in various activities.

Other short-term (current) assets: Advance payments for goods and services (1-15-1100), opening and closing balance - 4902 GEL, closing balance remained unchanged.

Fixed assets: Fixed assets are valued using the cost model.

Fixed assets are depreciated using the straight-line method.

- **Building and structure** - initial value - 957,624.00 GEL, there was no receipt in the current year, depreciation was charged and the residual value is 841,237.00 GEL;
- **Transport equipment** - no assets were received in the part of listed assets under this category, annual depreciation was charged taking into account its useful service period;
- **Machinery** - value - 368,992.00 GEL and in the current year 78,074.00 GEL of fixed assets were purchased, current depreciation - 30,874.00 GEL, accumulated depreciation - 232,262.00 GEL and the residual balance value at the end of the year - 211,382.00 GEL.
- **Non-residential buildings 1-22-1200:** A part of the property of LEPL - Zurab Zhvania State Administration School, located at the address: № 17, Nike Str, Kutaisi, namely three rooms and a corridor on the first floor - with a total area of 172.34 m².
- The administrative building of the Center located at the address: №5, Sandro Euli Str., Tbilisi (ID code: 01.14.05.007.073),

Non-derivative assets - Land - following is recorded on the balance sheet of the organization:

644.5 m² of land plot in Kutaisi.

1584 m² of non-agricultural purpose located at the address: №1, Agmashenebeli Str., Zugdidi;

1149 m² of land - in Ozurgeti;

1009 m² of land in Telavi

The value of non-derivative assets in the financial statements at the beginning of the year and at the end of the year amounts to 637,848 GEL.

Intellectual property facilities 1-24-1000: Other intellectual property products (1-24-1500) - the opening balance in 2023 amounts to 88,367.00 GEL, the licenses are amortized in proportion to the useful service period. On the assets where it is possible to determine the useful service period, depreciation is charged proportionally, in other cases, depreciation is charged in the amount of 10%.

Other long-term non-financial assets: includes the opening and closing balance of 2023 of the construction in progress in the amount of 1-27-5100 - 220 GEL, closing balance remained unchanged.

Short-term liabilities: **Accounts payable related to employees and scholarships - 2-13-300** - Other short-term (current) accounts payable - Balance credited to the account 2-13-9000 includes the funds received from LEPL - Shota Rustaveli Foundation in advance, which were received by the Center as inflows, as the cash income in 2022, however, have not yet been fully recognized as accrued income, for which an act of acceptance has been signed between both organizations.

№14b - Incomes from grants: By 2023, the Center received a targeted grant from international organizations, cash income was 525448 GEL, opening balance at the beginning of the year was 300,666.00 in monetary form. The cash expenditure is 663,096.00 GEL, the accrued income in the part of the targeted grant amounts to 663,096.00 GEL, which is recorded in the Note №14.

Based on the terms and conditions of the agreement, the debt of the Center to the targeted grant-giving facilities amounted to 145095.00 GEL. Incomes from grants and other non-exchange transactions are recognized as short-term (current) advances on the account 2-15-1220.

Cash income in the part of non-budgetary income:

In 2023, the debt in the amount of 507 GEL was returned to the Infrastructure Development Agency, which was accrued to the Center as a liability, it was recorded as minus income in the statement, outflow of money is not shown the expenditure section, we do not have cash expenses, therefore we do not have the outflow of money in the form of expenditure, it is recorded only in the income section, the Note the expenditure part does 14 shows repayment of 507 GEL to the non-budget funds section.

The equity of 2023 consists of budget and non-budget funds. The opening balance in the budget part is 2,291,197.00 GEL, in the non-budget part - 361,029.00 GEL. No error of the previous period was not corrected. Accordingly, only the financial results of the current period had an impact on formation of the closing balance of equity.

Statement of changes in net assets/equity

10. Provision of a safe educational environment - 32 02 03

32 02 03	Provision of a safe educational environment	
00	Total	29,502,675.32
2	Expenses	29,212,515.47
31	Increase of non-financial assets	290,159.85

LEPL - Office of Resource Officers of the Educational Institution (ID code: 205296650) is a legal entity under public law included in the system of the Ministry of Education and Science of Georgia, with the following activities:

- provision of a physically, psychologically and emotionally safe school environment during school hours on the territory of public schools;
- implementation of preventive measures for protection of safety and public order during school hours in the territory of public schools, and effective response to violations of safety and public order;
- protection of security and public order in entrepreneurial and non-entrepreneurial (non-commercial) legal entities of private law - educational institutions or/and legal entities under public law included in the system of the Ministry based on the agreements.

The financial statement of LEPL - Office of Resource Officers of the Educational Institution, dated December 31, 2023, was prepared using the accrual method, on the ongoing basis, no reorganization / liquidation of the organization is planned in the near future.

The following normative acts were applied in the process of preparation of the financial statements:

- Order №17 of the Minister of Finance of Georgia “On approval of the plan of accounting reports of the budgetary organizations and instructions for its use”, dated January 15, 2020;
- Order №108 of the Minister of Finance of Georgia “On approval of the instruction on production of financial accounting and reporting based on the standards (IPSASs)”, dated May 5, 2020.
- Order №424 of the Minister of Finance of Georgia “On approval of the instruction on the procedure for making payments by the organizations served by the State Treasury”, dated December 31, 2014;
- Order №99 of the Minister of Finance of Georgia “On approval of the budget classification of Georgia”, dated April 5, 2019;
- Order №289 of the Minister of Finance of Georgia “On approval of the instruction on the accounting plan of depreciation/amortization by budgetary organizations and reflection in financial statements”, dated December 2, 2020;

- Order №364 of the Minister of Finance of Georgia “On approval of the instruction on conducting an inventory of assets and liabilities by the budgetary organizations and recording of the results of the inventory in accounting and reporting based on International Public Sector Accounting Standards (IPSAS)”, dated December 31, 2021.

Note №2 – Cash and cash equivalents: It includes monetary funds, the account in a commercial bank, the cash balances available for internet purchases, in the amount of 53 GEL. Since the amount of the targeted grant was transferred to the commercial bank for internet purchases in 2022, the unspent amount of 50 GEL was repaid in 2023 and was restored to the targeted grant as the balance of the previous year, accordingly, the balance of the previous year was recalculated by 50 GEL.

Note №2a - Current investments and short term accounts receivable: Current accounts receivable amounts to 264 517 GEL, including 5 293 GEL - the income received from the services provided by the Office of Resource Officers, 254 GEL - the balance of the targeted grant received from the United Nations Children’s Fund UNICEF, 200 000 GEL - the amount transferred by LEPL - Education and Scientific Infrastructure Development Agency, for construction of an office in Ozurgeti. 23,917 GEL represents the prepaid profit tax resulting from adjustment of the profit declarations of previous years, 1,651 GEL - VAT included in the purchase of goods/services; 34 GEL - amount of accumulated pension from excessively transferred salary; 18,431 GEL - severance pay due to violation of the terms and conditions of the agreement, 14,115 GEL - the cost of the services provided by the Office of Resource Officers of the Educational Institutions, 822 GEL - the salary transferred to the employee in excess; 122 GEL - income tax of excessively transferred salary which cannot be used and is written off.

Note №3 – Inventories: Inventories include the low-value assets, which the organization uses in the service process, with a value of less than 500 GEL and a term of more than a year, reusable devices, inventory, equipment and other inventories. The inventories are provided in the financial statement at cost, which includes all the expenses related to their purchase. Inventories are recognized as expenses immediately after distribution, and low-value assets transferred into operation, the value of which is at least 100 GEL, are recorded in the reference article – “Inventories written off in costs in operation” (04).

As of December 31, 2023, the balance of the inventories amounted is 1,094,819 GEL. During the reporting period, the inventories worth 1,076,191 GEL were purchased, 861,623 GEL were spent on goods and services, and depreciated stocks in the amount of 3,459 GEL were written off.

Note №4 - Other short-term (current) assets: Other short-term current assets - the balance as of December 31, 2023 amounted to 7,619 GEL, including the fee - 1,743 GEL paid for initiation of litigation at the court and LEPL - National Bureau of Enforcement, as well as 5,876 GEL – the loss of tangible assets revealed as a result of the inventory.

Note №6 - Fixed assets: Fixed assets are recorded in the statement of financial position at their initial (historical) value. The initial value includes the purchase price of the fixed assets, as well as all costs associated with acquisition, ownership and commissioning. Depreciation on fixed assets is charged in accordance with the requirements N289 of the Minister of Finance of Georgia, dated December 2, 2020.

As of December 31, 2023, the balance of fixed assets amounted to 4,114,694 GEL.

Non-residential buildings - 400 GEL was purchased by reducing the advance of the previous year, 23 091 GEL - by purchase of the period of the current year, including 356 GEL - the construction permit fee. Since the above-mentioned amount was transferred under the article of increase of non-financial assets, it is shown as inflow/outflow of non-residential buildings and recorded in the account of construction in progress - Note №11. The building worth 12,413 GEL was received free of charge by LEPL - National Center for Education and Quality Enhancement, and 933 GEL represents the accumulated depreciation of the building. In 2011, LEPL - College Modus transferred the office space to LEPL - Office of Resource Officers of the Educational Institutions, and in 2023 it was returned to LEPL - College Modus, since the said space was not removed from the balance sheet by College Modus, therefore 9010 GEL is recognized as a depreciation of the fixed asset.

Land - Ozurgeti Municipality gave the Office free of charge a plot of land without value, and during the reporting period it was not possible to determine the real value - 75 GEL represents the cost of land registration. In 2011, the share ownership of the building transferred by LEPL - College Modus was assessed by the Office of Resource Officers, since it was not mentioned in the balance sheet removed by LEPL - College Modus, therefore 15 157 GEL is recognized as impairment of the fixed asset.

Transport equipment - in the current period, transport equipment worth 69,948 GEL was purchased, and one unit of vehicle worth 11,572 GEL was given to Tsalenjikha Educational Resource Center free of charge, and 1,928 GEL was accumulated depreciation.

Other machinery and equipment - assets worth 331,127 GEL were purchased during the current period, and furniture worth 7,710 GEL was transferred to the Ministry of Education and Science of Georgia free of charge, assets worth 2,564 GEL were written off, and accumulated depreciation of assets written off amounted to 6,072 GEL.

4914 GEL should have been recorded in the account 1-22-2210 of the Note №9 of the financial statement filed in 2022 in the article – Inflows from grant and is recorded in the account 1-22-2220, although it was correctly recorded in the accounting transactions and was not reclassified. Therefore, the opening balance of the reporting period is recalculated.

Note №8 - Inventories: Balance of the inventories amounts to 7080 GEL as of December 31, 2023.

Note №11 – Other non-financial long-term assets: As of December 31, 2023, the balance amounts to 356 GEL, which is the construction permit fee and is recorded as construction in progress.

Note №13 Accounts payable, provisions and other liabilities: Short-term liabilities that must be paid within 12 months after the reporting period are recorded. The balance for the reporting period amounts to 200,492 GEL, including 19 GEL for cleaning of the inhabited area, 226 GEL - for income tax, 13 GEL - for overpayment by the candidate for resource officers, 36 GEL - for the salary payable to the employees.

According to the agreement signed by and between LEPL - Infrastructure Agency and the Office, 200,000 GEL has been deposited and the obligation has been recognized.

The targeted grant received from the United Nations Children's Fund, UNICEF, was received on condition, therefore, a liability of 198 GEL is recognized for the unspent amount.

Note №14 - Incomes from taxes, grants, etc.: Incomes include funding allocated from the budget within the limits of the allocations stipulated by the law, which amounts to 29,513,656 GEL. It also provides grants both in kind and in monetary form.

A targeted grant was received from the United Nations Children's Fund - UNICEF, according to the terms and conditions of the agreement, the unspent amount should be returned to the donor, therefore, in 2023, the donor made a deposit of 90,765 GEL, the condition of the agreement was fulfilled and 90,567 GEL was recognized as income.

Due to the violation of the terms and condition of the agreement, the supplier is charged a penalty in the amount of 47,559 GEL.

In kind grants in the amount of 12 413 GEL were received free of charge from the state entities of the same level, which is also recorded in the Note №6.

Note №15 - Income from exchange transactions: Income from exchange transactions in the amount of 74 673 GEL represents the cost of the services provided by the resource officers.

Note №16 - Impairment expenses and impairment reversal incomes: 122 GEL represents the income tax paid from the overpaid salary in the reporting period, which could not be used in the reporting period, which is also recorded in the impairment expense in the Note №2a - 24 167 GEL. Building and land returned to LEPL - College Modus was recognized as impairment of a fixed asset.

Note №17 - Operating expenses: Operating (current) expenses are presented and classified according to the budget classification.

Expenditures with internal current transfers in the amount of 101,820 GEL include 273 GEL of the previous year's over-transferred salary and accumulated pension return to the budget, 10,980 GEL - severance payments to suppliers that were paid into the budget, 90 567 GEL from a targeted grant due to non-payment of receivables to revenue and treasury.

Expenses from grants - 43 449 GEL - Furniture transferred free of charge to the Ministry of Education and Science of Georgia in the amount of 7710 GEL, the vehicle transferred to Tsalenjikha Educational Resource Center in the amount of 11,572 GEL, which is also recorded in the Note №6.

Reference accounts:

Assets received for responsible custody- 2506 GEL;

Inventories in service written off in costs - during the reporting period, assets worth 19,702 GEL were written off, part was transferred to the Service Agency and part was destroyed in accordance with the law.

Fully depreciated/amortized assets in service - in the reporting period, 351,414 GEL of depreciated assets were written off, part was transferred to the Service Agency, and part was destroyed in accordance with the law.

Movable property for disposal - the written-off stocks are recorded, which are transferred to the Service Agency and before signing the delivery-acceptance, they are recorded in the said account.

11. Successful Students Encouragement - 32 02 04

32 02 04	Successful Students Encouragement	
00	Total	1,774,732.48
2	Expenses	1,774,732.48
32 02 04 01	Successful Students Encouragement- disposal of the Ministry of Education and Science of Georgia	
00	Total	782,497.57
2	Expenses	782,497.57
32 02 04 02	National Learning Olympiads - LEPL - National Center for Assessment and Examinations	Recorded in 32 04 01
00	Total	369,500.00
2	Expenses	369,500.00
32 02 04 03	Successful Students Encouragement - LEPL - Shota Rustaveli National Science Foundation of Georgia	Recorded i32 05 01
00	Total	386,216.49
2	Expenses	386,216.49
32 02 04 04	Medals for excellent pupils- LEPL - Education and Scientific Infrastructure Development Agency	Recorded i32 01 05
00	Total	236,518.42
2	Expenses	236,518.42

The program "Successful Students Encouragement" was approved by the Order №1684326 of the First Deputy Minister of Education and Science of Georgia, dated December 30, 2022 (last amendment was made under the Order №1660546, 06.12.2023)

In 2023, the plan approved (specified) within the allocations program during 12 months amounts to 782,558.00 GEL, the obligation was taken for 782,497.57 GEL, cash expenditure amounted to 782,497.57 GEL.

Note № 2a - Current investments and short-term accounts receivable:

Account №1-13-4000 – Short-term (current) accounts receivable with accrued interests and penalties - 2,770.00 GEL.

On May 30, 2022, the agreement №05-31/2 was signed by and between the Ministry of Education and Science of Georgia and N(N)LE - Georgian Institute of Debate and Education (GIDE), for the purpose of organization of the team competitions in chemistry, physics, mathematics and biology for the pupils of general educational institutions of Georgia, however since according to the information of the initiator of the purchase and the person exercising the control specified in the agreement, N(N)LE Georgian Institute of Debate and Education failed to fulfill its obligations imposed under the agreement and considered it appropriate to terminate the agreement and in accordance with the paragraph 10.2 of the article 10 of the above-mentioned agreement ("in case of failure by the supplier to fulfill the obligations imposed under the agreement, the buyer shall be entitled to impose the penalty to the supplier in the amount of 5% of the total value of the agreement") the Economic Department provided information to the N(N)LE Georgian Institute of Debate and Education about payment of the penalty in the amount of 2,770.00 GEL (55,400.00 GEL X 5% = 2,770.00) to the unified account of the State Budget within the period of one month, the above-mentioned amount was not paid by N(N)LE Georgian Institute of Debate and Education, and at the same time the information was disclosed that the lawsuit of N(N)LE Georgian Institute of Debate and Education was filed in the Tbilisi City Court. The subject of the dispute is recognition of termination of the agreement №05-31/2, dated 30.05.22 as illegal and charging 55,400.00 GEL to the Ministry of Education and Science of Georgia in order to compensate for the damage.

As of today, according to the information received from the Legal Department (Service card №171313, 16.02.24), a lawsuit has been filed by the Ministry in the Tbilisi City Court against N(N)LE - Georgian Institute of Debate and Education – claiming repayment of 2,770.00 GEL. At this stage, the trial is not scheduled.

Note №3 – Inventories;

Account - №1-14-1420 - Other materials and supplies- on the account. As of now 01.01.2023, 26,069.00 GEL was credited.

In the reporting period, following gift cards worth **13,680.00 GEL**, purchased Within the framework of the agreement №05-52/1, signed with "Omega" LLC, dated 11.05.22, and credited as the opening balance within the scope of the program, were issued:

- **36 units** (12 units of gift cards worth 300.00 GEL (unit price - 285.00 GEL),
- 12 units of gift cards worth 400.00 GEL (unit price - 380.00 GEL),
- 12 units of gift cards worth 500.00 GEL (unit price 475.00 GEL).

Above-mentioned information was received from the Preschool and General Education Development Department, service cards №809715, 03.07.23 and №902195, 19.07.2023;

During the reporting period - for the reception of the pupils participating in the international Olympiads and tournaments and their teachers, which was planned on November 7, 2023 in the assembly hall of the Ministry - for purchase of the gifts for the pupils participating in the international educational Olympiads and tournaments and their teachers, **54 units of smart watches (Xiaomi Mibro Watch C3) worth 6,966.00 GEL (unit price 129.00 GEL) were purchased** Within the framework of the agreement №11-64/1, signed with “Zoomer Georgia” LLC on 06.11.2023, which were handed over at the above-mentioned event (based on the information provided by the service card of № 141897 by [REDACTED], Head of Strategic Communication Department on 12.02.24);

With **total external transfers, not classified elsewhere**, inventories worth 6,966.00+13,680.00=**20,646.00 GEL** are written off.

Various expenses** - Outflows include 1954 units of DVD “Film - Soviet History” purchased in 2009 at a total cost of **5,862.00 GEL**. Within the framework of the program, the Economic Department applied with the service card №274920 of March 17, 2022, regarding the DVD film – “Soviet history”, where it requested from the Preschool and General Education Development Department to evaluate the mentioned books and discs, to determine their relevance with the current program/teaching and to provide information on possibility of future use. In response to this, the following explanation was provided regarding DVD discs with the service card №297366, dated March 22, 2022: “Since DVD discs do not store information for a long time, it is possible that most of them will no longer be suitable during 13 years. At the same time, we hereby note that the documentary film “Soviet History” shot by Latvian director Edwin Schnorr is available online, and their distribution on CDs is no longer relevant.”

According to the above-mentioned, based on the Protocol №2 of the Inventory Commission, dated November 20, 2023, on write-off of printed materials/books created under the Order №566764 of the Minister of Education and Science of Georgia “On creation of an inventory commission in order to write off the amortized and/or unused fixed assets for further operation, recorded in the statement of financial position of the Ministry of Education and Science of Georgia”, dated 31.05.2022 (amendment №748169, 22.06.2023), a decision was made by the commission on write-off and on the basis of the Order №1612348, dated November 28, 2023, 1954 DVDs with a value of 5,862.00 GEL were written off from the financial statements of the program. Above-mentioned DVD “Film - Soviet History”, in total 1954 units were destroyed (service card №1783572, 29.12.23).

Balance as of 31.12.2023 - 6,527.00 GEL – It includes 77 units of gold-plated and silver-plated medals (59 pieces) and medal boxes (18 pieces) purchased in 2009-2018 with a total value of 6,527.56 GEL, which are kept in the building of the Ministry (№52, Uznadze str., warehouse №5).

For the purpose of conducting an inventory of fixed assets, inventories (on the balance sheet and reference articles (on off-balance sheet accounts)) in the financial statements of the programs implemented by the Office of the Ministry of Education and Science of Georgia and the Ministry, as of October 1, 2023 - created by the Order №1243138 of the Acting Minister of Education and Science of Georgia, dated 26.09.2023 (amendment to the Order №1344439, dated 10.10.2023 and №1780983, dated 29.12.2023), the following information was identified based on the summary minutes of the meeting of the temporary inventory commission and the information researched by the Preschool and General Education Development Department:

- 5 medals - with a total value of 579.00 GEL, being the test samples, which is confirmed by the fact that the name and surname are not subscribed on the medal, shall be written off by the Order № MES 3 22 0000566764 of the Minister of Education and Science of Georgia, dated 31.05.2022 (amendment № MES 5 22 0001241846, dated 06.10.2022) – by the Inventory Commission created for write-off of the fixed assets amortized and/or unused for subsequent operation, provided for in the statement of the financial position of the Ministry of Education and Science of Georgia, and shall be transferred to the National Agency of State Property or destroyed in accordance with the applicable legislation;
- 3 medals - with a total value of 112.05 GEL, which were selected and sent for examination (a wedge cut was made) for the purpose of control by the Ministry after purchase (thickness, coating, composition, etc.), shall be written off by Order № MES 3 22 0000566764 of the Minister of Education and Science of Georgia, dated 31.05.2022 (amendment №MES 5 22 0001241846, dated 06.10.2022) - by the Inventory Commission created for write-off of the fixed assets amortized and/or unused for subsequent operation, provided for in the statement of the financial position of the Ministry

of Education and Science of Georgia, and shall be transferred to the National Agency of State Property or destroyed in accordance with the applicable legislation;

- 15 medals - with a total value of 1,327.95 GEL, nominally distinguished graduates have already received 14 medals, and the 15th medal did not belong to the pupil (Sh. Chakhoyan) and was returned to the Ministry, shall be written off by the Order № MES 3 22 0000566764 of the Minister of Education and Science of Georgia, dated 31.05.2022 (amendment №MES 5 22 0001241846, dated 06.10.2022) - by the Inventory Commission created for write-off of the fixed assets amortized and/or unused for subsequent operation, provided for in the statement of the financial position of the Ministry of Education and Science of Georgia, and shall be transferred to the National Agency of State Property or destroyed in accordance with the applicable legislation;
- 6 medals - with a total value of 583.66 GEL, which were not received by nominally distinguished graduates, should be transferred to the Preschool and General Education Development Department in order to finally transfer them to the graduates, through assistance of the educational resource centers.
- 2 medals - with a total value of 189.00 GEL, it cannot be determined whether they are received by the nominally distinguished graduates, due to absence of the family in Georgia. The Preschool and General Education Development Department shall provide research/retrieval of the information regarding awarding of medals every 6 months;
- 2 medals - with a total value of 183.90 GEL, according to the information provided by the resource centers, it is not possible to determine the type of medal awarded to the graduates (silver/gold). The Preschool and General Education Development Department should provide repeated research and clarification of the information regarding the above-mentioned medals;
- 26 medals - with a total value of 3,445.00 GEL, due to the fact that in the first stage of investigation, the educational resource centers could not identify the above-mentioned medals, based on the information about the graduates identified by the regional division, which was received by e-mail in the Economic Department (recipient - N. Khmaladze) - the Preschool and General Education Development Department shall be applied with the request once again on information about 26 medalists and the letters shall be sent to 8 educational resource centers – for the purpose of investigation / retrieval of the detailed information.”

Service card № 103569, dated 01/02/2024, has been received from the Pre-school and General Education Development Department - in connection with additional investigation regarding the medals.

Other information regarding implementation of the instructions received by the Inventory Commission was not received in the Accounting Department.

Note №4 - Other short-term (current) assets* - Advance payments with payables – Account 1-15-1300. Within the framework of the program, during the year, the general education schools were financed for implementation of various projects with the funds transferred in advance in the amount of **726,047.00 GEL**, of which **689,237.00 GEL** was recognized as actual expenses in accordance with the financial documents provided by the schools in 2023, in particular:

Organization	Transferred amount	Actual expenses	Accounts receivable
LEPL - Vladimir Komarov Tbilisi Publis School of Physics and Mathematics №199	70,196.76	60,277.76	9,919.00
LEPL - Academician Ilia Vekua Tbilisi Public School of Physics and Mathematics №42	82,292.61	65,401.61	16,891.00
LEPL - A. Razmadze Kutaisi Public School of Physics and Mathematics №41	31,879.36	21,879.36	10,000.00
All organizations under the control of the Ministry	184,368.73	147,558.73	36,810.00
N(N)LE - Kutaisi University City	541,678.00	541,678.00	-
Total	726,046.73	689,236.73	36,810.00

Account №1-15-1300 - As of December 31, 2023, the accounts receivable with payables amounting to 36,810.00 GEL are credited to the account, in particular:

LEPL - Academician Ilia Vekua Tbilisi Public School of Physics and Mathematics №42 - **16,891.00 GEL**, Agreement №116, 25.12.2023

LEPL – Vladimir Komarov Tbilisi Public School of Physics and Mathematics №199 - **9,919.00 GEL**, Agreement №117, 25.12.2023.

LEPL - A. Razmadze Kutaisi Public School of Physics and Mathematics №41- **10,000.00 GEL**, Agreement №118, 26.12.2023.

Within the framework of the above-mentioned agreements, the project implementation period is defined as January 7-14, 2024; and the deadlines for submission of the financial statements - February 15, 2024, respectively, in the financial statements as of December 31, 2023 - a total of **36,810.00 GEL** is credited as the accounts receivable.

Note №13 - Accounts payable, provisions and other liabilities

Monthly turnover within the program is credited, total increase (56,451.00) / decrease (56,451.00).

Within the framework of the program, state training grants have been transferred to higher educational institutions this year, in particular:

Organization	Transferred amount
LEPL - Tbilisi State Medical University	5,625.00
All organizations under the control of the Ministry	5,625.00
LEPL - Kutaisi International University	1,125.00
N(N)LE - Georgian Agrarian University	1,125.00
Free University of Tbilisi LLC	13,500.00
David Tvildiani Medical University LLC	2,250.00
Total private universities	18,000.00
Total study grants	23,625.00

Note №14 c

Incomes from internal current transfers 4-52-0000 - 782,497.57 GEL constitute the financing of the program – “Successful Students Encouragement” (32 02 04 01) of 2023;

Note №16

Expenses for reduction of value of the inventories – Account№5-92-0000 shows written off and destroyed DVDs within the scope of the program with a value of 5,862.00 GEL

Note №17 - Operating costs

Costs of goods and services 5-20-0000 -2,800.00 GEL – “Primo” LLC, buffet service at the event planned in the Ministry (Agreement №11-54 2, 06.11.23, act of acceptance №11-54 2-1, dated 09.11.23);

Current transfers, not classified elsewhere 5-73-1000 – 67,330.00 GEL, including – the state study grant expenditure - **23,625.00 GEL** (funding of students conditionally enrolled in the higher education institutions for the II semester of 2022/23 academic year - 9,000.00 GEL, according to the Ministerial Order № MES 0 23 0000399216, dated 10.04.23, and funding for the I semester of 2023/24 academic year - 14,625.00 GEL, according to the Ministerial Order №9 0001565156, 11.16.23);

According to the Report card №MES 7 23 0000563977, dated 18.05.23 - at the 7th European Physics Olympiad (EuPhO 2023) - registration fee of the sub-program manager [REDACTED] - **1659.84 GEL** (600 EUR);

According to the Ministerial Order № MES 6 23 0001344563, dated 10.10.23, monetary reward - **21,400.00 GEL in total**;

Various supplies transferred - total value of **20,646.00 GEL** – for details, please see the explanation of the Note №3.

№17b - Expenditures with grants - In monetary form 5-31-000 - issued to the state entities of the same level 5-31-1310 - 92,460.00 GEL - Within the framework of the program financing costs of the public schools (LEPL - Academician Ilia Vekua Tbilisi Public School of Physics and Mathematics №42 and LEPL - Vladimir Komarov Tbilisi Public School of Physics and Mathematics №199) - Within the framework of the agreements.

№17c - Subsidies to other sectors 5-35-0000 – 596,777.00 GEL - Within the framework of the program, financing costs of public schools and other institutions (LEPL - Academician Ilia Vekua Tbilisi Public School of Physics and Mathematics №42, LEPL - Vladimir Komarov Tbilisi Public School of Physics and Mathematics №199, LEPL - A. Razmadze Kutaisi Public School of Physics and Mathematics №41 and N(N)LE Kutaisi University City) - Within the framework of the agreements.

Note: Tbilisi public schools were financed from the article “Subsidy” (2.5.3) before the transfer to the treasury service, and after transfer to the treasury service, their financing on the basis of the agreements is carried out from the article “Current - grants to the central budget LEPL(s) / N(N)LE(s)” (2.6.3.1.1.2).

Information for elimination:

- 1) General education schools - 92,460.00 - Grants 2.6.3.1.1.2
- 2) General education schools - 55,099.00 - Subsidy 2.5.3
- 3) Higher education - 5,625.00 GEL - LEPL - Tbilisi State Medical University - State study grant 2.8.2.1.8

12. Provision of especially talented students with educational conditions and accommodation – program code - 32 02 05.

32 02 05	Provision of especially talented students with educational conditions and accommodation	
00	Total	249,958.44
2	Expenses	249,958.44
32 02 05 01	LEPL - Vladimir Komarov Tbilisi School of Physics and Mathematics №199	Recorded in 32 02 01
00	Total	242,800.00
2	Expenses	242,800.00
32 02 05 02	Provision of especially talented students with educational conditions and accommodation - LEPL - National Center for Assessment and Examinations	Recorded in 32 04 01
00	Total	7,158.44
2	Expenses	7,158.44

13. Provision of the students with textbooks – program code - 32 02 06.

32 02 06	Provision of the students with textbooks	
00	Total	38,580,394.33
2	Expenses	38,580,394.33
32 02 06 01	Provision of the students with textbooks - LEPL - Education and Scientific Infrastructure Development Agency	Recorded in 32 01 05
00	Total	36,432,631.93
2	Expenses	36,432,631.93
32 02 06 02	Provision of the students with textbooks - LEPL - Education Management Information System	Recorded in 32 01 04
00	Total	2,147,762.40
2	Expenses	2,147,762.40

14. “Assistance Program for Teachers and Administrative Technical Personnel of Occupied Regions” - program code- 32 02 07

32 02 07	Assistance Program for Teachers and Administrative Technical Personnel of Occupied Regions	
00	Total	4,416,003.00
2	Expenses	4,416,003.00

The program was approved by the Order № MES 6 22 0001684477 of the Minister of Education and Science of Georgia “On approval of the program of financial assistance for teachers and administrative-technical staff of the occupied regions”, dated 30.12.22.

The list of beneficiaries was approved by the Order № MES 7 23 0000309988 of the Minister of Education and Science of Georgia “On approval of the list of teachers and administrative-technical staff of schools in Gali Region and Akhlagori Municipality Within the framework of the program of financial assistance for teachers and administrative-technical staff of the occupied regions”, dated 17.03.23.

The revised budget plan of the 12-month program of 2023 - amounted to 4,416,005.00 GEL; commitment was made for 4,416,003.00 GEL, the cash expenditure amounted to GEL 4,416,003.00, the actual expenditure was 4,416,003.00 GEL.

According to the program approved by the Order № MES 6 22 0001684477 of the Minister of Education and Science of Georgia, dated 30.12.22 (approved lists - Order №MES 7 23 0000309988, 17.03.23), following was carried out during the reporting period:

Transfer of the financial assistance for the 1st quarter of 2023 - 1,100,737.00 GEL;

Transfer of financial assistance for the 1st quarter of 2023 - 4,109.00 GEL (amendment: Order №MES 4 23 0000454641, 26.04.23);

Total financial assistance in the I quarter amounts to: 1,104,846.00 GEL;

Transfer of financial assistance for the 2nd quarter of 2023 - 1,104,482.00 GEL (amendment: Order №MES 1 23 0000748165, 22.06.23);

Total financial assistance in the II quarter amounts to: 1,104,482.00 GEL;

Transfer of financial assistance for the 3rd quarter of 2023 - 1,102,617.00 GEL (amendment: Order №MES 2 23 0001251517, 27.09.23);

Total financial assistance in the III quarter amounts to: 1,102,617.00 GEL;

Transfer of financial assistance for the 4th quarter of 2023 - 1,104,058.00 GEL (amendment: Order №MES 3 23 0001732785, 19.12.23);

Total financial assistance in the IV quarter amounts to: 1,104,058.00 GEL;

The accounts receivable/payable are not credited to the balance sheet of the program at the end of the reporting period - as of 31.12.2023.

15. Program - „Access to general education for accused and convicted persons“ - Program code 32 02 08

32 02 08	Access to general education for accused and convicted persons	
00	Total	294,096.32
2	Expenses	294,096.32

The program “Access to general education for accused and convicted persons” was approved by the Order №1684481 of the First Deputy Minister of Education and Science of Georgia, dated December 30, 2022 (last amendment of the program №1766098 of 26.12.2023).

294,200.00 GEL was allocated to the program code 32 02 08 of the Ministry of Education and Science of Georgia as of December 31, 2023, according to the revised plan of the State Budget of Georgia. Cash expenditure of 2023 amounted to 294,096.32 GEL, in particular:

Goods and services (Remuneration of persons employed under the employment agreement) - 120,000.00 GEL;

Subsidies - 38,943.07 GEL;

Grants - 135,153.25 GEL.

Note S4: On the basis of the Agreement №15 signed by and between the Ministry of Education and Science of Georgia and LEPL - Tbilisi Public School №123 on January 16, 2023, a total of 211,682.00 GEL was transferred to the school 4 times during 2023 at the beginning of the quarters, of which 37,5858.68 GEL of unspent amount was returned in 2023 and cash expenditure is reduced. The amount transferred in advance for **LEPL - Tbilisi №123 Public School** is recognized as an actual expenditure in 2023, and as of December 31, 2023, no accounts receivable are charged Within the framework of the program. In particular:

Subsidies - 38,943.07 GEL;

Grants - 135,153.25 GEL.

Note S17: As of December 31, 2023, the actual expenditure amounted to a total of 294,096.32 GEL Within the framework of the program, in particular:

Remuneration of persons employed under an employment agreement - 120,000.00 GEL;

Current grants issued in monetary form to the state entities of the same level - 135,153.25 GEL (LEPL - Tbilisi №123 Public School);

Subsidies issued to other sectors - 38,943.07 GEL (LEPL - Tbilisi №123 Public School).

As of December 31, 2023, the accounts receivable / payable are not credited within the program.

16. Development and implementation of the national curriculum – Program code 32 02 09

32 02 09	Development and implementation of the national curriculum	
00	Total	259,769.05
2	Expenses	259,769.05

The program “Promotion of National Curriculum Development and Implementation” (program code - 32 02 09) was approved by the Order N1684482 of the Deputy Minister of Education and Science of Georgia, dated December 30, 2022 (last amendment N1773289, 12.27.2023).

Within the framework of the allocations of 2023 of the program “Development and implementation of the national curriculum”, the revised budget plan amounted to - 259,800.00 GEL, cash expenditure - 259,769.05 GEL, including:

- Remuneration of freelancers - 259,619.05 GEL;
- Business trip within the country - 150.00 GEL.

Note S3: 11 English-language books are credited in the financial statement of the program, **account №1-14-1420 – All other inventories**, the total value of which is 1,795.00 GEL.

Note S8: Within the framework of the program, the web-portal purchased in 2014: www.ncp.ge with an initial balance value of 14,400.00 GEL, with a residual value of 1,440.00 GEL was credited to the **account №1-24-1500 - Other intellectual property products**. The service card N1243282 of the Preschool Education Department, dated September 26, 2023, provides information that the above inventory has become obsolete and cannot be renewed. The guides and methodical resources posted on the aforementioned websites were posted on the portal “el.ge”. Old editions of normative acts (national curriculum and state educational standards of early and pre-school education) are also posted on the websites, which often mislead the interested parties. Normative acts are published in the Legislative Herald. In addition to the above, taking into account the existing needs, the codified versions of the documents are posted on the website of the Ministry of Education and Science. On the basis of the above-mentioned information, on the basis of the summary protocol of 2023 of Non-Financial Inventory Commission, dated January 29, 2024, it was written off from the financial statements of the program under the article - Depreciation expense of inventory.

Note S13: In the financial statements of the program - Accounts payable, provisions and other liabilities - the opening and closing balances are not fixed, only the internal turnover in the total amount of 323,716 GEL is provided.

Note №16: The intangible asset credited Within the framework of the program, web-portal - www.ncp.ge with an initial balance value of 14,400.00 GEL and a residual value of 1,440.00 GEL was written off under the article - Impairment expense based on the summary protocol of 2023 of the Non-Financial Inventory Commission, dated January 29, 2024.

Note №17: Within the framework of the program, within the scope of the article - Goods and services, the actual expenditure amounted to 259,769.00 GEL, in particular:

- Remuneration of freelancers - 259,619.0 GEL;
- Business trip within the country - 150.00 GEL;

As of December 31, 2023, no accounts receivable/payables are credited within the program.

17. Provision of public-school pupils with transport - 32 02 10

32 02 10	Provision of public-school pupils with transport	Recorded in 32 01 05
00	Total	51,605,431.70
2	Expenses	51,605,431.70

18. Program “My first computer” – 32 02 11

32 02 11	Program “My first computer”	Recorded in 32 01 05
00	Total	49,459,600.00
2	Expenses	49,459,600.00

19. Promotion of general education- 32 02 12

32 02 12	Promotion of general education	
00	Total	2,973,360.30
2	Expenses	2,973,360.30
32 02 12 01	Promotion of general education – disposal by the Ministry of Education and Science of Georgia	
00	Total	2,623,477.30
2	Expenses	2,623,477.30
32 02 12 02	Promotion of general education - disposal by LEPL – National Evaluation and Examination Center	Recorded in 32 04 01
00	Total	93,380.00
2	Expenses	93,380.00
32 02 12 03	Promotion of general education – disposal by LEPL - Education and Science Infrastructure Development Agency	Recorded in 32 01 05
00	Total	26,288.00

2	Expenses	26,288.00
32 02 12 06	„Promotion of general education- LEPL - National Center for Teacher Professional Development "	Recorded in 32 02 02
00	Total	230,215.00
2	Expenses	230,215.00

The program “Promotion of general education” was approved by the Order N1684526 of the Deputy Minister of Education and Science of Georgia, dated December 30, 2026 (last amendment N1744090, 20.12.2023) (program code 32 02 12 01).

As of December 31, 2023, the cash expenditure incurred Within the framework of the program 32 02 12 01 - “Promotion of General Education” of the Ministry of Education and Science of Georgia **amounted to 2,623,477.30 GEL**, the actual expenditure amounted to **2,645,789.43 GEL**.

Note S2a: Account №1-13-7000 - Short-term (current) receivables for employees and accountable persons - as of December 31, 2023, the amount of business trips pre-transferred to employees is recorded in the statements, totaling **570.00 GEL**, which is recognized on the basis of the business trip documentation submitted by the program employees.

Note S3: Account №1-14-1420 - Other materials and supplies - the account was credited with the opening balance of rest of other materials and supplies worth **1,748.40 GEL**, namely three-layer masks bought in 2019, which were not spent in the reporting year, and therefore as of December 31, 2023, were credited as the closing balance. During the reporting year, certificates, diplomas and gift cards of a total of **19,069.00 GEL** were bought to reward the winners of the contests approved within the program. During the reporting year, the above-mentioned supplies were transferred to the pupils who won various competitions and were accordingly written off under the account №5-73-1000 and reflected in the account S3 – Outflow with external transfers.

In order to support the STEM conference held on July 13, 2023, which included awarding the winning schools (60 teams) with a set of electronic tools, LEPL - Education and Scientific Infrastructure Development Agency , Within the framework of the program 32 02 12 01 of the Ministry of Education and Science of Georgia, delivered 60 units of Arduino kits (38 components) on July 13, 2023, free of charge, with unit cost - **142.00 GEL**, the total cost - **8,520.00 GEL**. Arduino kits of 48 units from the mentioned kits were transferred to public schools for a total of **6,816.00 GEL**, which is recorded in the Note S3 - Outflow with grants and accordingly written off with the account №5-32-1310. The remaining 12 kits, totaling 1,704.00 GEL - were transferred to private schools, recorded in the outflow with external transfers and written off with account №5-73-1000.

As of December 31, 2023, Account №1-14-1420 - Rest of other materials and supplies has a balance of other materials and supplies worth 1,748.40 GEL (three-layer masks).

Note S4: Account №1-15-1300 - Advance payments with payables - as of January 01, 2023, the balance of credits receivables in the amount of 225,440.50 GEL was credited to the account, which represented the advance payment of subsidies and other expenses based on the agreements signed by and between the Ministry and schools Within the framework of the program in 2022. Above-mentioned amounts were written off in 2023 in accordance with the financial documentation submitted by the schools and the repaid amounts.

Based on the agreements signed by and between the Ministry and the schools in 2023, a total of **1,749,100.15 GEL** was transferred from the article - Subsidy and capital transfers, of which the actual expenditure in 2023 amounted to **1,531,404.22 GEL**, 6,747.56 GEL was returned to the budget in 2023 (on the account of uncertainty). As of December 31, 2023, the account receivable in the amount of **210,948.37 GEL** was credited to the **Account №1-15-1300 - “Amounts prepaid to suppliers, short-term (current) receivables”**, which will be written off in accordance with the financial reports filed by the schools in 2024, in particular:

N	Organization	Basis	Account receivable 31.12.2023
1	LEPL – Ilia Chavchavadze Tbilisi №23 Public School	Agreement № 14; date: 16/01/2023	7,736.94
2	LEPL - Tbilisi №220 Public School	Agreement № 22; date: 20/01/2023	11,114.83
3	LEPL - Mikheil Grushevsky Tbilisi №41 Public School	Agreement № 23; date: 20/01/2023	32,125.33
4	LEPL - Batumi №20 Public School	Agreement № 24; date: 20/01/2023	59,074.50
5	LEPL - Gogita Kiknadze Tbilisi №182 Public School	Agreement № 26; date: 25/01/2023	30.00
6	LEPL – Village Dzmaguli Public School of Khulo Municipality	Agreement № 89; date: 14/12/2023	2,840.00
7	LEPL – Village Uchkhiti Public School of Keda Municipality	Agreement № 82; date: 14/12/2023	6,342.72
8	LEPL – Village Klde Public School of Akhaltsikhe Municipality	Agreement №73; date: 14/12/2023	3,145.75
9	LEPL - Village Eshtia №1 Public School of Ninotsminda Municipality	Agreement № 87; date: 14/12/2023	4,940.00
10	LEPL – Village Eshtia №2 Public School of Ninotsminda Municipality	Agreement № 86; date: 14/12/2023	4,940.00

11	LEPL – Village Vale №1 Public School of Akhaltsikhe Municipality	Agreement № 78; date: 14/12/2023	2,907.68
12	LEPL – Village Korbouli №2 Public School of Sachkhere Municipality	Agreement № 75; date: 14/12/2023	1,790.00
13	LEPL – Village Toloshi Public School of Aspindza Municipality	Agreement № 80; date: 14/12/2023	4,020.20
14	LEPL - Village Kveda Tsageri Public School of Tsageri Municipality	Agreement № 79; date: 14/12/2023	4,967.60
15	LEPL – Village Takhtisdziri Public School of Kareli Municipality	Agreement № 77; date: 14/12/2023	7,204.60
16	LEPL – Village Birkiani Public School of Akhmeta Municipality	Agreement № 74; date: 14/12/2023	7,445.00
17	LEPL – Village Akhalsheni Public School of Tsalka Municipality	Agreement № 83; date: 14/12/2023	6,722.00
18	LEPL – Village Ananuri Public School of Dusheti Municipality	Agreement № 84; date: 14/12/2023	5,382.00
19	LEPL – Village Jalaurti Public School of Sachkhere Municipality	Agreement № 81; date: 14/12/2023	4,044.07
20	LEPL – Village Mashavera Public School of Dmaminisi Municipality	Agreement № 76; date: 14/12/2023	8,058.95
21	LEPL – Dmanisi №3 Public School	Agreement № 85; date: 14/12/2023	5,712.50
22	LEPL - Village Nukriani №2 Public School of Signagi Municipality	Agreement № 88; date: 14/12/2023	6,500.00
23	LEPL - Village Mulakhi Public School	Agreement № 90; date: 19/12/2023	13,903.70
Total			210,948.37

Note S14: 60 Arduino kits (38 components) transferred from LEPL - Educational and Scientific Infrastructure Agency free of charge, on July 13, 2023, for the purpose of promotion of the STEM conference held on July 13, 2023, with unit cost of **142.00 GEL**, with a total value of **8,520.00 GEL**, are recorded in the **Account №4-32-1310 - Grants received in kind from state entities of the same level, in order to support**.

N4-52-2000 - Incomes from internal transfers - the account shows a total of 2,523,477.00 GEL of funding received by the Treasury.

Note S17: actual expenses amounted to 2,646,489.43 GEL Within the framework of the program in 2023, in particular:

- Costs of goods and services - **413,345.00 GEL**;
- Internal transfer expenses - **54,530.00 GEL**, including the amount repaid from the funds transferred in 2022, totaling **47,782.08 GEL** and the amount repaid from the funds transferred in 2023, totaling **6,747.56 GEL**, which had an uncertain status;
- Current grants issued in monetary form to the state entities of the same level - **175,769.84 GEL** - represents the actual expenditure as a result of financial documentation within the framework of financing the schools transferred to the treasury program under the article - Grant;
- Current grants in kind issued to state entities of the same level - **6,816.00 GEL**, represent Arduino kits given free of charge to public schools;
- Subsidies given to other sectors – **1,473,529.82 GEL** represents the actual expenditure within the funds transferred under the article - Pre-subsidy of financing schools, based on the financial documentation submitted by the schools;
- Transfers not classified elsewhere – **522,499.00 GEL**, of which 441,963.15 GEL is transferred to schools Within the framework of sub-programs and “Defense and Security” in 2023 from the article 2.8.2.1.7 and is recognized as an expense, **59,763.00 GEL** represents capital transfers Within the framework of the agreement signed between the Ministry and schools, **1,704.00 GEL** represents the cost of Arduino kits given to private schools, and **19,069.00 GEL** represents gifts to the pupils who won various competitions during the reporting year.

Reference article N03 - Debts written off by insolvent debtors - the debt arising towards N(NLE) “International Educational Association Balavari” under the agreement N09-1/63/12, dated 20.03.2015, in the amount of **2394.04 GEL**, including 152.13 - penalty, 2241.9 GEL – principal amount, is credited to the account. The case identifier is **№1806553839**. According to the information posted on the website of the National Bureau of Enforcement, apportionment is violated, the organization no longer repays the amount. As of December 31, 2023, no change was made.

Reference N08 - a router, with an initial value of 3,162.99 GEL and a residual value of 0 GEL is credited to **the account of amortized fixed assets**.

20. Promotion of general education reform - 32 02 13 01

32 02 13	Promotion of general education reform	
00	Total	34,806,732.13
2	Expenses	18,196,405.99
31	Increase of non-financial assets	16,610,326.14

32 02 13 01	Promotion of general education reform - disposal by the Ministry of Education and Science of Georgia	
00	Total	1,051,215.98
2	Expenses	1,051,215.98
32 02 13 02	Provision of public schools with information and communication technologies - disposal of LEPL - Education Management Information System	Recorded in 32 01 04
00	Total	7,345,199.85
2	Expenses	6,136,199.85
31	Increase of non-financial assets	1,209,000.00
32 02 13 03	Promotion of preschool education	
00	Total	248,801.93
2	Expenses	248,801.93
32 02 13 04	Promotion of general education reform - LEPL - National Center for Teacher Professional Development	Recorded in 32 02 02
00	Total	10,410,311.23
2	Expenses	10,410,311.23
32 02 13 07	Promotion of general education reform - LEPL - Education and Scientific Infrastructure Development Agency	Recorded in 32 01 05
00	Total	15,751,203.14
2	Expenses	349,877.00
31	Increase of non-financial assets	15,401,326.14

Promotion of general education reform - disposal by the Ministry of Education and Science of Georgia - 32 02 13 01

The program "Promotion of general education reform" (program code - 32 02 13 01) was approved by the Order №1684479 of the Deputy Minister of Education and Science of Georgia, dated December 30, 2022 (last amendment №1769409, 27.12.2023).

As of December 31, 2023, Within the framework of the program "Promotion of general education reform" - 32 02 13 01 of the Ministry of Education and Science of Georgia, the cash expenditure amounted to 1,051,215.98, and the actual expenditure amounted to 1,051,439.00 GEL.

Note S2: Account №1-11-2410 - account of the budget organization in the commercial bank in national currency, as of December 31, 2023, a balance of 196.13 GEL was credited to the account. In order to spread the social activities of the Ministry widely in the society, a multi-currency account belonging to the Ministry was in TBC Bank, where from July 2, 2019, funds from the State budget are being pre-registered for the purpose of purchasing advertising services. During the year, a total of 2,800 GEL was credited to the account, of which 2,603.87 GEL was used on (the service card N17395 11.01.2024). The balance on the aforementioned amounted to 196.13 GEL as of December 31, 2023, which is repaid to the State Budget on January 15, 2024 (letter N27276, 15.01.2024).

Note S2a: Within the framework of the program, the total net salary - 1,500.00 GEL was transferred to [REDACTED] employed under the employment agreement in May. On the basis of the agreement N416473, dated April 12, 2023, from May 18, she was released from fulfillment of the obligations stipulated in the agreement, that is why it was repaid.

- Net amount taken over for 10 days - 529.20 GEL (repaid on July 7),
- **Income tax- 132.30 GEL**, which is offset in the month of August 2023 and recorded in the account №1-13-2100 - Income tax claims,
- **Pension amount - 13.50 GEL** was returned on October 25 and reflected in the **account № 1-13-3200 - Current accounts receivable in the pension scheme with contributions of the employee.**

Account №1-13-7000 - Short-term (current) accounts receivable for employees and accountable persons - 4,446.00 GEL is recorded in the account during the reporting year, including:

- **Account №1-13-7400 - Short-term (current) receivables with other amounts receivable from accountable persons - 529.20 GEL.** It represents the net amount for 10 working days taken by [REDACTED], a person employed under the agreement, which was returned on July 7, 2023;
- **Account №1-13-7500 - Short-term (current) requirements for business trips within the country - 2,970.00 GEL;** represents the amount credited to the employees in advance to compensate for business trips within the country, which is recognized as an expense in 2023 in accordance with the documentation of business trips submitted by the employees.
- **Account №1-13-7600 short-term (current) requirements for business trips outside the country - 946.74 GEL;** represents the amount credited to the employees in advance to compensate for business trips outside the country, which is recognized as an expense in 2023 in accordance with the documentation of business trips submitted by the employees.

Note S3: Account №1-14-1420 - Rest of other materials and supplies on the account - As of January 1, 2023, 238 units of subject guidebook with a total value of 2,856.00 GEL were recorded, for which the person responsible was [REDACTED], the manager of the program “Promotion of general education reform”. Based on the information provided by the Service card №1530278 of the Pre-school and General Education Development Department, dated November 10, 2023, regarding the guidebooks listed in the financial statements of the program, the above-mentioned brochures have been used and are not subject to future consumption. Based on the Protocol №2 of the Inventory Commission, dated November 28, 2023, on write-off printed materials/books created under the Order №566764 of the Minister of Education and Science of Georgia, dated 31.05.2022 (amendment №748169, 22.06.2023), a decision was made by the Commission on write-off and on the basis of the Order №1611348, dated November 28, 2023, 48 pieces of the guidebooks with a total value of **576 GEL** were written off from the financial statements of the program, under the article “Expenses for reduction of the value of the inventories”. The above-mentioned guidebooks were evaluated by “Kompaudi” LLC as waste paper (Service card №1727973, 18.12.2023), which will be transferred to LEPL - National Agency of State Property (Order №1715820, 14.12.2023)

As of December 31, 2023, 190 units of guidebooks with a total value of **2,280.00 GEL** were credited to the account.

Note S6: Account №1-22-2210 - Information and communication technology equipment - As of January 1, 2023, 6 portable computers with a unit price of 1,204.50 GEL, transferred from LEPL - Education and Management Information System were credited to the balance account 1-22-2210 of the Ministry, with a total balance value of 7,227.00 GEL, and the remaining balance value – 1,445.40 GEL. As a result of non-financial inventory of 2022, 2 portable computers with historical value - 2,409.00 GEL, residual value - 481.80 GEL were identified, which were not subject to further use and by the Order №873325 of the Ministry of Education and Science of Georgia, dated 12.07.2023, and the act of acceptance signed by and between the parties on 17.10.2023, was transferred to LEPL - National Agency of State Property. The accumulated depreciation of the above-mentioned computers - 1,927.00 GEL was reflected in the second table - with other disposals, and the residual value - 482.00 GEL - with various expenses.

Within the scope of the non-financial inventory of 2023, during the actual census by the working groups of the Inventory Commission, as a result of the visual inspection and evaluation of non-financial assets, 4 units of portable computers were identified, which, depending on their actual condition, are subject to future use. Based on the fact that the above-mentioned assets provide the opportunity to receive economic benefits/services and are subject to future use, the Non-Financial Inventory Commission of 2023, based on the Summary Protocol of 2024, extended the useful life of the mentioned portable computers by the period indicated in the table below, including:

N	Title of the asset	Inventory number	Liable person	Balance value	Useful life
1	Standard portable computer HP 255 G7,2200011186	200011186	Tamar Kekelidze	1204.5	1
2	Standard portable computer HP 255 G7,2200011187	2200011187	Tinatin Gogmachadze	1204.5	2
3	Standard portable computer HP 255 G7,2200011189	2200011189	Ekaterine Parnishvili	1204.5	2
4	Standard portable computer HP 255 G7,2200020436	2200020436	Ia Aptarashvili	1204.5	1
	Total			4818.00	

Within the framework of the program, 4 computers were charged with depreciation for the current year - 361.00 GEL, which is recorded in the third, accumulated depreciation table on the corresponding account.

As of January 31, 2023, 4 portable computers with an opening balance value of 4,818.00 GEL and a residual value of 602.00 GEL were included in the financial statements of the program, which was recorded to the corresponding account in the first table.

Note S13: Within the framework of the program, the salary of the persons employed under the employment agreement, the business trip within the country, also the amount of the VAT refund of the advertising (Facebook) expenses paid from the multi-currency account belonging to the Ministry, opened at “TBC Bank” was reimbursed in 2023. As of December 31, 2023, no accounts payable are credited within the framework of the program.

Note S16:

- **Account №5-92-0000 - Expenses for reduction of value of the inventories - 576.00 GEL.** The account shows guidebooks unfit for further use in the amount of 576.00 GEL written off on the basis of Order №1612348, dated 28.11.2023. The above-mentioned guidebooks were evaluated by “Kompaudi” LLC as waste paper (Service Card №1727973, 18.12.2023), which was handed over to LEPL - National Agency of State Property (Order №1715820, 14.12.2023).

- **Account №5-93-0000 - Fixed assets depreciation expenses - 482.00 GEL.** According to the evaluation of the Inventory Commission in 2023, the account shows 2 portable computers with a total value of 2,409.00 GEL written off based on the Order №873325 of the Deputy Minister with a residual value of 482.00 GEL. The above-mentioned computers were handed over to LEPL - National Agency of State Property by the Order №873325, dated July 12, 2023 and the act of acceptance signed between the parties on October 17, 2023.

Note S17: Within the framework of the program, the actual expenditure of 2023 amounts to a total of 1,052,439.00 GEL, including:

- Salary of persons employed under employment agreements - 1,034,075.42 GEL;
- Business trip expenses - 5,228.74 GEL;
- Advertising expenses - 3,056.60 GEL;
- Depreciation expenses - 361.35 GEL;
- Social assistance/security - 8,659.09 GEL.

Form №1: Reference Account №04

Within the framework of the program, 5 units of Dictaphones worth 400 GEL are credited to the account №04 of the reference article – “Inventory and low-value assets delivered in operation and recorded in expenses” (liable person: [REDACTED], in addition the movable property for disposal - waste paper of 576 GEL is recorded in the program code №10 of the device32 01 01 as of 31.12.2023.

21. Provision of public schools with information and communication technologies - disposal by LEPL - Education Management Information System - 32 02 13 02

32 02 13 02	Provision of public schools with information and communication technologies - disposal by LEPL - Education Management Information System	Recorded in 32 0 1 04
00	Total	7,345,199.85
2	Expenses	6,136,199.85
31	Increase of non-financial assets	1,209,000.00

22. Promotion of Pre-School Education - 32 02 13 03

The program “Promotion of Pre-School Education” (Program code - 32 02 13 03) was approved by the Order №1683070 of the Deputy Minister of Education and Science of Georgia, dated December 30, 2022 (last amendment №1480310, 01.11.2023).

As of December 31, 2023, cash expenses incurred within the framework of the program – “Promotion of Pre-school Education” 32 02 13 03 totaled 248,801.93 GEL, including the cash expenses with the budget funds – 176,372.00 GEL, and with targeted grants – 72,429.93 GEL, and the total of actual expenses were 248,912.48 GEL.

Note S2a: Within the framework of the program, the accounts receivable arising on the basis of the Grant Agreement №100 (GEO/MOES/CP06/2022/001) signed by and between the United Nations Children’s Fund UNICEF and the Ministry on August 5, 2022 (value of the agreement amounted to 118,020.00 GEL) were credited as **the opening balance of 2023**, in particular:

- **Account №1-13-1220 – Short-term (current) accounts receivable of the budgetary organizations to the Treasury, with targeted grants - 29,838.92 GEL in total. In particular:**
 - **8.99 GEL** - 8.99 GEL deposited within the Grant Agreement №65 №GEO/MOES/CP06/2021/001 signed by and between the Ministry of Education and Science of Georgia and the United Nations Children’s Fund (UNICEF) on September 21, 2021 (In 2022, the opening balance of the targeted grant amounted to 10,414.62 GEL, in 2022, 45,500 GEL was debited, and it was recognized as income and the balance of the targeted grant was reduced by 55,905.63 GEL, the difference 8.99 GEL was credited as the balance).
 - **29,829.93 GEL** - within the frameworks of the grant agreement №100 №GEO/MOES/CP06/2022/001 signed by and between the Ministry of Education and Science of Georgia and the United Nations Children’s Fund (UNICEF) on August 5, 2022 (value of the agreement - 118,020.00 GEL), in 2022 in total the amount of I and II tranche provided for in the agreement have been transferred, with the total amount of 75,420.00 GEL, of which cash expenses amounted to 45,590.07 GEL, and the difference was credited as the balance of the targeted grant. The mentioned amount was used in 2023 in the phases II and III of the agreement. In addition, in 2023, a total of 42,600 GEL was

transferred by the donor, including the III tranche - 22,300 GEL on March 23 and the IV tranche - 20,300 GEL on June 8. The cash expenditure of 2023 amounted to 72,429.93 GEL, of which 2,755.70 GEL, which was not used within the scope of the agreement, was repaid to the donor (Report №361491, 30.03.2023 - 11 GEL and Report №972119, 07.08.23 - 2,744.70 GEL). As of December 31, 2023, the balance is not credited within the framework of the above-mentioned targeted grant.

As of December 31, 2023, Account №1-13-1220 - Current accounts receivable of the budgetary organizations to the Treasury - 8.99 GEL is credited to the account with targeted grants. In connection with the repayment / disposal of the balance of the said targeted grant by the donor, the Pre-school and General Education Development Department was requested to communicate with the donor with the Service card №151711, February 13, 2024.

- **Account №1-13-9900** - Other short-term (current) receivables were credited to the account as the opening balance of **42,600.00 GEL**, which represent the receivable created within the framework of the Grant agreement №100 (GEO/MOES/CP06/2022/001) signed by and between the Ministry of Education and Science of Georgia and the United Nations Children's Fund (UNICEF) on August 5, 2022, to the donor. The total value of the agreement was 118,020 GEL, which was recognized as a receivable against the donor on the date of the agreement. The receivable against the donor in 2022 was reduced by the amount of the I and II tranches deposited in 2022 by a total of 75,420.00 GEL (25,260+50,160). In addition, the opening balance of 2023 - 42,600 GEL was reduced by the amount of III and IV tranches deposited by the donor on March 23 and June 8, 2023 (22,300+20,300). As of December 31, 2023, there is no receivable owed to the United Nations Children's Fund under the Agreement №100.

Note S3: Account №1-14-1420 - Other materials and supplies - as of January 01, 2023, the opening debit balance on the account was **4,894.25 GEL**, which represented the brochures purchased within the funding under the Targeted Grant Agreement №65, dated 21.09.2021 and the Grant Agreement №100, dated 05.08.2022, signed by and between the Ministry of Education and Science of Georgia and the United Nations Children's Fund. The brochures could not be issued in full in 2022, on the basis of which the said brochures were credited as the opening balance.

In 2023, a part of the brochures credited as the opening balance was issued to the kindergarten associations of different cities, and the brochures worth 3,811.25 GEL were written off from the financial statements of the program under the article – “Current grants issued in kind to the state entities of other level”. In addition, for the training held within the project on January 26, 2023, food products and disposable utensils worth 849 GEL were purchased, which were fully spent during the training.

On December 18, 2023, LEPL - Center for Teacher Professional Development, within the framework of the Pre-school Education Promotion Program of the Ministry (Program code 32 02 13 03), gave free of charge 10 (ten) books with a unit value of 4.50 GEL and a total value of 45.00 GEL (Service card №383016, 02.04.2024).

As of December 31, 2023, the brochures worth **1,083.00 GEL** and the books worth **45.00 GEL** were credited to the account №1-14-1420 - Rest of other materials and supplies, totaling **1,028.00 GEL**.

Note S4: In the current reporting year, the Ministry of Education and Science of Georgia pre-paid a total of **20,000.00 GEL**, to LEPL - Shota Rustaveli Batumi State University on May 24, 2023, within the framework of the program “Promotion of preschool education”, according to the Agreement №58 signed on May 22, 2023. Based on the financial documentation submitted under the letter №893271 of July 17, 2023, the actual expenditure of the university within the project amounted to **18,050.00 GEL**, and the unspent amount was **1,950.00 GEL**. The University returned this amount to the consolidated account of the Treasury on August 15, 2023, which has reduced the cash expenditure.

Note S13: Account №2-15-1400 - Other short-term (current) income received as an advance - the initial balance of the account totaled **72,438.92 GEL**, including:

- **8.99 GEL** - 8.99 GEL deposited within the Grant Agreement №65 №GEO/MOES/CP06/2021/001 signed by and between the Ministry of Education and Science of Georgia and the United Nations Children's Fund (UNICEF) on September 21, 2021, was not spent, could not be repaid to the donor due to expiration of validity of the agreement and was credited as the balance. As of December 31, 2023, the accounts payable in the amount of 8.99 GEL are credited to the account within the framework of the Agreement №65 towards the United Nations Children's Fund;
- **72,429.93 GEL** - Accounts payable credited within the framework of the Grant Agreement №100 (GEO/MOES/CP06/2022/001) signed by and between the Ministry of Education and Science of Georgia and the United Nations Children's Fund (UNICEF) on August 5, 2022. As of the date of signing the Agreement in 2022, the

accounts payable in the amount of 118,020.00 GEL is recognized to the organization. Total value of the agreement is 118,020 GEL reduced by the amount of 45,590.07 GEL of the statement submitted to the foundation, cash expenses and the amount recognized as income in 2022, and the difference of 72,429.93 GEL was credited as a balance.

During 2023, the accounts payable in the amount of 72,429.93 GEL was reduced based on the reports submitted to the donor (Credit cards №501554, 04.05.23 and №949499, 01.08.23) and recognized income by 69,674.23 GEL, while the unspent amount - 2,755.70 GEL was returned to the donor's account. As of December 31, 2023, no accounts payable were credited to the account under the Agreement №100.

Note S14: 4-31-1200 - 69,674.23 GEL is credited to the account received epy from international organizations, which represents the amount of actual income recognized within the framework of the Grant Agreement №100 (GEO/MOES/CP06/2022/001) signed by and between the Ministry of Education and Science of Georgia and the United Nations Children's Fund (UNICEF) on August 5, 2022. As of January 1, 2023, the opening balance was 72,429.93 GEL, which was reduced based on the reports submitted to the donor during the year. 69,674.23 GEL represents the cash expenses spent within the project and recognized as income in 2023, and 2,755.70 GEL was repaid to the donor's account according to the agreement.

4-32-1310 - received from the state entities of the same level - 10 units of books delivered free of charge from LEPL - Center for Teacher Professional Development, with a total value of 45.00 GEL are credited to the account.

Note S17: Within the framework of the program, the actual expenditure of 2023 amounts to 248912.48 GEL, in particular:

- Salaries of persons employed under the employment agreement - 218507.75 GEL;
- Business trip expenses - 5222 GEL;
- Expenses related to staff training-retraining, qualification raising and internship - 4266.48 GEL;
- Current grants issued in monetary form to the state entities of the same level - 18,050.00 GEL, which represents the actual expenditure recognized within the framework of the Agreement №58 signed by and between the Ministry of Education and Science of Georgia and LEPL - Shota Rustaveli Batumi State University on May 22, 2023;
- Current grants issued in kind to the state entities of level other - 3,811.25 GEL, which represent the brochures issued to associations of kindergartens in different municipalities.

23. Promotion of general education reform - LEPL - National Center for Teacher Professional Development - 32 02 13 04

32 02 13 04	Promotion of general education reform - LEPL - National Center for Teacher Professional Development	Recorded in 32 02 02
00	Total	10,410,311.23
2	Expenses	10,410,311.23

24. Promotion of general education reform - LEPL - Education and Scientific Infrastructure Development Agency - 32 02 13 07

32 02 13 07	Promotion of general education reform - LEPL - Education and Scientific Infrastructure Development Agency	Recorded in 32 01 05
00	Total	15,751,203.14
2	Expenses	349,877.00
31	Increase of non-financial assets	15,401,326.14

25. Promotion of vocational education development - 32 03 01

32 03 01	Promotion of vocational education development	
00	Total	85,961,350.70
2	Expenses	85,725,908.47
31	Increase of non-financial assets	235,442.23
32 03 01 01	Promotion of vocational education development – disposal by Ministry of Education and Science of Georgia	
00	Total	65,855,252.88
2	Expenses	65,855,252.88
32 03 01 02-35	Colleges	
00	Total	20,106,097.82
2	Expenses	19,870,655.59
31	Increase of non-financial assets	235,442.23

The revised budget plan of the Vocational Education Development Promotion Program (budget code 32 03 01) for 2023 amounts to - 85,377,529.00 GEL, cash expenditure - 85,961,350.70 GEL.

Changes/corrections have been made to the opening balances of the financial statements of the Professional Education Development Promotion Program with a total balance of 1,307,660 GEL (including: retrospective recalculation of significant errors of previous periods 755,251 GEL, assets assessed by an independent expert – 552,409 GEL), in particular:

Retrospective recalculation of significant errors of previous periods (Appendix №5)

N	Organization	Account	Initial balance value	Accumulated depreciation	Residual value	Note	Date (year) of works performed by the infrastructure
1	LEPL – College “Aisi”	Non-residential buildings 1-22-1200	82,723	887	81,836	Rehabilitation completed in 2015-2021	2015-2021
		Non-residential buildings 1-22-1200	33,027	330	32,697	Rehabilitation completed in 2022	2022
2	LEPL - College “Pazisi”	Non-residential buildings 1-22-1200	249,131	15,008	234,123	Rehabilitation completed in 2019	2019
		Other premises 1-22-1300	207,571	103,022	104,549	Rehabilitation completed in 2019	2019
3	LEPL – College “Modusi”	Non-residential buildings 1-22-1200	-840,925	-64,433	-1,776,492	The cost of the rehabilitation works taken by the college twice in the income (audit finding) is corrected	2021
4	LEPL – College “Akhali Talgha”	Non-residential buildings 1-22-1200	642,905	45,003	597,902	Rehabilitation completed in 2016	2016
5	LEPL – College “Lakada”	Non-residential buildings 1-22-1200	787		787	Rehabilitation completed in 2015	2015
		Non-residential buildings 1-22-1200	2,550	64	2,486	Rehabilitation completed in 2022	2022
6	LEPL – College “Mermisi”	Non-residential buildings 1-22-1200	792,421	55,542	736,879	Rehabilitation completed in 2015-2019	2015-2019
		Other premises 1-22-1300	77,233	11,846	65,387	Rehabilitation completed in 2015-2019	2015-2019
7	LEPL – College “Iberia”	Non-residential buildings 1-22-1200	28,431	2,388	26,043	Rehabilitation completed in 2016	2016
8	LEPL – Ilya Tsinamdzghvrishvili Community College	Unfinished construction 1-27-4100	-25,003		-25,003	Article “Other long-term non-financial assets” was increased by 25,003 GEL, while “Other short-term (current) assets” was decreased (audit finding).	
		Advance payments for long-term non-financial assets 1-15-1200	25,003		25,003		
9	LEPL – Kaspi College	Non-residential buildings 1-22-1200	132609	3978	128,631.00	Rehabilitation completed in 2020-2021 (including 113,048 GEL was shown to be allocated to infrastructure in previous years, the college did not receive - corrected in 2023)	2020-2021
		Other premises 1-22-1300	487897	9,758.00	478,139.00		
10	LEPL – College “Erkvani”	Other intellectual property products 1-24-1500		791.00	791.00	Adjustment of incorrectly charged depreciation in the previous period	
11	N(N)LE – Adventure Tourism School	Advance payments for goods and services 1-15-1100	-1980		-1980	Specification of articles of short-term current assets	
		Advance payments for long-term non-financial assets 1-15-1200	1980		1980		
12	LEPL – Tskaltubo College	Non-residential buildings 1-22-1200	54,012		54,012	Works performed in 2019-2021	2019-2021
		Non-residential buildings 1-22-1200	11,500		11,500	Works performed in 2022	2022
13	N(N)LE – College “Ikarosi”	Low-value assets 1-14-1410	380		380	Transfer of assets issued to schools in 2019 from reference account 04 to account 1-14-1410	
		Information, computer, telecommunication and other devices, furniture and equipment 1-22-2210	-24400		-24400	Assets transferred to schools in 2019	
			937,853	184,184	755,251		

Adjustments as a result of one-time revaluation

N	Organization	Account	Initial balance value	Accumulated depreciation	Residual value	Note
1	LEPL – College “Aisi”	Other premises 1-22-1300	102,000		102,000	Audit evaluation
		Land 1-22-1500	376,850		376,850	Audit evaluation
		Transport equipment 1-22-2100	45,569		45,569	Audit evaluation

2	LEPL - Community College Gldani Vocational Training Center	Low-value assets 1-14-1410	80		80	Audit evaluation
		Other machinery 1-22-2220	570		570	Audit evaluation
3	LEPL - College "Information Technology Academy"	Transport equipment 1-22-2100	16,404		16,404	Audit evaluation
4	LEPL - Tskaltubo College	Transport equipment 1-22-2100	10,936		10,936	Audit evaluation
			552,409	0	552,409	

1,331,680 GEL - adjustment of the opening balance is also recorded in the financial statement form №4 - Retrospective recalculation of significant errors of previous periods and adjustments as a result of one-time revaluation.

Note 2: Account №1-11-2100 - Cash balances in commercial banks in national currency, according to the statements of commercial banks of colleges, 4,388,406 GEL is credited at the end of the reporting year.

Note 2a: Financing of the targeted grant of colleges in 2023 amounts to 832,167.68 GEL (including: 696,391 GEL is recognized as income, and 135,777 GEL is credited as the accounts payable in accordance with the terms and conditions of the grant agreement), expenditure - 635,936 GEL. As of December 31, 2023, the balance of the targeted grant on the account of the colleges is 315,155 GEL (Appendix №4, №6).

Organizational code	Title	Cash balance 01.01.2023	Funds transferred to code 7000 of the target grant in 2023	Expenditure	Cash balance 01.01.2024
32 03 01	Promotion of professional education development	118,923.50	832,167.68	635,935.87	315,155.31
32 03 01 03	LEPL - College "Akhali Talgha"	0.00	8,919.90	8,919.90	0.00
32 03 01 04	LEPL - College "Iberia"	0.00	4,054.50	4,054.50	0.00
32 03 01 07	LEPL - Community College "Aisi"	0.00	5,676.30	5,406.00	270.30
32 03 01 08	LEPL - College "Modusi"	0.00	93,975.00	6,132.54	87,842.46
32 03 01 13	LEPL - Vocational College "Phazisi"	8.65	0.00	0.00	8.65
32 03 01 15	LEPL - Ilya Tsinamdzghvrishvili Community College	5,820.45	0.00	0.00	5,820.45
32 03 01 21	LEPL - Vocational College "Ikarosi"	10.95	0.00	0.00	10.95
32 03 01 20	LEPL - Ivane Javakishvili Tbilisi State University College of Media and Television	0.00	49,500.09	45,959.46	3,540.63
32 03 01 22	"Prestige"	0.00	24,300.00	24,300.00	0.00
32 03 01 23	N(N)LE - College "Horizonti"	0.00	12,150.00	11,880.00	270.00
32 03 01 24	N(N)LE - College "Gantiadi"	180.00	0.00	180.00	0.00
32 03 01 26	N(N)LE - Railway Transport College	0.00	149,591.94	60,570.60	89,021.34
32 03 01 27	N(N)LE - Adventure Tourism School	87,466.75	179,539.55	211,468.00	55,538.30
32 03 01 28	N(N)LE - Construction College "Construct2"	25,436.70	304,460.40	257,064.87	72,832.23

As of December 31, 2023, the cash balance of the colleges' own income amounts to **26,277,303 GEL**, and the currency balance is **5,378.80 GEL** (2000*2.6894).

№	Title	Treasury-own	Targeted grant	Commercial bank	Currency balance	Total	Note
<u>1</u>	LEPL - College "Spektri"	1,296,773.70				1,296,773.70	
<u>2</u>	LEPL - College "Akhali Talgha"	2,672,813.64				2,672,813.64	
<u>3</u>	LEPL - College "Iberia"	105,491.99		1,017,745.00		1,123,236.99	1,016,000 GEL is recorded in the Treasury, 1,017,745 GEL - in the bank statement.
<u>4</u>	LEPL - College "Erkvani"	156,147.05				156,147.05	
<u>5</u>	LEPL - College "Tetnuli"	314,613.26				314,613.26	
<u>6</u>	LEPL - College "Aisi"	1,815,561.45	270.30			1,815,831.75	
<u>7</u>	LEPL - College "Modusi"	1,155,079.24	87,842.46	175,000.00		1,417,921.70	
<u>8</u>	LEPL - College Gldani Vocational Training Center	2,271,904.36				2,271,904.36	
<u>9</u>	LEPL - College "Black Sea"	239,978.76		394.00		240,372.76	No balance is recorded in the treasury information, it is recorded in the bank statement
<u>10</u>	LEPL - College "Mermisi"	3,357,127.64				3,357,127.64	
<u>11</u>	LEPL - College "Opizari"	3,184,554.38				3,184,554.38	
<u>12</u>	LEPL - College "Pazisi"	967,195.18	8.65	3,050,000.00		4,017,203.83	
<u>13</u>	LEPL - College "Lakada"	978,505.20		140,738.00		1,119,243.20	132,863.29 GEL is recorded in the Treasury - 140,738 GEL - in the bank statement.
<u>14</u>	N(N)LE - College "Prestige"	711,446.07				711,446.07	
<u>15</u>	N(N)LE - College "Horizonti"	711,283.60	270.00			711,553.60	
<u>16</u>	N(N)LE - College "Gantiadi"	1,120,268.19				1,120,268.19	

17	N(N)LE - Vocational College "Ikarosi"	84.06	10.95			95.01	
18	LEPL - Ilya Tsinamdzhvishvili Community College	205,221.46	5820.45	1,976.00		213,017.91	
19	LEPL - College "Tbilisi Art College"					0.00	
20	N(N)LE - Railway Transport College	896,282.69	89,021.34		5,378.80	990,682.83	
21	N(N)LE - Adventure Tourism School	554,655.16	55,538.30	2,351.00		612,544.46	No balance is recorded in the Treasury information, 2351 GEL is recorded in the bank statement
22	LEPL - Gori Sulkhan Tsintsadze Music College	399,742.61				399,742.61	
23	LEPL - College "Information Technology Academy"	287,532.61				287,532.61	
24	N(N)LE - Construction College "Construct2"	2,143,895.00	72,832.23	192.00		2,216,919.23	No balance is recorded in the Treasury information, 192 GEL is recorded in the bank statement
25	LEPL - Ivane Javakhishvili Tbilisi State University College of Media and Television	224,765.93	3,540.63	10.00		228,316.56	No balance is recorded in the Treasury information, 10 GEL is recorded in the bank statement
26	LEPL - Kaspi College	359,661.02				359,661.02	
27	LEPL - Kartli College	72,245.94				72,245.94	
28	LEPL - Tskaltubo College	74,472.75				74,472.75	
		26,277,302.94	315,155.31	4,388,406.00	5,378.80	30,986,243.05	

Note 3: Account №1-14-0000 – Inventories – as of 01.01.2023, total assets worth **3,166,892** GEL were credited to the account.

In the reporting period, the equity was adjusted on the account 1-14-1410 using the retrospective method, which led to a change in the opening balance by **460** GEL, including:

- LEPL - the value of the assets evaluated by the expert of the Vocational Education Center of Gldani - 80 GEL;
- 380 GEL of N(N)LE College "Ikarosi", assets transferred to schools in 2019 were credited to reference account 04 and were withdrawn to the account 1-14-1410.

Assets obtained by purchase totaled **6,456,245 GEL**, the colleges received the inventories in the amount of **159,472 GEL** free of charge as a grant, and the transfer amounted to **281,460 GEL**;

Low-value assets of **2,300 GEL** with depreciation costs represent the write-off of assets listed on the balance sheet of the liquidated LEPL - Goraberezhvili Vocational Training Center;

According to the account "External transfers not classified elsewhere", inflow/outflow represents the value of assets received (879 GEL) and transferred (11,179 GEL) from individuals.

Other outflows – **10,044 GEL** is shown, including **7,950 GEL** from raw materials transferred to the inventory account 1-14-1420, and 2,094 GEL transferred to the fixed assets.

Note 4: Account №1-15-1200 - Advance payments for long-term non-financial assets - 80,753 GEL are credited to the account, including: the accounts receivable of the colleges towards LEPL – National Center for Education Quality Enhancement in the amount of **56,207 GEL**;

LEPL - Ilya Tsinamdzhvishvili College adjusted to the opening balance on the **account №1-15-1200**. The article "Other long-term non-financial assets" was increased by 25,003 GEL, while the article "Other short-term (current) assets" was decreased (audit finding), in addition LEPL – College "Tetnuli" and Adventure Tourism School transferred / adjusted 4,209 GEL from the account to the account.

Account № 1-15-5000 - Short-term non-monetary receivables with a deficit of non-financial assets - the deficit of non-financial assets in the amount of 151,753 GEL was credited to the account as of 01.01.2023;

In total, the accounts receivable of the colleges (Appendix № 2a, № 4) amount to 27,003,536 GEL (Appendix №1.1).

Note 6: Account № 1-22-0000 - The fixed assets with historical value totaled **134,732,813 GEL**, accumulated depreciation - 22,583,733 GEL were recorded to the account as of 01.01.2023. During the reporting period, the opening balances were adjusted

by the colleges, the opening balance value increased by 1,489,802 GEL, and the initial accumulated depreciation - by 183,393 GEL (Appendix № 5).

Assets obtained by purchase total 8,738,498 GEL;

Fixed assets received free of charge by **the colleges** in the form of a grant amounts to **4,255,398 GEL**, and the transfer amounts to **1,183,418 GEL**;

The assets in the amount of 11,145 GEL disposed with impairment costs represent the value of the assets written off by the colleges and transferred to LEPL - National Agency of State Property.

1,526,862 GEL recorded in other expenses represents the transfer by the colleges from the non-residential buildings account to the construction in progress account of the Note 11 until the building is completed, and 26,709 GEL represents the accumulated depreciation of written off/transferred assets.

Note 8: Account №1-24-0000 – Accumulated depreciation of the inventories in the amount of 893,510 GEL was credited to the account as of 01.01.2023. During the reporting period, LEPL - College “Erkvani” adjusted the incorrectly charged depreciation in the previous period in the amount of 791 GEL, LEPL - College Modus transferred/corrected the amount of accumulated depreciation - 10,386 GEL, incorrectly charged in the previous period from the account 1-24-2130 to the account N1-24-1310, and the accumulated depreciation in the amount of 8,725 GEL incorrectly charged in the previous period was transferred/adjusted from the account 1-24-1500 to the account №1-24-1310 by N(N)LE - Railway Transport College.

Intangible assets obtained through **purchase** amount to 119,598 GEL;

117,320 GEL shown in other outflows represents the cost of programs that failed to pass authorization and were removed from the financial statements of the colleges.

Note 13: As of 01.01.2024, a total of 8,869,431 GEL of the accounts payable were recorded in the financial statements, including:

Accounts payable of the organizations to LEPL - Educational and Scientific Infrastructure Agency amounts to **2,596,150 GEL**;

Accounts payable of the organizations to LEPL - Professional Skills Agency amounts to 3,950,752 GEL;

Accounts payable to the Ministry of Education and Science of Georgia - **1,858,581 GEL** (N(N)LE - College “Konstruq2”). (Appendix №1.2)

Note 14: Account №4-31-0000 - Budgetary and non-budgetary grants received in monetary form totaled **9,184,329 GEL**;

Funding of colleges with targeted grant in 2023 amounted to 832,167.68 GEL (including: 696,391 GEL was recognized as income, and 135,777 GEL was credited as the accounts payable in accordance with the terms and conditions of the grant agreement), Appendix №4.

Account №4-32-0000 - Grants received in kind total 4,414,870 GEL;

Account №4-50-0000 - Incomes from internal transfers total 85,961,350.70 GEL (including 32030101 – 65,855,252.88 GEL). Note 14 shows 20,109,797 GEL, in particular: the cash expenses of the budget of 28 colleges - 20,106,097.80 GEL + **3,700 GEL** of the cash expenses of the Inclusive Education Promotion Program - 32 06 01 02 of LEPL - College of Media and Television.

Note 15: On the account №4-41-0000 incomes from property with non-budget funds of colleges totals 28,707,366 GEL, including interest income from funds subscribed in the commercial banks - 291,715 GEL, in particular:

- LEPL - College “Iberia” - 56882 GEL;
- LEPL - College “Modusi” - 10322 GEL;
- LEPL - College “Pazisi” - 212508 GEL;
- LEPL – College “Lakada” - 11884 GEL;
- LEPL – Tsinamdzghvrishvili Community College - 119 GEL;
- N(N)LE - College “Horizonti” - 2895 GEL.

Note 16:

Account №5-91-0000 - Expenses of doubtful/bad debts amount to 7,074 GEL, including:

- LEPL - College “Spektri” - 815 GEL;

- LEPL – College “Mermisi” - 4518 GEL;
- LEPL – College “Opizari” - 1391 GEL;
- LEPL - College “Pazisi” - 350 GEL.

Account №5-92-0000 – Expenses for reduction of value of the inventories - 2300 GEL represents the write-off of the assets listed on the balance sheet of liquidated LEPL - Goraberezhoul V Vocational Training Center;

Account №5-93-0000 - Fixed assets depreciation expenses - 11,145 GEL represents the value of assets written off by the colleges and transferred to LEPL - National Agency of State Property.

Note 17: Account 5-20-0000 - Costs of goods and services - 27,313,617 GEL is credited to the account in the reporting period;

Account №5-40-0000 - Depreciation and amortization expense - a total of 4,371,453 GEL is credited to the account, including: the depreciation expenses of fixed assets – 4,091,606 GEL, the amortization expense of intangible assets – 279,847 GEL;

Account №5-50-0000 - Expenses with internal transfers totals 648,384 GEL, including cash expenses of the targeted grant credited to the organizations in 2023 - 635,936 GEL;

Account №5-31-0000- Grants issued in monetary form - 267,599 GEL is credited to the account during the reporting period;

Account №5-32-0000- Grants issued in kind - 1,464,878 GEL is credited to the account during the reporting period (Appendix №2);

Account №5-35-0000 - Subsidies to other sectors amount to 19,279,864 GEL.

Note 18: Account №5-81-10000 - Loss arising from ownership as a result of conversion of assets in foreign currency - 2000 USD – 5,378.80 GEL credited to the currency account of N(N)LE - Railway Transport College (2000*2.6894).

Account №09 - Overdue debts amount to 2,459,855 GEL.

Elimination:

The receivables in the code 32 03 01 total 27,003,536.54 GEL, including the receivables of GEL 56,207 to the National Center for the Development of the Quality of Education.

N	Organization	Amount	Account №
1	LEPL - National Center for Educational Quality Enhancement	56,207.00	1-15-1200

- Accounts payable total 8,869,701.49 GEL, of which a total of 8,405,482.62 GEL is subject to elimination, including:
 1. 2,596,149.57 GEL to LEPL - Education and Scientific Infrastructure Development Agency;
 2. 1,858,581 GEL to the Ministry of Education and Science of Georgia;
 3. 3,950,752.05 GEL to N(N)LE - Professional Skills Agency.

N	Organization	Account №	Account №	Total
		2-13-4000	2-15-1220	
1	LEPL - LEPL - Education and Scientific Infrastructure Development Agency	43,296.90	2,552,852.67	2,596,149.57
2	Ministry of Education and Science of Georgia		1,858,581.00	1,858,581.00
3	N(N)LE – Professional Skills Agency	120,709.00	3,830,043.05	3,950,752.05
	Total accounts payable of colleges (internal system)			8,405,482.62

Inflow of assets under the Grant article totals: opening balance value – 4,401,134.84 GEL, balance (residual) value – 4,414,870.1 GEL, from which assets with a balance (residual) value of 3,691,994.39 GEL are subject to elimination, including:

1. LEPL - Education Management Information System – 9,332.02 GEL;
2. LEPL - Tbilisi State Medical University – 8,330,88 GEL;
3. LEPL - College Information Technology Academy – 9,795,94 GEL;
4. LEPL – College “Mermisi” – 7,086.66 GEL;
5. LEPL - Education and Scientific Infrastructure Development Agency - 3’657’448.89 GEL.

N	Organization	Account №	Account №	Account №	Account №	Account №	Account №	Total
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		1-14-1410	1-14-1420	1-12-1200	1-12-1300	1-22-2100	1-22-2210	
1	LEPL - Education Management Information System					9,332.02		9,332.02
2	Colleges					9,795.94	7,086.66	16,882.60
3	LEPL – Education and Scientific Infrastructure Development Agency	97,920.00	46,665.00	2,329,527.20	1,071,964.69	43,542.00	67,830.00	3,657,448.89
4	LEPL - Tbilisi State Medical University					8,330.88		8,330.88
	Receipt of total assets (internal system) under the grant article	97,920.00	46,665.00	2,329,527.20	1,071,964.69	71,000.84	74,916.66	3,691,994.39

- Disposal of assets under the grant article totals: opening balance value 1,219,158.50 GEL, balance (residual) value - 1,464,877.47 GEL, from which assets with a book (residual) value of 1,463,088.97 GEL are subject to elimination, including:

1. Schools - 1,445,276.90 GEL;
2. Colleges - 16,882.60 GEL;
3. LEPL - College “Information Technology Academy” – 9,795.94 GEL;
4. Ministry of Education and Science of Georgia - 929.50 GEL.

N	Organization	Account № 1-14-1410	Account № 1-14-1420	Account № 1-12-1300	Account № 1-22-2100	Account № 1-22-2210	Account № 1-22-2220	Account № 1-22-3000	Total
1	Schools	236808.63	43043.7	4,200.00		1,015,686.50	145,352.00	186.00	1,445,276.83
2	Colleges				9,795.94	7,086.66			16,882.60
3	Ministry of Education and Science of Georgia	929.5							929.50
	Disposal of total assets (internal system) under the Grant article	237,738.13	43,043.70	4,200.00	9,795.94	1,022,773.16	145,352.00	186.00	1,463,088.93

Form 1

Account №01 - Fixed assets received from operating leases - total 1,373,633 GEL, including:

- LEPL - College “Lakada” - 7,202 GEL;
- N(N)LE - College “Gantiadi” - 69,864 GEL;
- LEPL - Adventure Tourism School - 25,771 GEL;
- N(N)LE - College “Prestige” - 1,270,796 GEL.

On May 1, 2023, a Construction Agreement N34 was signed by and between the Ministry of Education and Science of Georgia and Telavi Municipality City Hall, based on which the Ministry was registered as a construction right holder in the National Agency of Public Registry. On the basis of the lease agreement signed on July 25, 2023 and the act of acceptance signed between the parties on May 03, 2023, the lessor (Ministry) transferred and the lessee (N(N)LE College “Prestige”) received the real estate located at the address: №1, Georgian University Str., Telavi, with the initial historical value of **1,270,796 GEL** in temporary use.

Account № 09 - Overdue debts amount to 2,459,855 GEL.

Form 4: Surplus/deficit for the period of 2022 does not correspond to the information of the financial statements of 2022, since the rehabilitation works completed in 2022, transferred in 2023 by LEPL - Infrastructure Development Agency were adjusted. Total opening balance value - 47,077 GEL, depreciation amount of 2022 - 394 GEL, balance (residual) value – 46,683 GEL. This is adjusted in the opening balance of non-residential buildings of the Note 6, in the opening balance of the Note 14, account №4-32-1310, in the expenses received from the state entities of the same level and in the depreciation expense of the previous reporting period of the Note 7, Account №5-41-0000, in particular:

Organization	Opening balance value	Depreciation of 2022	Balance (residual) value	Date (year) of works performed by the infrastructure
LEPL – College “Aisi”	33,027	330	32,697	2022
LEPL - College “Lakada”	2,550	64	2,486	2022
LEPL – Tskaltubo College	11,500		11,500	2022

	47,077	394	46,683	
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Findings and recommendations of the State Audit regarding the financial statements of 2022 (Appendix №8)

Name of the budgetary organization	Audit findings	Implementation
LEPL – College “Aisi”	The balance sheet submitted by College “Aisi” does not accurately and fairly provide for its financial position, because not all the operations carried out are recorded in the accounting. The college operates in Gurjaani, Dedoplistskaro, Akhmeta and Lagodekhi regions. 22 ha of land plot and the art house in Kachreti transferred from the fixed assets in 2015 are not recorded in the balance sheet; The accounting registers do not fully provide for the income from animal husbandry, beekeeping, tailoring, canning and other products received from different directions. Therefore, the completeness and internal control of the accounting reports of all economic events carried out by the college is not ensured. During the inspection/inventory of selected assets during the 2 audit processes, differences between the actual and accounting data were revealed.	22 ha of land plot and the art house located in Kachreti transferred in 2015 were evaluated; We will complete the reflection of all economic events in the accounting reports in the current year of 2024, through an additional staff unit
LEPL – College “Modusi”	We searched for the primary accounting documentation of the asset worth 1768649 GEL – received on the account of non-residential buildings under grant (1-22-1200) and recorded in the 2020 report, on the website spa.ge. The documentation of the works performed for 1840925 GEL and the corresponding audit report uploaded according to the Agreement SPA170006117 signed by and between LEPL - Education and Scientific Infrastructure Development Agency and “Tbilisi House” LLC on 30.06.2017, which was recorded by the college as follows: performed repair works - 1786514 GEL, air conditioners - 21790 GEL, central heating boiler - 32621 GEL. Later, on May 5, 2022, an act of acceptance was signed by and between LEPL - Education and Science Infrastructure Development Agency and College “Modusi”, for transfer of the above works and accordingly shown in the report of 2022. On the basis of the above-mentioned act of acceptance, the college mistakenly received the income once again.	We searched for the primary accounting documentation of the asset worth 1768649 GEL – received on the account of non-residential buildings under grant (1-22-1200) and recorded in the 2020 report, on the website spa.ge. The documentation of the works performed for 1840925 GEL and the corresponding audit report uploaded according to the Agreement SPA170006117 signed by and between LEPL - Education and Scientific Infrastructure Development Agency and “Tbilisi House” LLC on 30.06.2017, which was recorded by the college as follows: performed repair works - 1786514 GEL, air conditioners - 21790 GEL, central heating boiler - 32621 GEL. Later, on May 5, 2022, an act of acceptance was signed by and between LEPL - Education and Science Infrastructure Development Agency and College “Modusi”, for transfer of the above works and accordingly shown in the report of 2022. On the basis of the above-mentioned act of acceptance, the college mistakenly received the income once again. The error was retrospectively adjusted by the college in the report of 2023: 1. Construction works - the cost of a non-residential building was reduced by 1840925 GEL.
LEPL – Ilya Tsinamdzghvishvili Community College	In relation to the above-mentioned issue, Tsinamdzghvishvili Community College was given a recommendation within the scope of the audit of the consolidated financial statements of the Ministry for 2021, the implementation status of which is: pending (please see the Chapter 3.). The state of implementation of the recommendations issued in the previous period - Recommendation № 1 - In order to submit the financial statements fairly, the management should select and implement such an accounting system, which will ensure the complete and timely recording of the performed operations in the accounting registers. At the same time, such control mechanisms should be developed and implemented that ensure the reliability and completeness of the evidentiary base reflecting the operations.	For the purpose of control of reliability and completeness of the evidentiary base representing accounting and economic operations, an amendment was made to the Regulation “On approval of the rules of activity of the internal control implementation group of LEPL – Ilya Tsinamdzghvishvili College”, approved by Order №04-225, November 21, 2022; The monitoring group will control the reliability of the evidentiary base. Expenditure of 809,654 GEL and income of 11,347 GEL occurred due to technical inaccuracies in the calculations of January 1, 2023, therefore the number of expenditures in Oris program was adjusted and expenditure of 809,654 GEL and income of 11,347 GEL were included in the information of 2022. In the Note 4 - the opening balance - advance payments for long-term non-financial assets is changed by 25003 GEL according to the recommendation of the state audit report; in the Note 11 – the opening balance is changed by 25003 GEL also according to the recommendation of the state audit report; in the Form 4, both figures - Advance payments for long-term non-financial assets +25003 and Total current assets -25003 equal each other.

Liquidated colleges

24 vocational/educational centers liquidated in the past period are provided in the consolidated financial statements of the program “Vocational Education Development Promotion”. In order to write off the non-financial assets reflected in the financial statements of the liquidated colleges and vocational schools in 2023, an Inventory Commission was created by the Order № 977209, dated August 31, 2022 (amendment №1102777, 16.09.2023; №901720, 19.07.2023). Above-mentioned commission will gradually review the non-financial assets shown in the financial statements of individual colleges, specify their location (members of the Commission travel to the regions), completeness of the property and develop an action plan for write-off.

In 2023, the following activities were carried out in two liquidated institutions, namely:

1. LEPL - Goraberezhoulis Vocational Training Center

According to the Order №74610 of the Deputy Minister of Education and Science of Georgia, dated January 25, 2023, the immovable and movable property - 573 units of 27 denomination (including 19,089 kg of scrap) in the amount of 5,705.50 GEL, credited to the financial statements of liquidated LEPL - Goraberezhoulis Vocational Training Center was transferred to Chokhatauri Municipality City Hall (Property Management Department of the Economy and Property Management Service) on January 26, 2023.

- According to the Order №1521447 of the Deputy Minister of Education and Science of Georgia, dated November 30, 2023, 13,483 units of property of 490 denomination worth 34,795.91 GEL were written-off from the financial statements of liquidated LEPL - Goraberezhoulis Vocational Training Center, where 368 units of assets of 141 denomination with a total value of 12,677.40 GEL were evaluated as scrap by "Kompauli" LLC. The scrap evaluated by the audit company is handed over to the City Hall. The remaining 13,115 assets of 349 denomination written off with a total value of 22,118.51 GEL are subject to destruction.
- The letters №1108390, dated September 19, 2022 and №19634, dated January 12, 2024, were sent by the Ministry to LEPL - National Agency of State Property, for the purpose of provision of the information about the owner and disposal of real estate, so-called "Eristavi Palace" put into operation in 1800, located in the village of Goraberezhoulis, Chokhatauri Municipality (previous number of the plot 28.11.22.329). According to the information provided, the property will be disposed/transferred. According to the extract prepared by LEPL - National Agency of Public Registry on November 14, 2022, the previously unregistered real estate with cadastral code 28.11.22.381, so called "Eristavi Palace" - which was credited to the account №08 of the reference article (Fully depreciated/amortized assets in service) of the financial statements of former Goraberezhoulis Vocational Training Center, with a value of 1,684 GEL, due to the fact that it is currently registered as state property and the state is defined as the owner - it was removed from the accounting documents of the financial statements of the Ministry of Education, Science and Youth of Georgia (from accounting).

In the financial statements of LEPL - Goraberezhoulis Vocational Training Center as of 01.01.2024, written-off assets with a total value of 22,119 GEL before destruction are credited to 10 reference accounts (please see the appendix "Property of Goraberezhoulis").

2. LEPL – Rustavi Vocational Training Center

- According to the Order №1104161 of the Deputy Minister of Education and Science of Georgia, dated September 07, 2023, destruction of 442 units of property in the amount of 5,640.50 GEL credited to / written off in the financial statements of LEPL - Rustavi Vocational Training Center was carried out (Order №873324, 12.07.2023);
- 44 units of property, with a balance value of 2,473.14 GEL and with a residual value of 1,978.90 GEL, were transferred to LEPL - National Agency of State Property by the Order №1104158 of September 7, 2023 and the act of acceptance signed between the parties on October 17, 2023;
- Printed material - 4309 units, with a total value of 1711.00 GEL, is evaluated according to the appendix №5 of the audit report №457 of the company "Kompauli" LLC, dated December 06, 2023, as waste paper (letter №873324, 17.01.2024), which will be transferred to LEPL - National Agency of State Property according to the order №1715820 of the Deputy Minister of Education and Science of Georgia, dated December 14, 2023,.
- Deficits, including tractors and low-value assets are recorded in the financial statements of the liquidated organization, regarding which the Ministry addressed the Ministry of Internal Affairs of Georgia with letters №1133942, dated September 12, 2023 and №17490, dated January 11, 2024, for retrieval of updated information, the answer to which has not been received as of today.
- As a result of a business trip and visit to the Rustavi Vocational Training Center, 15 units of electronic heaters with a value of 822 GEL were subject to future use, which were removed from the financial statements of Rustavi Vocational Training Center and recorded within the frameworks of the Ministry's equipment;

In the financial statements of LEPL - Rustavi Vocational Training Center as of 01.01.2024, low-value assets written off as expenses with a total value of 2,854 GEL are credited to the reference account 04, and to the reference account 08 - Fully depreciated/amortized assets in service, the assets of opening balance value of 2,112 GEL are credited (please see the Appendix - Property of the Rustavi Vocational Training Center)

It is clear from the financial statements of the liquidated colleges in their operational territory presented by educational resource centers:

- In accordance with the information received from Ninotsminda District Division of Samtskhe-Javakheti Police Department of the Ministry of Internal Affairs of Georgia regarding the loss of 1349 GEL in the financial statements of LEPL - Ninotsminda Vocational Training Center, an investigation is underway in criminal law case №018111120001, regarding the fact of robbery of LEPL – Ninotsminda Vocational Training Center. The crime is

stipulated by the Article 177(2)(a). Nowadays, the investigative and procedural actions are being carried out in this criminal case, that is why no summary decision has been made for this case;

- Letter MIA 3 23 03784416 of the Ministry of Internal Affairs of Georgia, dated 23.12.2023, regarding the loss of 2210 GEL of LEPL - Kareli Vocational Training Center - the case is not opened yet (Letter of the regional center №3772157, 22.12.2020);
- On the basis of the information retrieved from Poti City Division (letter, registration number: 221324, 27/02/2024), an investigation is being carried out on the inventory of LEPL - Poti Multidisciplinary College with a loss of 855 GEL;
- The value of the garage with the opening balance value of 582 GEL was withdrawn from the account 08 of the financial statements of LEPL - Senaki Vocational Training Center, as the entire state-owned real estate, located at the address: №29, Chavchavadze Street (former №23), Senaki, was transferred to the Regional Department of Registration and Privatization of Samegrelo-Svaneti State Property of the Ministry of Economy and Sustainable Development of Georgia in 2010. According to extract from Public Registry of the (land (real estate) cadastral code №44.01.28.005), several units of buildings were recorded, one of them was a garage building. According to the letter №13/17308 of the National Agency of State Property, dated 28.03.2023, it is clear that the owner of the real estate located at the address: №29, Chavchavadze Street (former №23), Senaki, is Senaki Municipality (current cadastral codes: 44.01.28.346 and 44.01.28.345); in connection with the deficit of GEL 1'567 of the liquidated college credited to the account 1-15-5000 is being investigated and the final decision has not been taken (letter №MIA 2 24 00723612 of Senaki Regional Division of the Ministry of Internal Affairs of Georgia, dated 11.03.2024).

Note: The Inventory Commission created by the Order №977209, dated August 31, 2022 (amendments №1102777, 16.09.2023; №901720, 19.07.2023) is in the process of work and is gradually providing investigation, retrieval, clarification and appropriate response to the information for the purpose of writing off the assets listed in the financial statements of the liquidated colleges.

As of January 1, 2024, the assets/property balances of the liquidated vocational colleges:

Liquidated educational institutions	Short-term (current) non-monetary receivables with a deficit of non-financial assets 1-15-5000	Rest of other materials and supplies 1-14-1420	Non-residential buildings 1-22-1200	Other premises 1-22-1300	Transport equipment 1-22-2100	Other machinery and equipment 1-22-2200	Other intellectual property products 1-24-1500	Low-value assets 1-14-1410	Inventories in service written off in expenses on the account 4	Fully depreciated/amortized assets in service, account 08	Movable property for disposal, account 10
LEPL - Rustavi Vocational Training Center	0								2854	2112	
LEPL - Kazreti Vocational Training Center	151										
LEPL - Kareli Vocational Training Center	2210										
LEPL - Kaspi Vocational Training Center	227										
LEPL - Senaki Vocational Training Center	1567									7732	
LEPL - Chkhorotsku Vocational Training Center				1124			1292		5503		
LEPL - Tsinamdzghvishvili Tsinamdzghvriaantkari Vocational Training Center	470										
LEPL - Goraberezhoulis Vocational Training Center											22119
LEPL - Ninotsminda Vocational Training Center	1349										
LEPL - Kutaisi Technical College									22247		
LEPL - Ezikashvili of Kutaisi Financial and Economic College									5525		
LEPL - Sagarejo Polytechnic College	3	335								442	
LEPL - Kareli Polytechnic College						30289			610	14486	

LEPL - Martvili Agricultural Technical College		690				1119			5555	13789	
LEPL - Lanchkhuti Multidisciplinary College	1388					17457	1993	200	4722		
LEPL - Poti Multidisciplinary College	855					2514					
LEPL - Tbilisi College of Finance and Economics						2395			21298		
Laituri Agricultural College					25425	34769			2539		
Vocational School of Trade and Commerce			143985						4130		
Industrial Economic Vocational College	8900		221589								
LEPL - Kaspi Vocational College			12722					2194			
LEPL - Tskaltubo Vocational College	15370										
LEPL - Tsnori Vocational College									8769		
LEPL - Adigeni Vocational School						4909					
As of 01.01.2024	32490	1025	378296	1124	25425	93452	3285	2394	83752	38561	22119

26. Development of vocational skills - 32 03 02

32 03 02	Development of vocational skills	
00	Total	13,050,989.78
2	Expenses	12,724,428.46
31	Increase of non-financial assets	326,561.32

N(N)LE Vocational Skills Agency (ID code: 402184355) is a non-entrepreneurial (non-commercial) legal entity established by the Ministry of Education and Science of Georgia and Public Law Corporation - Georgian Chamber of Commerce and Industry, with the following activities:

- Supporting development and implementation of the vocational education policy, as well as ensuring the sustainability of the aforementioned policy;
- Promotion of human capital development of the country through joint efforts and sharing of responsibilities of public and private sectors;
- Promotion of development of modern vocational skills adapted to the needs of the economy of the country;
- Promotion of inclusive vocational education development tailored to individual needs;
- Promotion of internationalization of vocational education.

The financial statements of N(N)LE - Vocational Skills Agency as of December 31, 2023 were prepared using the accrual method, on the ongoing basis. No reorganization/liquidation of the organization is planned in the near future. For a certain period of time, the organization continues to function and fulfill the obligations imposed by the law.

The following normative acts were used in the preparation of financial statements:

- Order №17 of the Minister of Finance of Georgia “On approval of the plan of accounting reports of budgetary organizations and instructions on its use”, dated January 15, 2020;
- Order №108 of the Minister of Finance of Georgia “On approval of the instruction for preparation of financial statements and reporting by the budgetary organizations based on the International Public Sector Accounting Standards (IPSASs)”, dated May 5, 2020;
- Order №424 of the Minister of Finance of Georgia “On approval of the instruction on the procedure for making payments by the organizations served by the State Treasury”, dated December 31, 2014;
- Order №99 of the Minister of Finance of Georgia “On Approval of the budget classification of Georgia”, dated April 5, 2019;

- Order №289 of the Minister of Finance of Georgia “On approval of the instruction on the accounting plan of depreciation/amortization by budgetary organizations and reflection in financial statements”, dated December 2, 2020.

Note №2 - Cash and cash equivalents

As of January 1, 2024, the balance of “Cash and cash equivalents” amounted to 834 GEL, for the purchase of information related to the Agency’s activities, an account has been opened at the Bank of Georgia.

Note №2a - Current investments and short-term accounts receivable. Short-term (current) accounts receivable and receivables for January 1, 2024 amount to 323,592 GEL, the balance from the targeted grant received by the United Nations Development Program (UNDP).

Note №3 - Inventories. Low-value assets, which the organization uses in the service process, with a value of less than 500 GEL and a term of more than one-year, reusable devices, inventory, equipment and other supplies are recorded in the inventory. Inventories are presented in the financial statements at a cost that includes all costs associated with their acquisition. Inventories are recognized as expenses immediately after distribution, and low-value assets transferred into operation, the value of which is not less than 100 GEL, are recorded in the reference article – “Inventories in service written off in costs” (04).

The balance of inventories as of December 31, 2023 amounts to 57,048 GEL – the inventories worth 62,999 GEL were purchased during the reporting period, 51,977 GEL was spent on goods and services, and 8,675 GEL was spent for the gift sets, various Fi_Fr-branded items given to the participants of the events held by the Agency during the year.

Note №4 - Other short-term (current) assets. The balance of other short-term current assets as of January 1, 2024 amounted to 5,146 420 GEL - including 70,000 GEL for purchase of prepaid non-financial assets, and 5,076,420 GEL - for implementation of vocational training/retraining programs, extracurricular activities at public/private educational institutions, for promotion of development of vocational education in public schools, for funding provided for development of digital educational resources for the teaching of the vocational educational program.

Note №6 - Fixed assets: Fixed assets are recorded in the statement of financial position at their initial (historical) value. The initial value includes the purchase price of fixed assets, as well as all costs associated with acquisition, ownership and commissioning. Depreciation on fixed assets is charged in accordance with the requirements №289 of the Minister of Finance of Georgia, dated December 2, 2020.

As of December 31, 2023, the balance of fixed assets amounted to 290,748 GEL, during the reporting period, 139,961 GEL of fixed assets were purchased. 3,804 GEL represents the improvement of the operating leased building, since the cash expense was incurred under the article “Increase in non-financial assets”, therefore it is shown in the inflow/outflow and recorded in the Note № 11 - Material improvement of the operating leased property.

Note №8 - Intangible assets. The balance of the intangible assets as of December 31, 2023 amounted to 320,815 GEL, during the reporting period, the intangible assets worth 116,600 GEL were purchased, and by reducing the advance of the previous year, intangible assets worth 180,320 GEL were purchased.

Note №11 - Other non-financial long-term assets – 3,804 GEL represents the improvement of the building received for operational lease, the corresponding depreciation is calculated in proportion to the term of the lease agreement (07.02.2025). Improvement of the building was carried out in the month of May 2023; the amount of depreciation is calculated as follows: $3804/21 \cdot 8$. During the reporting period, various assets worth 3,000 GEL were purchased to be transferred to the participants in the competition conducted by the Agency, although cash expenses were incurred under the Article - Goods and services.

Note №13 - Accounts payable, provisions and other liabilities - Short-term liabilities that must be paid within 12 months after the reporting period, are recorded. The balance for the reporting period amounts to 324,118 GEL, including 323,592 GEL – the balance from the targeted grant received under the United Nations Development Program (UNDP), the unspent amount based on the terms and conditions of the agreement must be repaid to the donor (the aforementioned grant was received conditionally based on the terms and conditions of the agreement), 49 GEL – VAT for chargeback of the advertising posted on the social network in the month of December, while 477 GEL is the amount to be reimbursed for services provided.

Note №14 - Incomes from taxes, grants, etc. Incomes include funding allocated from the budget within the allocations stipulated by the law, which amounts to 13050990 GEL, the grants in monetary form amounting to 1,085,357 GEL (targeted grant in monetary form received from the international organizations UNDP, GIZ, Education, Audiovisual and Culture Executive Agency

Sächsische Bildungsgesells), incomes from current external transfers not elsewhere classified - 771 GEL is the penalty imposed on suppliers and educational institutions due to violation of the terms and conditions of the agreement.

Note №17 - Operating expenses are presented as operating (current) expenses and are classified according to the budget classification.

Internal transfer expenses - 1 420 493 GEL, including 1 085 357 GEL due to chargeback of income from the grant and the receivable to the Treasury, 794 GEL was the penalty imposed on suppliers and educational institutions, paid in the Budget, and the unspent amount - 334 342 GEL was repaid by the educational institutions in 2022 from the programs funded this year.

Expenditures with grants - 10,513 GEL - a membership fee for associate membership of WorldSkills International; 26,005 GEL was returned to the donor as unspent amount. The grant given to the state entities of other level amounts to 5 439 046 GEL - funding given to public colleges, for which, in accordance with the agreement, documentation confirming the fulfillment of the obligation is filed.

Subsidies to other sectors - 575 348 GEL - financing given to private educational institutions, for which, in accordance with the agreement, documentation confirming the fulfillment of the obligation is filed.

Note №18 - Various incomes and expenses - 398 GEL represents the loss caused by the changes in exchange rate arising from conversion of the targeted grant received in foreign currency and the recalculated amount of the liability.

27. Vocational training of national minorities - 32 03 03

32 03 03	Vocational training of national minorities	
00	Total	4,296,535.28
2	Expenses	4,224,936.28
31	Increase of non-financial assets	71,599.00

Budget funding of 2023 - cash expenditure - 4,296,535.28 GEL;

Own funds of 2023 - cash expenditure - 102,734.83 GEL;

Cash and cash equivalents- 365.91 GEL, on the school's bank account, the said account is used by the school for participation in the tender.

Short-term (current) accounts receivable – 120,192.24 GEL;

JSC "TBS Bank"	6.00	2007	Banking services
Kutaisi Tax Inspection	206.00	2006	Tax redundancy
Kutaisi Tax Inspection	3,227.00	2017	Tax redundancy
"Pyramid" LLC	382.80	2017	Violation of the terms and conditions of the agreement
Chkhorotsku Municipality	340	2022	Staff retraining, training fees
Tsalenjikha municipality	1244	2022	Staff retraining, training fee
Current accounts receivable of the budgetary organizations to the Treasury, with non-budgetary (own) funds in national currency - 1-13-1230	114786.44	2023	

Despite numerous telephone and written communications with the Tsalenjikha and Chkhorotsku Municipalities, they do not reimburse the amount.

Short-term accounts payable, except for interest – 54,155.08 GEL

JSC "United Distribution Company of Georgia"	350.00	2005	Electricity
LEPL - Education and Science infrastructure Development Agency	49797.36	2020	For the repair of regional training centers
LEPL - Education and Science infrastructure Development Agency	4357.72	2021	For the repair of regional training centers

Undistributed surplus/deficit- 1,420,874 GEL.

Inventories in service written off in costs – 22,978 GEL.

Fully depreciated/amortized assets in service – 372,444 GEL.

Overdue debts – 54,505 GEL.

Non-financial assets were increased by 71'599 GEL.

Balance with LEPL - Education and Science Infrastructure Development Agency as of 31.12.2023

Agreement date	Agreement number	Agreement value	Reporting period 2023				
			Balance as of 01.01.2023	Accrual	Use	Repayment	Balance as of 01.01.2024
2019	320702-290	55668.35	48435.96			48435.96	0
2019	320702-349	14225.25	471.45			471.45	0
2020	320702-304	56112.00	42373.37			8083.08	34290.29
2020	320702-314	25135.22	15507.07			0.00	15507.07
2021	320702-123	11209.42	11209.42			11209.42	0
2021	320702-15	12649.60	4357.72			0.00	4357.72
2022	320705-13	59000.00	59000.00		59000.00		0.00
Total			181354.99	0	59000	68199.91	54155.08

28. Organization of examinations - 32 04 01

32 04 01	LEPL – National Assessment and Examination Center	
00	Total	16,479,145.75
2	Expenses	15,556,008.75
31	Increase of non-financial assets	933,137.00
32 02 04 02	National Educational Olympiads - LEPL – National Assessment and Examination Center	
00	Total	369,500.00
2	Expenses	369,500.00
32 02 05 02	Provision of especially talented students with educational conditions and accommodation - LEPL - National Center for Assessment and Examinations	
00	Total	7,158.44
2	Expenses	7,158.44
32 02 12 02	Promotion of general education- Disposal by LEPL – National Assessment and Examination Center	
00	Total	93,380.00
2	Expenses	93,380.00
32 04 01 01	Office of LEPL – National Assessment and Examination Center	
00	Total	4,849,291.74
2	Expenses	4,839,291.74
31	Increase of non-financial assets	10,000.00
32 04 01 02	Programs of LEPL – National Assessment and Examination Center	
00	Total	11,042,635.57
2	Expenses	10,129,498.57
31	Increase of non-financial assets	913,137.00
32 04 03 03	LEPL – National Assessment and Examination Center	
00	Total	117,180.00
2	Expenses	117,180.00

Reporting unit: GEL

Funding sources: State budget and own incomes.

The financial statements are not consolidated statements, since the Center does not have the organizations under financial control.

The financial statements forms filed by December 31, 2023 were prepared in accordance with the international accounting standards of the public sector and approved un accordance with the instructions “On preparation and submission of financial statements” approved by the Order №24 of the Minister of Finance of Georgia, “On Budgetary Organizations”, dated February 4, 2021.

Material assets are recorded at cost, and the organization uses the FIFO method for their disposal.

Fixed assets are recorded in accordance with the “Instructions on accounting for depreciation/amortization by the budgetary organizations and recording in the financial statements” approved by the Order №289 of the Minister of Finance of Georgia, dated December 02, 2020.

Fixed assets are recorded at historical value, as selected by the controlling ministry from the same instruction, **according to the Article 9(1)(a) of the Transitional Provisions.**

Main activities shall be as follows:

- Unified national exams
- Master’s exams
- Student grant competition
- Exams to confirm subject competence of teachers
- School Olympiads

LEPL - National Assessment and Examination Center received funding from the Budget in 2023 amounted to 16,479,145.75 GEL.

75% of the above-mentioned funding comes from the salaries of full-time and part-time employees.

Article -non-financial assets amounted to 923,000.00 GEL.

- 4,849,291.74 GEL - Device 32 04 01 01
- 11,042,635.57 GEL - Programs 32 04 01 02
- 369,500.00 GEL - School Olympiads 32 02 04 02
- 7,158.44 GEL - support of especially talented pupils 32 02 05 02
- 93,380.00 GEL - Promotion of general education 32 02 12 02
- 117,180.00 GEL - Detailed educational description of levels of Georgian language proficiency 33 04 03 03

Comparison of approved and specified

Primary plan	Specified plan	Deviation between approved and specified plans	Cash expense	Fulfillment of specified plan - %
17,717,100	16,479,275	-7%	16,479,145.75	100%

International educational studies: The Center participated in international studies (PISA, TIMSS, PIRLS) until 2023, the amount paid for participation in the studies amounted to 416,791 GEL in 2023.

Fixed assets depreciation and write-off: In 2023, the depreciation charged on fixed assets amounted to 415,694 GEL (S6), and the written-off fixed assets with residual value amounted to 12,538 GEL (S6, S16).

“Other outflows” in the amount of 654,226 GEL, recorded in the Form S6 mainly consists of written-off amounts and the amounts of assets that have lost their residual value in the reporting year.

Intangible assets: Reclassification of assets worth 62,134 GEL, carried out in intangible assets (S8) from Activity permits > Computer programs, is marked in red. Assets worth 5,193 GEL were also depreciated.

Construction in progress: The amount of 8,947 GEL provided in the Form S11 is the amount of the reconstruction project and cost estimate preparation of the building of №9, Mindeli street office in 2015. Here, too, reclassification was carried out for 8,947 GEL: Construction in progress > Assets, the title of which has not yet been acquired or accepted for transfer to other entities.

Transfers to the Property Management Agency: In 2023, the transfer to the Property Management Agency was carried out on June 8, 20, 28, 2023, and on November 18, 2023, on the basis of the acts of acceptance. The assets transferred included both those with value and those with zero residual value.

Advances: Advances paid for purchase of the fixed assets at the beginning of 2023 amounted to 439,370 GEL. As a result of the turnover of assets paid and received during the year, the amount of advances by the end of the year amounted to 241,727 GEL.

Please see the table below

439 370,00	Initial advance
------------	-----------------

847 654,00	Amount paid (no advance)
89 718,00	Advance paid
287 361,00	Asset received (advance)
847 654,00	Asset received
241 727,00	Final advance

Own incomes, deposit and accrued interests:

Incomes from sales of services and goods and other cash incomes amounted to 4,158,510 GEL. The Center's own income consists mainly of the sums paid by the applicants, 4-5 million per year, depending on how many applicants take part in the exams. Premium provisions and fourth quarter salaries of full-time employees are financed from the above-mentioned funds. The source of own income is also the income received from the services rendered by the Center to various organizations and % accrued to the deposit. The Center has deposited its own income funds in the deposit account of Bank of Georgia, on which interest incomes are generated, which amounted to 442,697 GEL in the reporting year.

Foreign exchange incomes: 363,671 USD are credited to the Center on the foreign exchange account of Treasury at the end of the reporting period, which represents the incomes received from economic activities. In 2023, the foreign exchange incomes were generated from the Test of English as a Foreign Language (TOEFL)

Taxes: The Center submits income and VAT returns to the tax office on a monthly basis, and property and land taxes - once a year. The Center also pays a quarterly mandatory 10% from the own incomes, in 2023 this tax amounted to 433,000 GEL. As from January 1, 2021, activities of LEPL were exempted from VAT, the accumulated excess of VAT on the tax card at the end of the reporting period amounted to 232,265 GEL. Property and land taxes are deducted from this excess and the Center does not have to pay additional amounts.

29. State study grant – Organization code: 32 04 02 01

32 04 02 01	State study grant	
00	Total	92,823,321.75
2	Expenses	92,823,321.75

N	Title	Cash expenditures of 2023
1	LEPL - Ivane Javakhishvili Tbilisi State University	20,835,056.25
2	LEPL - Sokhumi State University	1,342,850.00
3	LEPL - Akaki Tseseteli State University	7,964,518.75
4	LEPL - Batumi Shota Rustaveli State University	3,475,124.25
5	LEPL - Gori State Teaching University	1,114,150.00
6	LEPL - Tbilisi State Medical University	5,166,631.25
7	LEPL - Iakob Gogebashvili Telavi State University	968,543.75
8	LEPL - Ilia State University	8,806,200.00
9	LEPL - Samtskhe-Javakheti State University	1,797,681.25
10	LEPL - Georgian Technical University	16,494,362.50
11	LEPL - Shota Meskhia Zugdidi State University	844,031.25
	Total for state universities	68,809,149.25
12	Others, including:	24,014,172.50
	N(N)LE - Tbel Abuseridze Teaching University	1,968.75
	N(N)LE - New Vision University	49,893.75
	N(N)LE - Holy Apostle St Andrew the First-Called Georgian University of Georgian Patriarchate	145,462.50
	N(N)LE - Georgian Agrarian University	1,450,125.00
	N(N)LE - GIPA – Georgian Institute of Public Affairs	806,850.00
	Webster University, Inc. Branch in Georgia	6,356.25
	Permanent Institution of San Diego State University	4,110,150.00
	LEPL - Apolon Kutateladze Tbilisi State Academy of Arts	552,262.50
	LEPL - Shota Rustaveli University of Theatre and Film Georgia State University	124,087.50
	LEPL - Batumi State Maritime Academy	228,656.25

	LEPL - Batumi State Maritime Academy	95,456.25
	LEPL - Batumi Teaching University of Arts	16,387.50
	LEPL - David Aghmashenebeli National Defense Academy of Georgia	84,993.75
	LEPL - Tbilisi Vano Sarajishvili State Conservatoire	55,293.75
	LEPL – Georgian State Teaching University of Physical Education and Sport	71,212.50
	LEPL - Kutaisi International University	1,346,287.50
	LTD - Free University of Tbilisi	4,017,825.00
	LTD - Caucasus University	2,792,756.25
	LTD - Kutaisi University	18,900.00
	LTD - British Teaching University in Georgia	562.50
	LTD - Guram Tavartkiladze Teaching University	28,462.50
	LTD - Georgian National University SEU	792,562.50
	LTD - East Europe Teaching University	45,843.75
	LTD - New Higher Education Institute	28,125.00
	LTD - Batumi Navigation Teaching University	29,137.50
	LTD - BAU International University Batumi	18,168.75
	LTD - Business and Technology University	2,016,900.00
	LTD - Grigol Robakidze University	224,275.00
	LTD - David Tvildiani Medical University	518,400.00
	LTD - European University	66,918.75
	LTD - Tbilisi Open Teaching University	137,662.50
	LTD - Tbilisi Humanitarian Teaching University	8,912.50
	LTD - Caucasus International University	506,568.75
	LTD - Ken Walker International University	281.25
	LLC - International Teaching University of Management and Communication AlterBridge	14,962.50
	LTD - Petre Shotadze Tbilisi Medical Academy	262,687.50
	LTD - David Aghmashenebeli University of Georgia	196,875.00
	LTD - Aviation University of Georgia	170,550.00
	LTD - University of Georgia	1,133,381.25
	LTD - Sulkhan-Saba Orbeliani Teaching University	89,031.25
	LTD - High School Georgia	4,553.75
	LTD - Teaching University “Geomedi”	53,475.00
	LTD - Georgian-American University	243,356.25
	LTD - International Black Sea University	1,447,593.75
	Total	92,823,321.75

Cash expenses incurred within the framework of the program - “State Teaching Grant” of the Ministry of Education, Science and Youth of Georgia (organizational code: 32 04 02 01) as of December 31, 2023, amounted to 92,823,321.75 GEL, actual expenditures also amounted to 92,823,321.75 GEL.

On the basis of the Decree N 1316 of the Government of Georgia, dated 17.07.2023, a grant agreement was signed by and between the Government of Georgia and San Diego State University on July 19, to offer the degrees in science, technology, engineering and mathematics. Within the framework of the “State Teaching Grant” program, on the basis of report card N919751 of July 24, 2023, a total of 1,500,000.00 USD was transferred to San Diego State University in two stages on July 27 and November 9 for implementation of the academic programs and provision of tuition fees for the enrolled students.

There were no accounts payable or accounts receivable Within the framework of the program as of December 31, 2023.

30. State Master degree program grant - 32 04 02 02

32 04 02 02	State Master degree program grant	
00	Total	3,869,106.24
2	Expenses	3,869,106.24

N	Title	Cash expenditures of 2023
1	LEPL - Ivane Javakhishvili Tbilisi State University	1,049,062.50
2	LEPL - Sokhumi State University	35,437.50
3	LEPL - Akaki Treseteli State University	125,250.00
4	LEPL - Batumi Shota Rustaveli State University	95,625.00
5	LEPL - Gori State Teaching University	14,500.00
6	LEPL - Tbilisi State Medical University	133,875.00
7	LEPL - Iakob Gogebashvili Telavi State University	49,500.00
8	LEPL - Ilia State University	817,875.00
9	LEPL - Samtskhe-Javakheti State University	4,000.00
10	LEPL - Georgian Technical University	410,262.50
11	LEPL - Shota Meskhia Zugdidi State University	2,812.50
	Total for state universities	2,738,200.00
12	Natural Person Temur Dadiani	77,031.24
13	Other short-term (current) accounts payable, including:	1,053,875.00
	N(N)LE - Tbel Abuseridze Teaching University	562.50
	N(N)LE - New Vision University	9,000.00
	N(N)LE - Holy Apostle St Andrew the First-Called Georgian University of Georgian Patriarchate	20,812.50
	N(N)LE - Georgian Agrarian University	70,875.00
	N(N)LE - GIPA – Georgian Institute of Public Affairs	63,000.00
	LEPL - Apolon Kutateladze Tbilisi State Academy of Arts	85,250.00
	LEPL - Shota Rustaveli University of Theatre and Film Georgia State University	5,062.50
	LEPL - Batumi State Maritime Academy	562.50
	LEPL - Batumi State Maritime Academy	562.50
	LEPL - David Aghmashenebeli National Defense Academy of Georgia	5,062.50
	LEPL - Tbilisi Vano Sarajishvili State Conservatoire	8,437.50
	LEPL – Georgian State Teaching University of Physical Education and Sport	1,125.00
	LTD - Free University of Tbilisi	39,937.50
	LTD - Caucasus University	111,937.50
	LTD - British Teaching University in Georgia	1,687.50
	LTD - Guram Tavartkiladze Teaching University	3,375.00
	LTD - Georgian National University SEU	79,312.50
	LTD - East Europe Teaching University	153,562.50
	LTD - Business and Technology University	135,562.50
	LTD - Grigol Robakidze University	9,562.50
	LTD - European University	1,125.00
	LTD - Tbilisi Open Teaching University	14,062.50
	LTD - Caucasus International University	72,000.00
	LTD - David Aghmashenebeli University of Georgia	3,937.50
	LTD - Aviation University of Georgia	10,687.50
	LTD - University of Georgia	74,250.00
	LTD - Sulkhan-Saba Orbeliani Teaching University	17,437.50
	LTD - Teaching University “Geomedi”	1,687.50
	LTD - Georgian-American University	23,625.00
	LTD - International Black Sea University	29,812.50
	Total	3,869,106.24

As of December 31, 2023, within the framework of the “State Master degree program grant” program of the Ministry of Education, Science and Youth of Georgia, the cash expenditures on the organizational code - 32 04 02 02 amounted to 3,869,106.24 GEL, and the actual expenditures amounted to 3,951,010.19 GEL.

Note 4: Account №1-15-1300 - Other short-term (current) claims with prepaid taxes. As of January 1, 2023, the balance of the initial **accounts receivable** within the program amounted to **81,903.95** GEL, which included the cost of financing the first stage of the Master's program of the University of New Hampshire in the United States of America according to the Agreement N103 signed by and between the Ministry and Corporal Specialist – [REDACTED] a military serviceman of the Georgian Defense Forces, on August 24, 2022, for the purpose of financing the education and training of the serviceman of the Defense Forces of Georgia [REDACTED]. In addition, in 2023, [REDACTED] was financed with **77,031.24** GEL for the purpose of financing the costs related to the second stage of education and teaching within the framework of the above-mentioned agreement.

The aforementioned debts were written off based on the acts of completion of the first and second academic semesters presented by [REDACTED] and the act of acceptances signed by and between the parties.

As of December 31, 2023, there are no accounts receivable and accounts payable Within the framework of this program.

31. Financing the education of the students living in villages near the dividing line - 32 04 02 03

32 04 02 03	Financing the education of the students living in villages near the dividing line	
00	Total	2,661,330.15
2	Expenses	2,661,330.15

N	Title	Cash expenditures of 2023
1	LEPL - Georgian Technical University	212,175.00
2	LEPL - Batumi Shota Rustaveli State University	4,500.00
3	LEPL - Akaki Treseteli State University	15,500.00
4	LEPL - Gori State Teaching University	708,962.50
5	LEPL - Ivane Javakhishvili Tbilisi State University	269,100.00
6	LEPL - Iakob Gogebashvili Telavi State University	562.50
7	LEPL - Tbilisi State Medical University	73,837.50
8	LEPL - Ilia State University	333,337.50
9	LEPL - Samtskhe-Javakheti State University	1,125.00
10	LEPL - Sokhumi State University	63,000.00
11	LEPL - Shota Meskhia Zugdidi State University	96,750.00
	Total for budgetary universities	1,778,850.00
12	Other short-term (current) accounts payable	882,480.15
	LTD - Free University of Tbilisi	337.50
	N(N)LE - GIPA – Georgian Institute of Public Affairs	15,750.00
	N(N)LE - Holy Apostle St Andrew the First-Called Georgian University of Georgian Patriarchate	22,500.00
	LTD - Business and Technology University	52,087.50
	LEPL - Apolon Kutateladze Tbilisi State Academy of Arts	13,500.00
	LEPL - Batumi State Maritime Academy	3,937.50
	LEPL – Georgian State Teaching University of Physical Education and Sport	13,500.00
	N(N)LE - Georgian Agrarian University	15,525.00
	LEPL - Shota Rustaveli National Science Foundation	21,937.50
	LTD - Caucasus University	32,175.00
	LTD - Kutaisi University	1,125.00
	LTD - Guram Tavartkiladze Teaching University	9,000.00
	LTD - Georgian National University SEU	188,370.15
	LTD - David Tvildiani Medical University	2,812.50
	LTD - New Higher Education Institute	3,375.00
	LTD - Batumi Navigation Teaching University	1,125.00
	LTD - Grigol Robakidze University	31,537.50
	LTD - East Europe Teaching University	24,750.00
	LTD - Petre Shotadze Tbilisi Medical Academy	2,812.50
	LTD - Caucasus International University	127,487.50
	LTD - Tbilisi Humanitarian Teaching University	8,875.00
	LTD - Tbilisi Open Teaching University	22,500.00
	LTD - David Aghmashenebeli University of Georgia	34,875.00
	LTD - University of Georgia	129,375.00

	LTD - Georgian-American University	6,750.00
	LTD - Teaching University "Geomedi"	10,125.00
	LTD - Sulikhan-Saba Orbeliani Teaching University	28,100.00
	LTD - International Black Sea University	34,762.50
	LTD - European University	8,735.00
	LEPL - Kutaisi International University	337.50
	LTD - Aviation University of Georgia	11,025.00
	LLC - International Teaching University of Management and Communication AlterBridge	2,250.00
	LTD - British Teaching University in Georgia	1,125.00
	Total	2,661,330.15

As of December 31, 2023, Within the framework of the program of the Ministry "Financing the education of affected students living in villages near the dividing line", the cash expenditures incurred on the organizational code - 32 04 02 03 amounted to 2,661,330.15 GEL, and the actual expenditures amounted to 2,661,330.15 GEL.

As of 31.12.2023, there are no accounts receivable and accounts payable Within the framework of this program.

32. Promoting higher education of persons living in the occupied territories and persons with compatriot status - 32 04 02 04

32 04 02 04	Promoting higher education of persons living in the occupied territories and persons with compatriot status	
00	Total	1,957,500.00
2	Expenses	1,957,500.00

N	Program code 32 04 02 04 - Promoting higher education of persons living in the occupied territories and persons with compatriot status	Cash expenditures of 2023
1	LEPL - Georgian Technical University	291,750.00
2	LEPL - Ivane Javakishvili Tbilisi State University	316,125.00
3	LEPL - Sokhumi State University	118,125.00
4	LEPL - Batumi Shota Rustaveli State University	4,500.00
5	LEPL - Akaki Tsereteli State University	36,000.00
6	LEPL - Iakob Gogebashvili Telavi State University	1,125.00
7	LEPL - Tbilisi State Medical University	103,875.00
8	LEPL - Ilia State University	227,250.00
9	LEPL - Shota Meskhia Zugdidi State University	528,750.00
	Total for budgetary universities	1,627,500.00
10	Other – including:	330,000.00
	LTD - Free University of Tbilisi	5,625.00
	N(N)LE - Holy Apostle St Andrew the First-Called Georgian University of Georgian Patriarchate	1,125.00
	LTD - Business and Technology University	29,250.00
	LEPL - Apolon Kutateladze Tbilisi State Academy of Arts	15,750.00
	LEPL - Shota Rustaveli University of Theatre and Film Georgia State University	5,625.00
	LEPL - David Aghmashenebeli National Defense Academy of Georgia	1,125.00
	LEPL - Tbilisi Vano Sarajishvili State Conservatoire	4,500.00
	LEPL – Georgian State Teaching University of Physical Education and Sport	12,375.00
	N(N)LE - Georgian Agrarian University	5,625.00
	LTD - Caucasus University	29,250.00
	LTD - Georgian National University SEU	131,625.00
	LTD - New Higher Education Institute	1,125.00
	LTD - Grigol Robakidze University	2,250.00
	LTD - Caucasus International University	27,000.00
	LTD - Tbilisi Humanitarian Teaching University	3,000.00
	LTD - Tbilisi Open Teaching University	5,625.00
	LTD - David Aghmashenebeli University of Georgia	6,750.00
	LTD - Aviation University of Georgia	2,250.00

	LTD - University of Georgia	15,750.00
	LTD - Georgian-American University	2,250.00
	LTD - Teaching University "Geometri"	4,125.00
	LTD - Sulikhan-Saba Orbeliani Teaching University	7,875.00
	LTD - International Black Sea University	4,500.00
	LTD - European University	2,250.00
	LEPL - Kutaisi International University	3,375.00
	Total	1,957,500.00

Within the framework of the program of the Ministry of Education and Science of Georgia "Promoting higher education of persons living in the occupied territories", as of December 31, 2023, the cash expenditures incurred on the organizational code - 32 04 02 04 amounted to 1,957,500.00 GEL, and the actual expenditures amounted to 1,957,500.00 GEL.

As of 31.12.2023, there are no accounts receivable and accounts payable Within the framework of this program.

33. One-year teacher training educational program - 32 04 02 05

32 04 02 05	One-year teacher training educational program	
00	Total	2,151,725.00
2	Expenses	2,151,725.00

N	Title	Cash expenditures of 2023
1	LEPL - Ivane Javakhishvili Tbilisi State University	185,625.00
2	LEPL - Sokhumi State University	104,625.00
3	LEPL - Akaki Tseseteli State University	286,875.00
4	LEPL - Batumi Shota Rustaveli State University	120,375.00
5	LEPL - Gori State Teaching University	81,525.00
6	LEPL - Iakob Gogebashvili Telavi State University	100,125.00
7	LEPL - Ilia State University	362,250.00
8	LEPL - Samtskhe-Javakheti State University	111,375.00
9	LEPL - Shota Meskhia Zugdidi State University	41,650.00
	Total for budgetary universities	1,394,425.00
10	Other short-term (current) accounts payable, including	757,300.00
	N(N)LE - Tbel Abuseridze Teaching University	48,550.00
	N(N)LE - Holy Apostle St Andrew the First-Called Georgian University of Georgian Patriarchate	250,875.00
	LEPL - Batumi Teaching University of Arts	10,125.00
	LEPL - Tbilisi Vano Sarajishvili State Conservatoire	11,250.00
	LEPL - Georgian State Teaching University of Physical Education and Sport	159,750.00
	LTD - British Teaching University in Georgia	5,625.00
	LTD - East Europe Teaching University	37,125.00
	LTD - European University	133,875.00
	LTD - University of Georgia	12,375.00
	LTD - High School Georgia	74,250.00
	LTD - International Black Sea University	13,500.00
	Total	2,151,725.00

As of December 31, 2023, the cash expenditures incurred Within the framework of the program "One-year teacher training educational program" (program code 32 04 02 05) of the Ministry of Education and Science of Georgia amounted to 2,151,725.00 GEL, and the actual expenditures amounted to 2,151 725.00 GEL. Within the framework of the above-mentioned program, during the year of 2023, the state teaching grants for the I and II semesters of 2022-23 academic years and the I semester of 2023-24 academic years were transferred to 21 higher educational institutions.

As of 31.12.2023, there are no accounts receivable and accounts payable Within the framework of this program.

34. State scholarships for students -32 04 02 06

32 04 02 06	State scholarships for students	
00	Total	7,447,800.00
2	Expenses	7,447,800.00

32 04 02 06	State scholarships for students	7,447,800.00
32 04 02 06 01	State scholarships for students – disposal of the Ministry of Education and Science of Georgia	18,300.00
	Total budgetary universities, including	7,429,500.00
32 04 02 06 02	LEPL - Ivane Javakhishvili Tbilisi State University	1,976,400.00
32 04 02 06 03	LEPL - Georgian Technical University	1,491,450.00
32 04 02 06 04	LEPL - Tbilisi State Medical University	541,500.00
32 04 02 06 05	LEPL - Iakob Gogebashvili Telavi State University	147,450.00
32 04 02 06 06	LEPL - Gori State Teaching University	157,200.00
32 04 02 06 07	LEPL - Ilia State University	1,311,150.00
32 04 02 06 08	LEPL - Akaki Treseteli State University	745,800.00
32 04 02 06 09	LEPL - Sokhumi State University	273,000.00
32 04 02 06 10	LEPL - Samtskhe-Javakheti State University	150,000.00
32 04 02 06 11	LEPL - Shota Meskhia Zugdidi State University	88,950.00
32 04 02 06 12	LEPL - Batumi Shota Rustaveli State University	546,600.00

Including the State scholarships for students – disposal of the Ministry of Education and Science of Georgia - 32 04 02 06 01. As of December 31, 2023, the cash expenditures incurred within the program of the Ministry “State scholarships for students” amounted to 18,300.00 GEL, the actual expenditures also amounted to 18,300.00 GEL.

Above-mentioned financing includes the nominal scholarships transferred within the sub-program “Scholarships named after Dimitri Gulia and Kosta Khetagurov for the students” under the program “State scholarships for students” (program code: 32 04 02 06) on the basis of the orders of the Minister of Education and Science of Georgia: MES 3 23 0000180905 15/02/2023; MES 0 23 0000466095 27/04/2023; MES 8 23 0001573129 17/11/2023; MES 6 23 0001622177 29/11/2023, which were transferred to the higher institutions indicated below.

Organization	Transferred amount	Subject to elimination
LEPL - Ivane Javakhishvili Tbilisi State University	5'100	5'100
LEPL - Ilia State University	6'000	6'000
LTD - Georgian National University SEU	2'100	
LTD - Grigol Robakidze University	900	
LTD - Caucasus International University	2'100	
LTD - International Black Sea University	2'100	
Total:	18'300	11'100

As of December 31, 2023, there are no accounts receivable and accounts payable Within the framework of this program.

35. Program “Door of Knowledge” – 32 04 02 07

32 04 02 07	Program “Door of Knowledge”	
00	Total	646,326.48
2	Expenses	646,326.48

“On Approval of the Program to Promote Education for Citizens of Foreign Countries in Georgia” approved by the Ordinance N42 of the Government of Georgia, dated January 30, 2023

As of December 31, 2023, the cash expenditures incurred Within the framework of the program of the Ministry of Education and Science of Georgia - “Door of Knowledge” (program code 32 04 02 07) amounted to **646,326.48** GEL.

Note S 4:

- **On the account №1-15-1300 – Other short-term receivables with pre-paid taxes - the opening balance of 2023 was 316,530.22 GEL.** Within the framework of the financing agreements signed with five higher educational institutions (LEPL - Georgian Technical University, LEPL - Tbilisi State Medical University, LEPL - Ivane Javakhishvili Tbilisi State University; LTD - International Black Sea University; LEPL - Ilia State University), the fees for foreign students' studies, scholarships and health insurance were transferred, in total **641,926.48 GEL**. In 2023, 637,447.28 GEL was written off and recognized as an expenditure on the basis of the financial documentation presented by the organizations and act of acceptances signed between the parties. As of December 31, 2023, the balance of the accounts receivable totaling **321,009.42 GEL** was credited to the account №1-15-1300.

N	Organization	Accounts receivable 31.12.2023
1	LEPL - Georgian Technical University	13'464.00
2	LEPL - Tbilisi State Medical University	230'777.22
3	LEPL - Ilia State University	31'407.39
4	LTD - International Black Sea University	45'360.81
	Total:	321'009.42

In addition, during the year, **14,579.00 GEL** repaid to the budget by Mr. Giorgi Valishvili on 2023 from the amount of **56,630.41 GEL** imposed to [REDACTED] on the basis of the writ of execution (56,630.41 GEL is imposed according to the court judgment, case identifier N2226100901, enforcement case N3b/1155-19 14.07.2022) is withdrawn from **the reference account "№05 Contingent assets"**, recognized as income and transferred (note S16) **to the account №4-91-0000 - Incomes generated by reversal of provision for bad debts** and recorded on the account №1-15-1300. [REDACTED] returns the funds to the budget on a monthly basis and accordingly the debt is written off based on the receipts presented by the National Bureau of Enforcement.

Note S5: On the Account №1-21-3000 - Other long-term financial assets. At the beginning of the year, **20,061.38 GEL** is deposited, which represents the targeted monetary funds issued free of charge Within the framework of the "Master's and Doctoral Program" in 2010-2015, as well as the "Educational Sub-Program for Individuals with Talent, Outstanding Skills and High Academic Achievement", which in turn includes expenses related to studying in a relevant educational program abroad. In particular, the above-mentioned amount represents the financing of the "grantee" [REDACTED], who according to the letter N1097104 of the International Education Center of November 16, 2020, had the "active status" of a student and was working on a dissertation topic. Almost 10 years have passed since the funding, at the end of each year a comparison report is submitted regarding the accrued debt, however updated information about the progress of studies is not presented.

In addition, as of October 1, 2023, the Inventory Commission established by the Order № 1243135 of the Minister of Education and Science of Georgia, dated September 26, 2023 (amendment to the Order N1344437, 10.10.2023) discussed the above-mentioned issue and established: **"In relation to the accounts receivable of [REDACTED] that arose in 2014 (agreement №3201030502/2014/57, 05.08.2014), it shall be appropriate to request the repayment of 20,061.38 GEL received from the state budget."**

On February 19, 2024, the Accounting Division sent a letter of №175400 to the International Education Center regarding the request for updated information on the progress of the aforementioned student's studies. As a result, with the letter N274432 of the International Center for Education, it is revealed that [REDACTED] is unable to provide information about the status of a student from the Technical University of Berlin and plans to get registered in another university.

However, there was an adjustment as a result of fundamental (essential) errors. Since 552.12 GEL was deposited on [REDACTED]'s card incorrectly, in particular: On February 24, 2015, 9870.72 GEL (€3975) was transferred to the conversion account of the National Bank of Georgia (request N33). On March 5, 2015, the requested amount returned from the conversion account amounts to 9318.60 GEL (€3975). The loss arising from changes in foreign currency exchange rate is 552.12 GEL. On March 5, 2015, the amount specified in the agreement of 9318.60 GEL was transferred to [REDACTED]. However, in 2015, 552.12 GEL was shown as a debt on [REDACTED]'s card. As of December 31, 2023, based on the information specified from the 2015 treasury statement, adjustment of essential errors was recorded, the debt of [REDACTED] at the end of the year is 19,509.26 GEL.

Note S16: 14,579.00 GEL repaid to the budget by [REDACTED] on 2023 on the basis of the writ of execution is withdrawn from **the reference account "N05 Contingent assets"**, recognized as income and transferred **to the account №4-91-0000 - Incomes generated by reversal of provision for bad debts**.

Note S17: As of December 31, 2023, the actual expenses amounted to 656,426.68 GEL, including:

- The costs of internal current transfers amounted to 15,379.40 GEL, including **14,579.40** GEL is the sum returned to the budget by [REDACTED] imposed in a judicial manner, as well as 800 GEL – repayment of the one-month scholarship of student [REDACTED] by the Medical University.
- Transfers not classified elsewhere – **641,047.28** GEL, being the expenses recognized based on the act of completion of studies of the relevant students by five higher education institutions (LEPL - Georgian Technical University, LEPL - Tbilisi State Medical University, LEPL - Ivane Javakhishvili Tbilisi State University; LTD - International Black Sea University; LEPL - Ilia State University) and the acts of acceptance signed between the parties, including 4,400.00 GEL - the expenses incurred for the purpose of one-time scholarship for four students of LEPL - Tbilisi State Medical University.

№05 - Contingent assets -At the beginning of 2023, **61,999.62** GEL was credited, from which **26,213.40** GEL was withdrawn from the Contingent Assets account during the year, including:

1. **Opening balance credited to [REDACTED] amounted to 50,365.62 GEL.** During the year, the opening balance – 56,630.41 GEL was reduced by the amount repaid to the budget – 14,579.40 GEL (letter №1088613 06.09.2023; letter N12257 23.02.2024) and accordingly it was withdrawn from the Contingent assets account. The case is in enforcement proceedings [REDACTED] repays the amount on a monthly basis in accordance with the schedule of installments, the identifier of the enforcement case is: **N2226100901. As of December 31, 2023, the balance was 35,786.22 GEL.**
2. **[REDACTED] - 11,634.00 GEL (agreement N320404/2013/61, 21.06.13 - 11,634.00 GEL).** Due to failure of fulfillment of the obligations stipulated by the financing agreement (he has not submitted a document confirming completion of studies), the case was given legal proceedings. According to the decision of the Tbilisi City Court, dated April 3, 2018, the claim of the Ministry was rejected. The Ministry submitted an appeal. According to the decision of the Tbilisi Court of Appeal, dated December 19, 2018, the appeal of the Ministry was upheld and [REDACTED] was ordered to pay 11,634.00 GEL to the state budget. [REDACTED] appealed the said decision with a cassation claim in the Supreme Court. According to the decision of the Supreme Court, dated September 29, 2022, the cassation appeal of [REDACTED] was considered inadmissible. According to the ruling of the Supreme Court of September 29, 2022, the cassation appeal of [REDACTED] was considered inadmissible. Accordingly, he was ordered to pay 11,634.00 GEL in favor of the Ministry (Service card N1318589 19.10.2022). According to the service card N1782043 of the Legal Department, dated December 29, 2023, it appears that the court has ensured that the case is submitted to the National Bureau of Enforcement. By the letter N121689, dated February 6, 2024, the Economic Department requested the identifier of the proceedings and the documentation confirming the payment from the National Bureau of Enforcement. With the letter N12257 of the National Bureau of Enforcement, dated February 23, 2024 (registration N209004 in the Ministry, 26.02.2024), the debtor's payment identifier **2241180214** is presented in the case. In this case, the amount was transferred to the State Budget **on November 18, 2022 - 10,278.86 GEL and on November 10, 2022 - 1,355.14 GEL.** In total, **11,634.00** GEL was paid by the debtor to the budget, and [REDACTED] no longer owes any debt to the Ministry.

Note: **repayment of the debt of [REDACTED] was given appropriate treatment, in particular: 11,634.00 GEL was withdrawn** from the reference account №05 - Contingent assets. According to the accounting policy of the Ministry, the **Article 19** - 11,634 GEL was recognized as the income generated by the reversal of reduction provisions of the doubtful debts of the previous reporting period and as the expense of doubtful/bad debts, as well as, with both a decrease in the capital adjustment of the short-term claims account №1-15-1300 and an increase in the capital adjustment.

№05 – Balance of contingent assets: As of December 31, 2022, the closing balance of N05 - Contingent assets amounted to 62,000 GEL. Above balance was adjusted and reduced by 11,634 GEL, since the receipts of transfer to the Budget are presented by the letter №12257 of the National Bureau of Enforcement, dated February 23, 2024 (registration №209004 in the Ministry, dated 26.02.2024). The amount was transferred to the State Budget on November 18, 2022 - 10,278.86 GEL and on November 10, 2022 - 1,355.14 GEL. In total, 11,634.00 GEL was repaid to the Budget by the debtor.

As of January 1, 2023, the adjusted opening balance amounts to 50,365.62 GEL

In addition, during 2023, the balance of N05 - Contingent assets was reduced by 14,579.40 GEL,

which represents the amount repaid to the Budget by [REDACTED] during the year (letter №1088613 06.09.2023; letter N12257 23.02.2024).

As of December 31, 2023, the final balance is 35,786.22 GEL.

36. Let's study in Georgia - 32 04 02 08

32 04 02 08	Let's study in Georgia	
00	Total	861,995.00
2	Expenses	861,995.00
32 04 02 08 01	Let's study in Georgia - disposal of the Ministry of Education and Science of Georgia	

The program was approved by the Order N1677246 of the Minister of Education and Science of Georgia on approval of the program "Let's study in Georgia", dated December 29, 2022.

As of December 31, 2023, the Ministry of Education and Science of Georgia allocated 861,996.00 GEL to the organization code 32 04 02 08 01 as of December 31, 2023, according to the revised plan of the State Budget of Georgia. Liability documents in the amount of 861,995.00 GEL were registered by the Treasury Service, and cash expenditures amounted to 861,995.00 GEL.

Note №4: Account №1-15-1300 – Other short-term claims with pre-pai taxes. As of January 01, 2023, the accounts receivable 498,702.56 GEL were credited to the account. During the reporting period, a total of 1,241,527.10 GEL of the account receivable were written off based on the documents confirming actual spending by the organizations. As of December 31, 2023, a total of 95,890.46 GEL debt was charged on the program account: 1-15-1300, including:

- As of January 1, 2023, the Technical University of Georgia owed the accounts receivable in the amount of 27,752.37 GEL to the Ministry, which it repaid to the account of the State Budget in 2023 (27,627.37 GEL – payment order N1, 24.03.2023; 125.00 GEL – payment order N2, 22.02.2023). 023 year). On January 31, 2023, the Agreement N43 was signed by and between the Technical University of Georgia and the Ministry of Education and Science of Georgia, Within the framework of which, from 100,480.00 GEL (payment request N28, 02.02.2023) transferred in advance, the University recognized 70,063.80 GEL as actual expenditure on the basis of the financial documentation submitted by the letter №108644, dated February 02, 2024 and the letter N161433, dated February 15, 2024 (act of acceptance N43, 16.02.2024), and the unappropriated amount – 17,420.95 GEL was returned to the unified account of the State Budget on February 14, 2024. On February 14, 2024, an agreement was signed by and between the Ministry and the University, according to which the validity period of the Agreement N43 was extended until the end of April 2024. During the above-mentioned period, the University has to submit the documentation showing the actual spending of 12,995.25 GEL. As of December 31, 2023, the University has accounts receivable in the amount of 30,416.20 GEL.
- As of January 1, 2023, LEPL Ilia State University owed the accounts receivable in the amount of 108,235.31 GEL to the Ministry, which was repaid to the unified account of the State Budget on March 24, 2023. The Agreement N44 was signed by and between the Ministry of Education and Science of Georgia and Ilia State University on January 31, 2023, Within the framework of which 176,380.00 GEL was paid in advance on February 02, 2023 (payment request N24.). The actual expenses incurred by the University on the basis of the financial documentation presented by the letter N95400, dated January 31, 2024 and the letter N283563, dated March 07, 2024, amounted to 128,395.36 GEL (act of acceptance N44, 14.03.2024). As of December 31, 2023, the University has accounts receivable in the amount of 47,984.64 GEL.
- As of January 01, 2023, LEPL - Ivane Javakhishvili Tbilisi State University had accounts receivable in the amount of 69,939.88 GEL to the Ministry, which was repaid to the unified account of the State Treasury during 2023. On January 31, 2023, the Agreement N45 was signed by and between the Ministry of Education and Science of Georgia and Ivane Javakhishvili Tbilisi State University, Within the framework of which a total of 507,500.00 GEL (463,999.00 GEL - payment request N23, 02.02.2023; 1,300.00 GEL - payment request N77, 10.02.2023; 42,201.00 GEL - payment request N78, 13.02.2023) was paid in advance in 2023. As of December 31, 2023, the actual expenses incurred by the University on the basis of the financial documentation presented by the letter N131188, dated February 08, 2024 and the letter, N282820, dated March 07, 2024, amounted to a total of 490,009.08 GEL (act of acceptance N45, 15.03.2024), including: current actual expenses amount to 458,827.94 GEL, and the capital costs amount to 31,181.14 GEL. As of December 31,

2023, the University has the accounts payable in the amount of **17,490.92** GEL, including: the amount to be repaid under the current grant article is **6,471.06** GEL, under the capital grant article - **11,019.86** GEL.

- As of January 1, 2023, the accounts receivable in the amount of **292,390.00** GEL were credited to the account, which originated Within the framework of the Agreement N93 signed by and between the Ministry of Education and Science of Georgia and the international non-governmental organization European Innovation Academy on June 15, 2022. On June 20, 2022, the equivalent of **100,000.00** USD in GEL - **292,390.00** GEL was transferred to the organization in advance. The debt was written off from the relevant account on June 22, 2023, on the basis of the act of acceptance N93. As of December 31, 2023, the above organization had no debts.

Note S13: Account №2-13-2100 - Short-term (current) accounts payable arising from income tax - During the reporting period, a total of **4,563.00** GEL of accounts payable was credited to the account, which was written off, and no accounts payable were credited to the account as of December 31, 2023.

Account №2-13-3000 - Payables related to employees - During the reporting period, a total of **24808.00** GEL of accounts payable was credited to the account, which was written off, and no accounts payable were credited to the account as of December 31, 2023.

Account №2-13-9000 - Other short-term (current) accounts payable - During the reporting period, a total of **187,603.00** GEL of accounts payable was credited to the account, which was written off, and no accounts payable were credited to the account as of December 31, 2023.

Note №17: Account №5-20-0000 - goods and services costs. 22,241.00 GEL is credited to the account - Compensation of freelancers.

Account №5-52-0000 - Internal current transfer costs - in total **187,603.00** GEL is credited to the account, including:

- Repayment of unappropriated money in the amount of **27,752.37** GEL by LEPL – Technical University;
- Repayment of unappropriated money in the amount of **385.00** GEL by LEPL – Akaki Tsereteli State University;
- Repayment of unappropriated money in the amount of **108'235.31** GEL by LEPL - Ilia State University;
- Repayment of unappropriated money in the amount of **51,229.88** GEL by LEPL - Ivane Javakhishvili Tbilisi State University.

Account №5-60-0000 - Social assistance/security - 1039 GEL is credited to the account.

Account №5-31-0000 – Grants issued in monetary form - During the reporting period, **999,568.00** GEL is credited to the account, including: current grants - **952,867.00** GEL, *inter alia* the grants issued to the international organizations - **292,390.00** GEL, **660,477.00** GEL issued to state entities of the same level, capital grants - **46,701.00** GEL.

Account №5-35-0000 – Subsidies to other sectors - **54'355.00** GEL is credited.

- Accounts receivable to the universities with a total value of 95,891.76 GEL are subject to elimination.

37. Promoting higher education

32 04 03	Promoting higher education	
00	Total	358,131.31
2	Expenses	358,131.31
32 04 03 01	Promoting higher education - disposal of the Ministry of Education and Science of Georgia	
00	Total	240,951.31
2	Expenses	240,951.31
32 04 03 03	LEPL - National Center for Assessment and Examinations	Credited on 32 04 01
00	Total	117,180.00
2	Expenses	117,180.00

The program “Promoting higher education” (program code 32 04 03 01) was approved by the Order N1683176 of the Deputy Minister of Education and Science of Georgia, dated December 30, 2022 (last amendment N1778428 28.12.2023)

The cash expenditures incurred by the Ministry of Education and Science of Georgia the organizational code - 32 04 03 01 according to the revised plan of the State Budget of Georgia amounted to **240,951.31** GEL as of December 31, 2023.

32 04 03 01	Promoting higher education - disposal of the Ministry of Education and Science of Georgia	
00	Total	240,951.31
2	Expenses	240,951.31
2.2	Goods and services	240,466.31
2.2.1	Remuneration of persons employed under an employment agreement	198,492.31
2.2.10	Other goods and services	34,000.00
2.2.3	Office costs	7,974.00
2.7	Social security	485.00

Note S2A

On the account №1-13-1220 – “Short-term (current) accounts receivable of the budgetary organizations to the Treasury, with targeted grants” - 12,246.07 GEL was credited as the initial balance.

In 2023, there was no turnover on the account. The targeted grant in the amount of **12,246.07** GEL consists of the balances of the following amount - **102,10.91** GEL, **127.8** GEL and **1,907.36** GEL, in particular:

10,210.91 GEL **3'090.00** EUR (Agreement N2016-0503-001-001; 18.04.2014) is a grant allocated on the basis of the agreement signed by and between the Ministry of Education and Science of Georgia and the Education, Audiovisual and Culture Executive Agency of the European Commission on April 18, 2016 (N2016-0503-001-001; 18.04.2014) within the framework of the sub-program “Eurostudent VI”. Above- mentioned grant provided for the **co-financing** of the project “Eurostudent VI”. Out of the total value of the agreement, which amounted to **20,600.00** EUR, the co-financing of the Education, Audiovisual and Culture Agency of the European Commission was 15,450.00 EUR. In the period of 2016, only 12,360.00 EUR was transferred by the Agency, the remaining 8,240.00 EUR was allocated from the Budget funds. On March 4, 2019, the Education, Audiovisual and Culture Agency of the European Commission credited the remaining 3,090.00 EUR to the currency account of the Treasury Service of the Ministry of Finance of Georgia. On October 30, 2019, the Accounting Department converted 3,090.00 EUR into national currency, which amounted to **10,210.91** GEL. Based on the procedures for repayment of the amount to the budget or to the donor, the Accounting and Material-Technical Support Department wrote service card N1513951 to the Budget Division of the Economic Department on November 6, 2019 on the preparation of the cost estimate for financing the targeted grant. However, since the validity period of the agreement had expired, it was not possible to prepare the cost estimate - (service card: N1188670; 12.09.2019);

127.80 GEL represents the balance of the targeted grant allocated for the technical support of the online conference of the opening of the project “Bologna Hub Peer Support”, financed under the “Erasmus+” grant program of the European Union.

Agreement: N2249_Education, Audiovisual and Culture Executive Agency (BMBF)_202051224_EUR_Agree. N899118 – 18.05.2020. In March 2021, **1,228.79** EUR was transferred to the currency account of the Treasury Service of the Ministry of Finance of Georgia. Conversion of the above-mentioned amount into GEL took place on June 8, 2021 and amounted to **4,708.24** GEL (foreign exchange rate - 3.8316). On August 19, 2021, the Ministry transferred **4,580.44** GEL - to the account of LEPL - Education Management Information System – for the purpose of provision of technical support for opening the online conference of the project “Bologna Hub Peer Support” Within the framework of the grant program “Erasmus+”, according to the Order NMES 8 21 0000727879, dated July 20, 2021. Above-mentioned grant was transferred to the treasury account of LEPL - State Education Information System on the basis of the comparison act, dated August 18, 2021 (N1 17.08.2021), for the purpose of provision of technical support for opening the online conference of the project “Bologna Hub Peer Support” Within the framework of the grant program “Erasmus+” and at the same time it was included in the expenses, since the said service was already provided by the organization.

1907.36 GEL is equivalent of **9,450.00** EUR in national currency, which consists of **1,890.00** and **7,560.00** EUR, above-mentioned grant was allocated by the Education, Audiovisual and Culture Executive Agency of the European Commission Within the framework of the grant agreement No. 2018-2217/001-001, dated December 13, 2018:

- On December 20, 2018 – 7,560.00 EUR;
- On August 13, 2021 – 1,890.00 EUR.

As of 31.12.2020, 7,560.00 EUR was credited to the balance of the program “Let's study in Georgia” – code 32 04 02 08 01, and based on the letter N1381778, dated December 17, 2021, above-mentioned balance was transferred to the program “Promoting higher education” - code 32 04 03 01. On December 20, 2021, above sums - 1,890.00 EUR and 7,560.00 EUR were converted at the exchange rate of 3.4828 - 32,912.46 GEL. Out of the mentioned amount, the total cash expenditures incurred in 2022 amount to 31,005.10 GEL, from which: on April 12, 2022 (order N MES 6 22 0000368721; 08/04/2022) 11,321.10 GEL was transferred to DZHW GmbH for participation in the international research; On June 13, 13,000 GEL was transferred to N(N)LE Social Research and Analysis Institute as the fee for procurement of research services (agreement N03-17/2 04.03.2022) and also on September 28, 6,684 GEL was transferred to “GTS Group” LLC as the fee for procurement of computer equipment (agreement N 09-69/1 12,09,2022).

Account №1-13-4600 - Short-term (current) claims for other fines, sanctions and charges. The amount of penalty - 14.10 GEL was charged to the account of “Favorite Style” LLC in the current year, which was paid by the organization on September 28, 2023 and written off from the financial statements of the program (service card N1415112 20.10.2023). As of December 31, 2023, no accounts receivable are credit to the financial statements of the program.

Note S3: Within the framework of the sub-program “Teaching Georgian as a Foreign Language – “Irbakh”, on the basis of the Agreement N08-30/2 signed by and between the Ministry and “Favorite Style” LLC on August 18, 2023 and the act of acceptance signed between the parties on September 4, the service of printing the brochures, posters and signs and on-site delivery service with a total value of 7,944 GEL was provided. Above-mentioned supplied were transferred to the Ministry of Foreign Affairs (Service card №1080380, 05.09.2023) and were included in the article Grants. As of December 31, 2023, no balance is credited to the **account №1-14-1420 - Other materials and supplies.**

Note S6: To the account №1-22-2210 - Information, computer, telecommunication and other devices, furniture and equipment - 3 portable computers (notebooks) - HP inc. HP 17-by4061nr are credited with initial balance value of 6684 GEL, residual value of 4,010.40 GEL, depreciation of current year is 1 337.00 GEL.

Note S17: Total actual expenses within the program amounts to **242'302.21** GEL, in particular:

- **198,492.31** GEL - Remuneration of persons employed under an employment agreement;
- **30.00** GEL - Domain registration service;
- **1,336.80** GEL--depreciation expense;
- **34,000.00** GEL-- of which: **13,000** GEL - procurement of research services, agreement N03-17/2, 04/03/2022; expenses of project “Eurostudent VIII”; 21,000.00 GEL - procurement of research services, agreement N03-17/2, 04/03/2022, expenses of project “Eurostudent VIII”;
- **485.00** GEL - Social assistance issued on the basis of a sick card;
- **14.10** GEL - the cost of the penalty paid in the Budget by “Favorite Style” LLC;
- **7,944.00** GEL - according to the agreement N 08-30/2 signed on August 18, 2023, the State Budget for the year 2023 provides for transfer of the supplies received from the printing services (**Note 3**) purchased within the framework of financing of higher education promotion program “Teaching Georgian as a foreign language - sub-program “Irbakh” to the Ministry of Foreign Affairs.

On the account №08 – 2 standard portable computers - laptop (HR Pro book 455s Notebook PC) are credited to the out of balance account of the program - unit price - 782.99 GEL, in total: initial balance value – 1,565.98 GEL, responsible person – Ms. Marika Odzeli.

38. Promotion of studying abroad - 32 04 04

32 04 04	Promotion of studying abroad	
00	Total	5,794,999.84
2	Expenses	5,661,372.84
31	Increase of non-financial assets	133,627.00

Financing of LEPL - International Education Center in 2023 was determined by budget allocations in the amount of **5,795,000.00** GEL for the purpose of implementation of the educational functions, such as:

Promotion of receiving education at Master's, Doctoral and Qualification-raising programs in various higher educational institutions of foreign countries recognized in accordance with the legislation of a foreign country; Strengthening of the country's public sector with highly qualified staff, through training for various international programs and courses and raising qualifications; Promotion of participation of Georgian youth in international academic and youth programs; Realization of knowledge acquired abroad in Georgia and increase of highly qualified personnel resources; Promotion and support of educational internationalization of regional universities; Promotion of professional development and qualification raising of persons employed in the state/public institution of the country; Accumulating the information on the latest knowledge and trends in teaching and higher education administration; Promotion of integration of graduates of LEPL - International Education Center into the university activities; Promotion of internationalization of higher education in Georgia in cooperation with higher educational institutions of Georgia.

Expenditure operations for the above-mentioned programs and events are carried out by LEPL - International Education Center on the organizational code N32 04 04.

In addition, we would like to inform you that the financing of LEPL - International Education Center does not include targeted grants and funds from income.

According to the Form N1 of the financial statements of LEPL - International Education Center, the balance of assets totals 15,026,126.00 GEL, including:

Short-Term (current) accounts receivable – 65,438.00 GEL;

Account №1-13-1000 of short-term (current) accounts receivable related to the treasury transactions is determined by the amount of foreign currency credited to the currency accounts in the Treasury – equivalent of 5,100 USD, 14,677.86 GBP and 281 EUR in national currency - GEL. Above-mentioned represents the returned tuition fees transferred in foreign currency and accordingly, it is credited to the currency accounts of the Treasury. At the beginning of the year, the balance was 17,143.00 GEL, and at the end of 2023 financial year, it was 64,791.00 GEL. The differences between the foreign exchange rates were recorded in the account of loss - N5-81-1000 and profit - N4-81-1000 arising from conversion of assets in foreign currency.

In addition, short-term (current) accounts receivable were defined as income tax - 431.00 GEL;

Other short-term (current) assets amount to – 2,192,747.00 GEL;

Other short-term (current) assets are defined as follows:

Short-term (current) assets, the balance of the previous year amounted to 2,192,747.00 GEL, it was increased by – 1,553,870.00 GEL, which consists of scholarship students' tuition fees and household expenses debts, actual documentation of the quality of graduation was presented in the period of 2024. The actual expenses amounted to 912,301.00 GEL. Accordingly, at the end of the financial year, the debt in the amount of 2,834,316.00 GEL is charged.

In addition, under the article Subsidies, 150,000.00 GEL was credited as short-term account receivables. Above-mentioned amount was transferred in advance to the Alumni Association of N(N)LE - International Education Center for implementation of the small grant program for the graduates in order to carry out research and development projects. The actual expenses amounted to 84,596.44 GEL, and the unappropriated amount was returned to the State Budget in the amount of 65,404.00 GEL.

Inventory – 91,723.00 GEL;

Long-term financial assets – 14,984,400.00 GEL;

Long-term financial assets shall be explained as follows:

Since the scholarship holders are enrolled for a period of more than one year and have not received diplomas certifying their studies, they are continuing or completing their studies, therefore, the funds transferred to the scholarship beneficiaries for tuition fees and household expenses are accrued to the Center as long-term accounts receivable.

72,616.00 GEL of unappropriated program funds were repaid to the State Budget, which is recorded in the Note №17 of the financial statement.

Fixed assets and intangible fixed assets are credited to the Centre:

At the beginning of the year, the residual value of the fixed assets was credited in the amount of 31,591.00 GEL. The Center purchased the fixed assets worth 133,627.00 GEL under the article of Increase of non-financial assets, taking into account physical

depreciation - 26,954.00 GEL. At the end of the year, 138,262.00 GEL was credited to the account.

This year, the residual value of intangible fixed assets amounts to 100,268.00 GEL.

According to the Form N1 of financial statements, the following is credited to the balance of liabilities:

Undistributed surplus/deficit -15,025,911.00 GEL.

According to the financial results of the Form N2 of the financial statements, the actual expenses were determined by 8,174,742.00 GEL, including:

Cost of remuneration - by 313,870.00 GEL;

Cost of goods and services - by 882,804.00 GEL;

Cost of grants, transfers and subsidies - by 84,596.00 GEL;

Expenses with external transfers not elsewhere classified - by 6,684,373.00 GEL;

Expenses with internal transfers - by 138,020.00 GEL;

Depreciation and amortization expenses - by 47,043.00 GEL;

Social assistance expenses – by 23,756.00 GEL;

Miscellaneous expenses – by 280.00 GEL.

Written-off supplies in the amount of 8,277 GEL and fixed assets with full depreciation at the initial historical value of 90,597.38 GEL are included in the reference article, at the beginning of the year.

Two units of motor vehicles with full wear and tear credited to the reference article of the balance sheet of LEPL - International Education Center shall be transferred to the Ministry of Education and Science of Georgia free of charge, with the right of lifetime use, the data of which are as follows:

Brand/model: HYUNDAI ELANTRA; state (plate) number: LL021NN; year of release: 2013; color: white; type: Sedan; vehicle identification number (VIN): KMHDG41CBDU821596; balance value: 27,282.53 GEL; accrued depreciation 27,282.53 GEL;

1.2. Brand/model: HYUNDAI ELANTRA; state (plate) Number: LL012NN; year of release: 2014; color: white; type: Sedan; vehicle identification number (VIN): KMHDG41CBEU133288; balance value: 29,000.82 GEL; accrued depreciation 29,000.82 GEL.

Transfer of the above-mentioned vehicles was recorded in the Form S6 of the balance sheet in the field “Other outflows” with a historical value of 56,283.00 GEL, and was also recorded in the depreciation article of the fixed assets “Cancelled on outflow” - in the amount of 56,283.00 GEL.

39. Promotion of higher educational institutions - 32 04 05

Program code of the Ministry of Education and Science of Georgia - 32 04 05 02-12 – Promotion of higher educational institutions - includes consolidated financial statements of 11 LEPL organizations, which include:

Allocations of the program code 32 04 02 06 - State scholarships for students and also 32 05 04 - Scientific research promotion program:

00	Total	46,724,395.85
2	Expenses	45,934,289.46
31	Increase of non-financial assets	790,106.39
32 04 05 02	LEPL - Ivane Javakhishvili Tbilisi State University	
00	Total	2,327,816.09
2	Expenses	1,964,301.28
31	Increase of non-financial assets	363,514.81
32 04 05 03	LEPL - Georgian Technical University	
00	Total	2,558,420.71

2	Expenses	2,406,131.07
31	Increase of non-financial assets	152,289.64
32 04 05 04	LEPL - Ilia State University	
00	Total	4,221,833.02
2	Expenses	4,175,939.28
31	Increase of non-financial assets	45,893.74
32 04 05 05	LEPL - Tbilisi State Medical University	
00	Total	406,047.44
2	Expenses	406,047.44
32 04 05 06	LEPL - Akaki Treseteli State University	
00	Total	514,476.34
2	Expenses	514,476.34
32 04 05 07	LEPL - Iakob Gogebashvili Telavi State University	
00	Total	785,466.41
2	Expenses	647,821.41
31	Increase of non-financial assets	137,645.00
32 04 05 08	LEPL - Sokhumi State University	
00	Total	1,105,473.66
2	Expenses	1,081,961.46
31	Increase of non-financial assets	23,512.20
32 04 05 09	LEPL - Samtskhe-Javakheti State University	
00	Total	360,725.88
2	Expenses	346,430.38
31	Increase of non-financial assets	14,295.50
32 04 05 10	LEPL – Shota Meskhia Zugdidi State University	
00	Total	324,095.17
2	Expenses	306,601.67
31	Increase of non-financial assets	17,493.50
32 04 05 11	LEPL - Batumi Shota Rustaveli State University	
00	Total	886,466.53
2	Expenses	865,794.53
31	Increase of non-financial assets	20,672.00
32 04 05 12	LEPL - Gori State Teaching University	
00	Total	297,517.77
2	Expenses	282,727.77
31	Increase of non-financial assets	14,790.00
32 04 02 06	State scholarships for students	
00	Total	7,429,500.00
2	Expenses	7,429,500.00
32 05 04	Promotion of scientific researches	
00	Total	25,506,556.83
2	Expenses	25,506,556.83

Program code of the Ministry of Education and Science of Georgia - 32 04 05 - Promotion of higher educational institutions - includes the consolidated financial statements of the following 11 LSI organizations:

1. 32 04 05 08 - LEPL - Ivane Javakhishvili Tbilisi State University;
2. 32 04 05 09 - LEPL - Georgian Technical University;
3. 32 04 05 13 - LEPL - Ilia State University;
4. 32 04 05 10 - LEPL - Tbilisi State Medical University;
5. 32 04 05 06 - LEPL - Akaki Treseteli State University;
6. 32 04 05 11 - LEPL - Iakob Gogebashvili Telavi State University;
7. 32 04 05 14 - LEPL - Sokhumi State University;
8. 32 04 05 15 - LEPL - Samtskhe-Javakheti State University;
9. 32 04 05 16 - LEPL - Shota Meskhia Zugdidi State University;
10. 32 04 05 17 - LEPL - Batumi Shota Rustaveli State University;
11. 32 04 05 12 - LEPL - Gori State Teaching University;

As of **January 1** and **December 31**, 2023, the following information was included in the financial statements of the program “Promotion of Higher Educational Institutions” according to the accounts:

Note №2 - Cash and cash equivalents: 5,493 GEL was deposited into **the account №1-11-1100 - Cash on hand in national currency** as of 01.01.2023, and **14,310.00 GEL** - as of 31.12.2023, in particular:



Title	Closing balance of the reporting period - 31.12.2023	Opening balance of the reporting period - 01.01.2023
Cash on hand in national currency 1-11-1100	14310	5493

Movement of cash on hand is carried out by 3 higher institutions for performance of transactions of the income received through exchange operations (cash registers of “Ligamus” bookstore, canteen, Child Development Institute, University Clinic).

In details:

N	Title	Closing balance of the reporting period - 31.12.2023%	Opening balance of the reporting period - 01.01.2023%
1	LEPL - Ilia State University	1	0
2	LEPL - Georgian Technical University	222	0
3	LEPL Tbilisi State University	14087	5493
	Total	14310	5493

On the account №1-11-2100 - Cash balances in commercial banks in national currency. Balance amounted to 53,154,852 GEL as of 01.01.2023 and 66,358,396.00 GEL as of 31.12.2023.

Title	Closing balance of the reporting period - 31.12.2023%	Opening balance of the reporting period 01.01.2023%
Cash balances in commercial banks in national currency * 1-11-2100	66,358,396.00	53,154,852.00
In total:	66,358,396.00	53,154,852.00

Allocation of funds by the universities on the commercial bank accounts is conditioned for electronic procurements and also represents on-demand deposit balances in national currency.

In details:

Title	Closing balance - 31.12.2023	Opening balance - 01.01.2023
LEPL - Ivane Javakhishvili Tbilisi State University	18,507,751.00	3,000,005.00
LEPL - Georgian Technical University	3,812.00	1,158.00
LEPL - Ilia State University	29,003,422.00	26,005,443.00
LEPL - Tbilisi State Medical University	46,169.00	5,929,149.00
LEPL - Akaki Treseteli State University	4,500,000.00	3,500,000.00
LEPL - Iakob Gogebashvili Telavi State University	609,000.00	2,299,000.00
LEPL - Sokhumi State University	2,745,516.00	3,725,516.00

LEPL - Samtskhe-Javakheti State University	0.00	0.00
LEPL - Shota Meskhia Zugdidi State University	0.00	195,046.00
LEPL - Batumi Shota Rustaveli State University	10,500,000.00	7,780,000.00
LEPL - Gori State Teaching University	442,726.00	719,535.00
Total:	66,358,396.00	53,154,852.00

N	Organization	Balance in commercial banks at the beginning of the year - 01.01.2023	Provided by balance - 01.01.2023	Difference	Balance in commercial banks at the end of the year - 31.12.2023	Provided by balance - 31.12.2023	Difference
1	LEPL - Ivane Javakhishvili Tbilisi State University	3,000,005.00	3,000,005.00	-	18,507,111.00	8,507,751.00	(640.00)
2	LEPL - Ilia State University	26,000,000.00	26,005,443.00	(5,443.00)	29,000,000.00	29,003,422.00	(3,422.00)
3	LEPL - Gori State Teaching University	719,535.37	719,535.00	-	442,726.52	442,726.00	-
4	LEPL - Tbilisi State Medical University	5,925,000.00	5,929,149.00	(4,149.00)	5,925,000.00	46,169.00	5,878,831.00
5	LEPL - Iakob Gogebashvili Telavi State University	2,299,000.00	2,299,000.00	-	609,000.00	609,000.00	-
6	LEPL - Akaki Treseteli State University	3,500,000.03	3,500,000.00	-	4,500,000.03	4,500,000.00	-
7	LEPL - Batumi Shota Rustaveli State University	7,780,000.00	7,780,000.00	-	10,500,000.00	10,500,000.00	-
8	LEPL - Shota Meskhia Zugdidi State University	195,046.24	195,046.00	-	7,107.47	-	7,107.47
9	LEPL - Samtskhe-Javakheti State University			-			-
10	LEPL - Sokhumi State University	3,725,516.01	3,725,516.00	-	2,745,516.01	2,745,516.00	-
11	LEPL - Georgian Technical University	12,090.00	1,158.00	10,932.00	48,970.00	3,812.00	45,158.00
	Total	53,156,192.65	53,154,852.00	1,340.00	72,285,431.03	66,358,396.00	5,927,034.47

According to the treasury statement, the balances of LEPL - Ilia State University, LEPL - Tbilisi State University and LEPL - Georgian Technical University differ from the amounts shown in the financial statements submitted by the organizations. Above-mentioned difference is caused by the movement of funds from the bank account to the treasury account at the beginning of the year and at the end of the year. The State Treasury did not credit on the treasury account on time.

- **On the account № 1-11-2420 - Cash balances in commercial banks in foreign currency.** As of 01.01.2023, the cash balance in foreign currency amounted to **70,149,372.00** GEL, and as of 31.12.2023 - **29,800,568.00** GEL. The closing balance represents the cash balance credited to the currency electronic card of TBC Bank by LEPL - Medical University.

Title	Closing balance of the reporting period - 31.12.2023	Opening balance of previous reporting period - 01.01.2023
Cash balances in commercial banks in foreign currency * 1-11-2420	29,800,568.00	70,149,372.00
In total:	29,800,568.00	70,149,372.00

Note №2a - Current investments and short-term accounts receivable: 9,775 GEL is credited to the account №1-12-9000 - Other current investments as the opening and closing balance of the reporting period, which is the amount of LEPL - Ilia State University.

	Closing balance of the reporting period - 31.12.2023	Opening balance of the reporting period - 01.01.2023
Other current investments	9775	9775
Total	9775	9775

Ilia State University owns 100% of “Uni Invest” LLC, while “Uni Invest” LLC owns 100% of “Inovest” LLC. The equity method is applied to account for investments in associates and joint ventures.

Article 10 - General Provisions for the Use of International Accounting Standards by Budgetary Organizations on the Basis of International Public Sector Accounting Standards (IPSASs)” approved by Order №108 of the Minister of Finance. According to the Paragraph 46 of the General Provisions for application of IPSASs, the remaining investment shall be recalculated according to the equity method.

Under the equity method, an investment in an associate or joint venture is initially recognized at cost and the carrying amount is increased or decreased to reflect the investor’s share in the investee’s surplus or deficit in the periods subsequent to the acquisition date. The investor’s share in the investee’s surplus or deficit is recognized in the investor’s surplus or deficit.

Due to the fact that the commercial activities of both subsidiary companies: “Uni Invest” LLC and “Inovest” LLC failed, in 2014 the representative council of Ilia State University temporarily suspended the operations of both LLCs. From 2014 to the date of signing the financial statements hereof, the activities of both LLCs have been suspended and do not provide economic benefits. In the financial statements of 2021, the investments were recalculated using the equity method and the investment was recognized in the deficit.

As of December 31, 2023, the balance of current investments recalculated in 2021 remained unchanged, due to the fact that the activities of the above-mentioned companies were suspended and no economic benefits were received, there the return of investments did not occur.

- **Short-term accounts receivable** - As of 01.01.2023, a total of **97,345,296** GEL was accrued. The initial balance **recalculated** according to the information presented by the organizations amounted to **104,494,948** GEL on 01.01.2023. Therefore, **12,149,652** GEL was subject to adjustment, namely:

Balances of targeted grants – Account №1-13-1220: Account №1-13-1220 – Short-term (current) accounts receivable of budgetary organizations to the budget, with targeted grants, the opening balance was 2,195,097.00 GEL, the recalculated opening balance amounted to **2,256,767** GEL, and as of 31.12.2023, the targeted grant balance was **2,592,116.00** GEL.

Adjustment of the opening balance amounts to **61,670** GEL in total, the change is due to the following:

Opening balance of the targeted grant of LEPL - Ivane Javakhishvili Tbilisi State University is increased by **40,813** GEL (provided by the Treasury from the revenues of 2022) and is adjusted retrospectively in the Form F4;

85,929 GEL was added to the opening balance of LEPL - Akaki Treseteli State University of 2023 as part of the targeted grant (registration number 1929); 19,839 GEL is returned in April and June 2023 from the funds transferred to the organizations (Batumi and Gori Universities) in 2022;

Opening balance of the targeted grant pf LEPL - Batumi Shota Rustaveli State University was changed, part of the cash expenditures incurred in 2022 – 1m018 GEL (158 GEL - grant N1710; 860 GEL - grant N1958) was repaid in 2023 and determined as the opening balance.

№	Title	Closing balance of the reporting period	Recalculated opening balance of the reporting period	Opening balance	Adjustment
1	LEPL - Ivane Javakhishvili Tbilisi State University	380,050	283,480	242667	-40813
2	LEPL - Georgian Technical University	191,886	156,341	156341	0
3	LEPL - Ilia State University	1,364,846	1,030,184	1030184	0
4	LEPL - Tbilisi State Medical University	5,204	5,204	5204	0
5	LEPL - Akaki Treseteli State University	237,183	105,768	85929	-19839
6	LEPL - Iakob Gogebashvili Telavi State University	140,586	420,377	420377	0
7	LEPL - Sokhumi State University	100,294	16,537	16537	0

8	LEPL - Samtskhe-Javakheti State University	34,889	34,578	34578	0
9	LEPL - Shota Meskhia Zugdidi State University	15,823	20	20	0
10	LEPL - Batumi Shota Rustaveli State University	101,495	148,844	147826	-1018
11	LEPL - Gori State Teaching University	19,860	55,432	55432	0
	In total:	2,592,116	2256767	2195097	-61,670

Account № 1-13-1230

Short-term (current) accounts receivable of budgetary organizations to the Treasury, with non-budgetary (own) funds - 16,772,819 GEL was credited as the opening balance as of 01.01.2023, and **13,276,831.00 GEL** – as of 31.12.2023.

№	Title	Closing balance of the reporting period - 31.12.2023	Opening balance of the reporting period - 01.01.2023
1	LEPL - Ivane Javakhishvili Tbilisi State University	1,776,155	2,234,873
2	LEPL - Georgian Technical University	85,733	1,169,587
3	LEPL - Ilia State University	4,812,691	3,047,145
4	LEPL - Tbilisi State Medical University	3,201,759	4,963,056
5	LEPL - Akaki Treseteli State University	1,293,805	1,145,137
6	LEPL - Iakob Gogebashvili Telavi State University	349,817	257,820
7	LEPL - Sokhumi State University	196,997	222,855
8	LEPL - Samtskhe-Javakheti State University	630,443	1,892,685
9	LEPL - Shota Meskhia Zugdidi State University	868,621	1,790,432
10	LEPL - Batumi Shota Rustaveli State University	35,985	31,986
11	LEPL - Gori State Teaching University	24,825	17,243
	სულ:	13,276,831	16,772,819

The information provided in the treasury statement differs from the amount shown in the financial statements presented by the organization, namely by LEPL - Tbilisi State University, both at the beginning and at the end of the year. Above-mentioned changes are caused by depositing money from the commercial bank account to the treasury account on the last day of the reporting period. The amount was credited to the account late by the Treasury Service, which caused discrepancy.

N	Organization	Balance in the State Treasury at the beginning of the year - 01.01.2023	Provided by balance 01.01.2023	Difference	Balance in the State Treasury at the end of the year - 31.12.2023	Provided by balance 31.12.2023	Difference
1	LEPL - Ivane Javakhishvili Tbilisi State University	2,234,873.04	2,234,873.00		1,776,154.62	1,776,155.00	
2	LEPL - Ilia State University	3,047,145.34	3,047,145.00		4,812,690.53	4,812,691.00	
3	LEPL - Gori State Teaching University	17,242.50	17,243.00		24,825.19	24,825.00	
4	LEPL - Tbilisi State Medical University	4,918,937.72	4,963,056.00	(44,118.3)	3,170,987.68	3,201,759.00	(30,771.32)
5	LEPL - Iakob Gogebashvili Telavi State University	257,819.72	257,820.00		349,817.15	349,817.00	
6	LEPL - Akaki Treseteli State University	1,145,136.81	1,145,137.00		1,293,805.31	1,293,805.00	
7	LEPL – Batumi Shota Rustaveli State University	31,985.34	31,986.00		35,984.46	35,985.00	
8	LEPL - Shota Meskhia Zugdidi State University	1,790,431.79	1,790,432.00		868,621.30	868,621.00	
9	LEPL - Samtskhe-Javakheti State University	1,892,684.72	1,892,685.00		630,442.58	630,443.00	
10	LEPL - Sokhumi State University	222,855.09	222,855.00		196,997.77	196,997.00	
11	LEPL - Georgian Technical University	1,169,587.28	1,169,587.00		85,732.89	85,733.00	
	Total	16,728,699.35	16,772,819.00	(44,118.28)	13,246,059.48	13,276,831.00	(30,771.32)

Accounts №1-13-1240, №1-13-1250 and №1-13-1260 - 7,013,851.6 GEL is transferred to the currency account of the Treasury as of 31.12.2023, which was transferred to the national currency with the foreign exchange rate as of 31.12.2023.

Account №1-13-1270 – Other short-term (current) accounts receivable of the budgetary organizations to the Treasury. A total of **28,670 GEL** is credited as of 31.12.2023, which represents the deposit funds subscribed in the account of LEPL - Ilia State University. Turnover of money in the deposit account represents the funds for the sale of goods and services (Bookstore “Ligamus”, canteen, Child Development Institute, application and deportation fees of foreign students). Funds deposited in the deposit account of the Treasury are transferred to the appropriate treasury codes of the University’s income after recognition as income.

	Closing balance of the reporting period - 31.12.2023	Opening balance of the reporting period - 01.01.2023
Other short-term (current) accounts receivable of the budgetary organizations to the Treasury	28670	7394
Total	28670	7394

➤ **Account №1-13-2000 - Short-term (current) tax receivables.** Opening balance of 2023 amounted to **3,516,470.00 GEL**. According to the financial statements presented by the organizations, the recalculated opening balance amounted to **3,611,340.00 GEL**, and as of 31.12.2023, the balance amounted to **3,809,640.00 GEL**. Change in the amount of **94,870 GEL** was caused by retrospective recalculation of significant errors of the previous period, in particular:

N	Organization	Account	Opening balance - 01.01.2023	Provided by balance - 01.01.2023	Difference
1	LEPL - Ivane Javakhishvili Tbilisi State University	Income tax 1-13-2100	360356	207771	152'585
2	LEPL - Ilia State University	Income tax 1-13-2100	4580	4556	24
3	LEPL - Ilia State University	Profit tax 1-13-2200	103	0	103
4	LEPL - Ilia State University	Property tax 1-13-2300	0	63826	-63826
5	LEPL - Akaki Treseteli State University	Property tax 1-13-2300	5	183658	-183653
6	LEPL - Ilia State University	VAT 1-13-2400	0	103	-103
	Total		365044	459914	-94870

- LEPL - Ivane Javakhishvili Tbilisi State University** - Opening balance of advance payment of income tax is reduced by **152,585 GEL**. Income tax was transferred from the financing of university tuition fee for 2022, but the financing operation was missed, therefore **152,585 GEL** was recorded in surplus. Above-mentioned difference is adjusted retrospectively.
- LEPL - Ilia State University** - Income tax is adjusted by **24 GEL**, scholarship accrual by withholding income tax. Property tax was adjusted by **63,826 GEL**. According to the declaration submitted in 2022, the property tax of the land was incorrectly charged and paid, which was corrected by adjusting the initial balance of 2023. The accrued expense in the form of land property tax was decreased and the debit balance at the beginning of the year was increased. In addition, profit and VAT taxes were revised through adjustment of the initial balance in the amount of 103 GEL.
- LEPL - Akaki Treseteli State University** - Property tax was adjusted by 183,653 GEL. Above-mentioned change is caused by adjustment of the declarations of 2022, 2021 and 2020.

- **Account №1-13-4000 – Short-term (current) accounts receivable with accrued interest and penalties.** The opening balance of 2023 amounted to **1'075'767.00 GEL**. According to the financial statements presented by the organizations, the recalculated opening balance amounted to **1,379,534.00 GEL**, and the balance amounted to **1,751,636.00 GEL** as of 31.12.2023. The change in the amount of **303,767 GEL** is caused by retrospective recalculation of significant errors of the previous period by **LEPL - Ilia State University**. The monetary resources of the university are placed in the form of an on-demand deposit in the JSC “Basisbank”. The annual interest rate on the existing deposit is 1.5% plus the refinancing interest. Interest is accrued on a monthly basis and credited to the treasury account of the University. In the financial statement of 2022, the accrual of interest benefits for December 2022 was missed in the income. This error was adjusted retrospectively and accordingly Account 1-13-4000 - Opening balance was increased in debit.
- **Account №1-13-6000 - Short-term (current) accounts receivable from sales of goods and services** - The opening balance 2023 amounted to **56,908,276 GEL**. According to the financial statements presented by the organizations, the

recalculated opening balance amounted to **67,967,082** GEL. The change in the amount of **11'058'806** GEL was caused by retrospective recalculation of significant errors of the previous period. Above-mentioned change was carried out by LEPL - Georgian Technical University, LEPL - Ilia State University and LEPL - Akaki Treseteli State University, in particular:

- **LEPL - Georgian Technical University** adjusted the opening balance by 9,257,325 GEL. In 2023, the “Billing” Department of the Finance Department checked the tuition fee payments and arrears of the University students, as a result of which it was revealed that as of December 31, 2023, the tuition fee arrears were increased by 11,187,389.92 GEL (program “I know”) and, at the same time, the tuition arrears as of December 31, 2023 were reduced by 1,930,064.80 GEL. The change was recorded in the retrospective recalculation.
- **LEPL - Akaki Treseteli State University** charged the tuition fees for previous years - **1,857,834** GEL, short-term (current) accounts receivable from sales of goods and services were adjusted as of December 31, 2022. The change was recorded in the retrospective recalculation.
- On the basis of the report recalculated by **LEPL - Ilia State University** in the software for accounting of income received by higher education, the opening balance was adjusted by **56,353** GEL (reduced), in particular:

Debit	Credit	Amount	Comment on the transaction
1-13-6000	4-42-3000	(108,812.23)	Income of 2022 is adjusted - Overcharged tuition fee of student
1-13-6000	4-44-0000	673,015.28	Fine charged for violation of the payment conditions of the tuition fee for 2022 is adjusted (according to the recommendation of the state audit)
5-91-0000	1-13-6000	(673,015.28)	Fine charged for violation of the payment conditions of the tuition fee for 2022 is adjusted (according to the recommendation of the state audit)
1-13-6000	4-42-4000	270.00	Charged with therapeutic services provided in 2022
1-13-6000	4-42-4000	48,500.00	Charged with research services provided in 2022
1-13-6000	2-13-2400	8,730.00	VAT payable by the research services provided in 2022 is charged
1-13-6000	4-44-0000	3,433.80	Fine incurred for violation of the terms and conditions of the research services agreement of 2022 is charged
1-13-6000	4-42-4000	(20,702.79)	Incorrectly accrued income for 2022 is adjusted and the balance is transferred to liability
1-13-6000	2-15-1400	20,702.79	Incorrectly accrued income for 2022 is adjusted and the balance is transferred to liability
1-13-6000	4-42-4000	(8,474.32)	Incorrectly accrued income from services provided by the support bases is adjusted.
	Total	-56352.75	

In 2023, tuition fee claims are reduced by impairment losses and student debts are written off. As of December 31, 2023, the balance of the short-term (current) accounts receivable from sales of goods and services amounted to **56'530'487.00** GEL.

- **Account 1-13-9000 - Other short-term (current) claims.** The opening balance 2023 amounted to **2,357,418** GEL. According to the financial statements presented by the organizations, the recalculated opening balance amounted to **2'987'957** GEL, and as of 31.12.2023, the balance amounted to **3'063'392.00** GEL. The change in the amount of **630'539** GEL was caused by retrospective recalculation of significant errors of the previous period by LEPL - Georgian Technical University and LEPL - Ilia State University.

- **LEPL - Georgian Technical University** adjusted the initial balance on the account №1-13-9000 by **61,678** GEL. From this, the balance of short-term claims reduced in previous years Within the framework of the exclusive service agreement for the payroll program signed with the Bank of Georgia was adjusted by GEL **59,248**. On September 30, 2019, an exclusive service agreement for the payroll program was signed between the University and JSC Bank of Georgia. In 2021, according to the amended terms and conditions of the agreement, the Bank of Georgia had to pay 236,000 GEL per annum to the University (after the written request of the latter). According to the changed terms and conditions, the University should have received **767,000** GEL from October 1, 2019 through December 31, 2022. In 2019-2022, income was recognized using the cash method, and the balance of short-term claims was reduced by 59,248 GEL. In accordance with the audit report, the claim was adjusted. In addition, the claims in the amount of 2,430 GEL were adjusted due to incorrect charging.
- **LEPL - Ilia State University** adjusted the opening balance by **615,784** GEL. In 2022, Within the framework of the targeted grant project “Development of networks of youth technical entrepreneurial clubs” (registration N2126 in the Ministry of Finance), expenses in the amount of **615,783.63** GEL were accrued according to the grant executed by the sub-grantees and the obligation to the donor was reduced by recognizing the grant income. Above-mentioned amount did not belong to the expenses and income of the University; therefore,

retrospective adjustment was carried out. A holding operation was carried out by reducing the claim to the sub-grantor and the obligation to the donor, in particular:

Debit	Credit	Amount	Comment on the transaction
5-73-1000	1-13-9900 N(N)LE - Innovation Education Foundation	(384,739.36)	Adjusted expenses of 2022, grant tranche to the sub-grantee, Project "Development of Networks of Young Technical Entrepreneurship Clubs"
5-73-1000	1-13-9900 N(N)LE - Georgian ICT Cluster	(231,044.27)	Adjusted expenses of 2022, grant tranche to the sub-grantee, Project "Development of Networks of Young Technical Entrepreneurship Clubs"
	Total	(615,783.63)	

Note №3 - Inventory. The opening balance of the **inventory** amounted to **18,352,848** GEL as of **01.01.2023**. However, the previous year of the reporting year was adjusted and reduced by a total of **224,728** GEL. The recalculated opening balance was **18,128,120.00** GEL. The table below shows the opening balance and recalculated opening balance of total inventory as of 01.01.2023 with ongoing adjustments.

Title	Value of opening balance as of 01.01.2023	Recalculated opening balance	Adjustment	LEPL - Georgian Technical University	LEPL - Ilia State University
Raw materials and supplies 1-14-1100	1,503,165.00	1,503,165.00	0	0	0
Other materials and supplies 1-14-1400	12,691,391.00	12,526,153.00	-165238	-168062	2824
Low-value assets 1-14-1410	1,807,501.00	1,800,976.00	-6525	-6525	0
Rest of other materials and supplies 1-14-1420	10,883,890.00	10,725,177.00	-158713	-161537	2824
Work-in process inventory 1-14-2000	-	-	0	0	0
Finished goods inventory 1-14-3000	3,996,686.00	3,937,196.00	-59490	-39150	-20340
Goods held for sale 1-14-4000	161,606.00	161,606.00	0	0	0
Military supplies 1-14-5000	-	-	0	0	0
Total	18,352,848.00	18,128,120.00	(224,728.00)	(207,212.00)	(17,516.00)

1. **LEPL - Georgian Technical University** recalculated the opening balance of the inventory and reduced by **207,212** GEL. This is due to the following circumstances: the supplies transferred to different structural units in previous years were not written off in the expenses and adjustment of **151,194** GEL was made, and the scientific literature worth **39,150** GEL, which was produced in the University printing house and transferred to the library in 2017, was not withdrawn from the account of finished goods inventory. In addition, in 2022, the supplies worth 16,868 GEL, which were put into operation, were not written off in the expenses.
2. **LEPL - Ilia State University** recalculated the opening balance of the inventory and reduced by **17,516.00** GEL. An expense of **20,580.00** GEL for 2022 was written off and **3,065** GEL was added to the income, which was provided in 2022 for laboratory reagents from Integrated DNA Technologies BVBA free of charge.

In the reporting period of 2023, the higher educational institutions received the supplies worth **359,010.00** GEL from the organizations under the control of the Ministry, as well as from various international organizations of the same level, free of charge, which are recorded in grants.

During the reporting period, the higher educational institutions delivered the supplies worth 45,824.00 GEL from the organizations under the control of the Ministry and also to various organizations of the same level free of charge, which are recorded in the outflow of grants.

As a result of the inventory in the current reporting year at LEPL - Ilia State University, a deficit was revealed in the supplies of the bookstore in the amount of 74 GEL, which was spent in the cost of the year and was annulled in outflow. Above-mentioned information is also recorded in the Note 16 - Expenses for reduction of value of the inventory.

18,045 GEL is recorded in the in-kind remuneration, which represents the amount of LEPL - Ivane Javakhishvili Tbilisi State University, in particular, the literature published by the University publishing house was transferred to the authors.

The closing balance of the inventory amounts to 18,064,273 GEL as of 31.12.2023.

Note №4 - Other short-term (current) assets: Opening balance of other short-term (current) assets amounted to 15,144,623 GEL as of 01.01.2023. Recalculated initial balance of the reporting period amounted to 15,136,782. Adjustment amounted to 7,841 GEL and the opening balance was reduced.

Title	Opening balance of the reporting period - 01.01.2023	Recalculated opening balance of the reporting period - 01.01.2023	Adjustment	LEPL - Georgian Technical University	LEPL - Ilia State University
Advance payments	14,751,894.00	14,744,053.00	(7,841.00)	-5825	-2016
Advance payments for goods and services	704,541.00	696,700.00	(7,841.00)	-5825	-2016
Advance payments for long-term non-financial assets	12,144,862.00	12,144,862.00	-	0	0
Advance payments with payables	1,902,491.00	1,902,491.00	-	0	0
Short-term (current) non-monetary receivables with a deficit of non-financial assets	392,729.00	392,729.00	-	0	0
Total	15,144,623.00	15,136,782.00	(7,841.00)	(5,825.00)	(2,016.00)

1. **LEPL - Georgian Technical University** recalculated the opening balance and reduced by 5.825 GEL, namely, the accounts receivable of 6,030 GEL were recognized as an expense in 2022, and also 205 GEL of the accounts receivable were recovered.
2. **LEPL - Ilia State University** reduced the opening balance by 2016 GEL. Above-mentioned change was due to recognition of the receivable as an expense in 2022 (obtaining the copyright of the 2022 performance).

Total short-term (current) assets. Pre-paid advances amount to **64'930'233** GEL as of 31.12.2023.

Note №5 – Long-term financial assets: 44,285,141.00 GEL was credited to the account № 1-21-3000 - Other long-term financial assets as the opening balance. During the year, 22,000 GEL was added by the equity method and decreased by 3,891,834.00 GEL. 40,415,307.00 GEL was credited as the balance as of 31.12.2023. The assets credited to above-mentioned account represent the shares of LEPL - Tbilisi Medical University in private companies, namely:

32,507.00 GEL - 15% share of “Medula-Chemotherapy and Immunotherapy Clinic” LLC, which, according to audits, amounted to 32,507 GEL;

40,182,800 GEL - 40% share of JSC “Evex Hospitals”, which was purchased with own income for implementation of the training process in 2020;

200,000 GEL - 89% share of the scientific magazine “Georgian Biomedical News” LLC, which was acquired in 2022.

Note №6 - Fixed assets: Opening balance of fixed assets on 01.01.2023 value amounted to **912,016,984** GEL with initial historical, **771,408,762** GEL with residual value. The recalculated initial historical balance amounted to **923,189,735** GEL, the residual value amounted to **78,4106,460** GEL. The difference is recorded by retrospective recalculation, which amounts to **12,697,698** GEL.

Value of fixed assets *	Opening balance of the reporting period - 01.01.2023	Recalculated opening balance of the reporting period - 01.01.2023	Adjustment
Buildings and structures to be used for own purposes 1-22-1000	619,633,819.00	630,802,142.00	11,168,323.00
Residential apartments 1-22-1100	10,650,823.00	10,650,823.00	-
Non-residential buildings 1-22-1200	338,998,469.00	350,162,077.00	11,163,608.00
Other premises 1-22-1300	9,096,195.00	9,100,910.00	4,715.00
Land improvement 1-22-1400	-	-	-
Land 1-22-1500	260,888,332.00	260,888,332.00	-
Machinery and equipment and fixtures 1-22-2000	151,618,284.00	153,147,659.00	1,529,375.00

Transport equipment 1-22-2100	4,569,780.00	5,312,351.00	742,571.00
Other machinery and equipment 1-22-2200	147,048,504.00	147,835,308.00	786,804.00
Information, computer, telecommunication and other devices, furniture and equipment 1-22-2210	30,511,943.00	30,258,373.00	(253,570.00)
Other machinery 1-22-2220	116,536,561.00	117,576,935.00	1,040,374.00
Military weapon systems 1-22-2300	-	-	-
Cultivated plants and animals 1-22-3000	156,659.00	156,659.00	(0.00)
Total	771,408,762.00	784,106,460.00	12,697,698.00

Mainly, the adjustment of the opening balance is caused by a one-time revaluation of fixed assets, namely:

- **8,042,174.00** GEL - LEPL - Ivane Javakhishvili Tbilisi State University, the building of the National Scientific Library located in the second lane of Merab Aleksidze street was revalued;
- **2,621,189.00** GEL - LEPL - Georgian Technical University, the non-residential building was revalued in order to determine the market value, as an asset exchange was carried out between the Technical University and “Khidis Tavi” LLC. Difference is covered in amount;
- **620,472.00** GEL - LEPL - Ilia State University, vehicles are revalued for one time;
- **216,987.00** GEL - LEPL - Tbilisi State Medical University, annulled assets are evaluated by independent experts;
- **1,164,726.00** GEL - LEPL - Samtskhe-Javakheti State University, adding the value of educational (“professional programs”) buildings located in Akhalkalaki, which were transferred by the educational infrastructure in 2023, although the rehabilitation works were completed in 2022;
- **32,150.00** GEL - LEPL - Gori State Teaching University, which is a one-time evaluation of other machinery and equipment.

In the reporting period of 2023, the higher educational institutions received the assets in the amount of **4,848,256** GEL free of charge from the organizations under the control of the Ministry, as well as from various international organizations of the same level, which are recorded in receipt of grants, of which **2,191,727** GEL are subject to elimination.

Account	Amount subject to elimination
1-14-1420 - Rest of other materials and supplies	33,161
1-22-1200 - Non-residential buildings	1,484,978
1-22-1300 - Other premises	706,655
1-22-2220 - Other machinery	94
Total	2,224,400

In the reporting period of 2023, the higher educational institutions transferred the assets of **7,315,384** GEL free of charge from the organizations under the control of the Ministry, as well as to various organizations of the same level, which are recorded in inflow of grants. **220,256** GEL of these assets are subject to elimination.

Account	Amount subject to elimination
1-14-1410 - Low-value assets	45,824
1-22-1200 - Non-residential buildings	43,513
1-22-1300 - Other premises	760
1-22-2220 - Other machinery	63,531
1-22-1500 - Land	112,451
Total	266,080

The assets of **773,981** GEL were written off during the year, which is also recorded in the note S16 - Fixed assets depreciation expenses.

952,292,183 GEL was credited to the closing balance of the fixed assets as of 31.12.2023.

Note №8 - Intangible assets: The Opening balance of the intangible assets in the amount **5,860,824** GEL was credited on 01.01.2023. The recalculated opening balance amounts to **5,865,201** GEL. The difference was corrected by retrospective

recalculation, which represents the adjustment of depreciation incorrectly charged by LEPL - Georgian Technical University in the amount of 4,377 GEL.

In the reporting period, the intangible assets with a residual value of **43,290** GEL were depreciated and written off, which is also recorded in the note S16 - Intangible assets impairment costs.

Closing balance of the intangible assets as of 31.12.2023 amounts to **6,273,120** GEL.

Note №11 – Other non-financial long-term assets. The opening balance of unfinished construction of other non-financial long-term assets amounted to **2,403,974** GEL on 01.01.2023. And the closing balance of the reporting period amounted to **2,697,843** GEL as of 31.12.2023.

During the reporting period, LEPL - Tbilisi State University sold an unfinished building with a balance value of **130,864** GEL, located in Bagebi, on Tskneti highway, and it was written off from the financial statements.

Note №12 - Short-term and long-term financial liabilities: The balance on the account №2-22-2100 - long-term non-budgetary borrowings in national currency, amounts to **215,984.00** GEL at the beginning of the year and at the end of the year and represents the long-term loan of the university clinics of LEPL - Tbilisi State Medical University in GEL. The clinics signed the agreements with insurance companies for reimbursement of patients' treatment costs. JSC "Medical Insurance Group Archimedes Global Georgia" went bankrupt and could no longer reimburse the clinics for the work already done. Instead, the Ministry of Labour, Health and Social Affairs of Georgia signed an agreement with the clinics and allocated a loan of **215,984.00** GEL for the period of 25 years.

Note №13 - Accounts payable, provisions and other liabilities: The opening balance of Accounts payable, provisions and other liabilities for the year 01.01.2023, the consolidated statement in the note S13 - Short-term accounts payable 2-13-0000 and Other short-term (current) liabilities (2-15-0000) amounted to **104,391,382** GEL. Based on the financial statements submitted by the organizations, the recalculated opening balance of the reporting period amounted to **104,596,718** GEL. Adjusted opening balance is increased by 205,336 GEL. which is caused by the recalculation of the opening balance of LEPL - Ilia State University, LEPL - Georgian Technical University and LEPL - Akaki Tsereteli University, in particular:

- Adjusted balance of LEPL - Georgian Technical University amounts to 2,840 GEL, which was technically missing in the financial statements in 2022 and was corrected retrospectively in the financial statements of 2023, the amount of 2,840 GEL of the National Environment Agency was recognized as the accounts payable.
- The balance of the short-term accounts payable related to supply of goods and services of LEPL - Akaki Tsereteli State University was recalculated as of December 31, 2022 and **16,050** GEL subjected to correction, as a result of which the opening balance was increased.
- LEPL - Sokhumi State University clarified the accounts, in particular other non-tax incomes received as short-term (current) advances in the opening balance of the account 2-15-1230 were reduced and the short-term accounts payable related to provision of non-financial assets in the opening balance of the account 2-13-6000 was increased by **5,345** GEL.
- Short-term accounts payable of LEPL - Ilia State University amounted to **17,752,670** GEL as of January 1, 2023. The opening balance was recalculated and amounted to **17,939,116.00** GEL, the adjustment amounts to **186,446** GEL; the above-mentioned changes are caused in some cases by reduction of accounts payable and in some cases - by increase of accounts receivable due to recognition of income and expenses in 2022, *inter alia* adjustments were made in the part of accrued salaries, cash rewards, in relation to land, property and insurance taxes, in the part of recognition of income from targeted grants, in the part of assets received for free, etc.

As of 31.12.2021, according to the **Note №13** of the consolidated financial statements, total accounts payable amounted to **112,671,066** GEL.

Note №14 - Incomes from taxes, grants, etc.: On the account №4-31-1200 - Funds received from international organizations - the income of 2022 was adjusted and reduced by **187,433** GEL (adjustment of over-recognized targeted grant income in 2022) and the initial balance of accounts payable was adjusted by the same amount. This change was recorded in the financial statements of LEPL - Ilia State University.

In the account №4-31-1310 – Funds received from state entities of the same level - the income of 2022 was adjusted in relation to international targeted grants by **2,010.82** GEL, accordingly, the initial accounts payable were adjusted by the above-mentioned amount.

In the account №4-32-1200 - Commodity assets received from international organizations - the income of 2022 was corrected by 2,597 GEL by LEPL - Ilia State University.

In the account №4-32-1310 - Commodity assets received from state entities of the same level - the income of 2022 was adjusted. LEPL - Samtskhe-Javakheti State University adjusted the income of the previous year by 1,164,948 GEL, which is an asset transferred from the Infrastructure Agency in 2022, which is also recorded in the opening balance adjustment in the Note S6.

In the account №4-44-0000 - Incomes from sanctions, fines and penalties - the income of 2022 was adjusted. The income of 2022 was increased by 676,529 GEL, the income of 2022 with current external transfers amounted to 745,244 GEL, and the adjusted income amounted to 1,421,773 GEL. Above-mentioned changes were implemented by LEPL - Ilia State University.

In the account №4-44-0000 - Incomes from sanctions, fines and penalties – the opening balances of the year are adjusted by 676,529 GEL by LEPL - Ilia State University.

From this: adjustment amounted to 676,529 GEL; 1) 673,015.28 GEL was the fine incurred for violation of the condition of payment of the tuition fees for the year of 2022 (according to the recommendation of the state audit); 2) 3,433.80 GEL was accrued as the fine incurred for violation of the terms and conditions of the research services agreement of 2022; 3) 64.56 GEL was accrued as the fine in the income due to violation of the terms and conditions of the agreement; 4) 15.98 GEL was accrued as the fine in the income due to violation of the terms and conditions of the agreement.

In the account №4-45-0000 - Incomes from external transfers not classified elsewhere - the income for 2022 was reduced by 260,639 GEL, the income for 2022 with current external transfers amounted to 2,053,980 GEL, and the adjusted income was 1,793,341 GEL. Above-mentioned changes were carried out by;

1. LEPL - Ilia State University State (+16,361 GEL) - 761.07 GEL was transferred free of charge through a voluntary transfer; 15,600 GEL was a voluntary transfer in the form of a cash donation
2. The funds of LEPL - Technical University (-277,000 GEL).

Turnover for the reporting period of 2023

In the account № 4-32-0000 - Current and capital assets received in kind in the reporting year – the higher educational institutions received a total of 5,206,777 GEL assets free of charge, including: 358,521 GEL with current grants and 4,848,256 GEL - with capital grants.

In the account № 4-44-0000 - Incomes from sanctions, fines and penalties – 1,599,319 GEL was credited, reflecting the income received from fines and sanctions imposed due to violation of the terms and conditions of various agreements.

In the account №4-45-0000 - Incomes from external transfers - not classified elsewhere - it totals 162,895,103 GEL.

Funding of the budget of 2023 of the higher educational institutions totaled 46,724,395 GEL, including capital funding of 790,106 GEL, in particular:

Funding according to budget codes:	Total sum	Including capital
Program code 32 04 05	13'788'339.02	790'106.19
Program code 32 05 04	25'506'556.83	
Program code 32 04 02 06	7'429'500	
	46'724'395.85	790'106.19

Note №15 – Incomes from exchange transactions: Turnover of the account №4-41-1000 - Interest incomes – of 2022 amounted to 8,198,448 GEL, which was adjusted and increased by 303,767 GEL, thus the adjustment is recorded and the turnover of the interest incomes of 2022 amounts to 8,502,215 GEL. Above-mentioned change was carried out by LEPL - Ilia State University.

- Turnover of the account №4-42-1000 - Income from provision of services - of 2022 amounted to 309,314,881 GEL, which was adjusted and increased by 636,312 GEL, accordingly the adjustment is recorded and the income from provision of services of 2022 is 309,951.193 GEL. Above-mentioned change was implemented as follows:
 - Income of LEPL - Ivane Javakishvili Tbilisi State University is increased by 610,341 GEL;
 - Income of LEPL - Ilia State University is decreased by 89,219 GEL;
 - Income of LEPL - Akaki Tsereteli State University is increased by 115,190 GEL.

- **The income from property accrued in 2023** totaled **9,735,518** GEL, including interest incomes - 9,302,154.00 GEL, and income from dividends - 433,364.00 GEL;
- **In 2023, the incomes accrued from sales of goods and services totaled 322,738,869.00 GEL**, including income from sales of goods - 883,215.00 GEL and income from services - 44,106,205.00 GEL.
- **In 2023, the income received from sale of long-term assets amounted to 2,390,303.00 GEL.** LEPL - Ivane Javakhishvili Tbilisi State University sold a building and a plot of land in Rustavi for 2,810,000 GEL, including VAT - 429,637 GEL, actual income - 2,381,363 GEL. LEPL - Ilia State University received 8,940 GEL from the main sale.

Note №16 - Doubtful (bad) debts / depreciations / impairment expenses and incomes from reversal

Account № 5-91-0000 - Expenses of doubtful/bad debts - turnover of 2022 amounted to **1,131,417** GEL. Above turnover was adjusted and increased by **673,015** GEL. Recalculated turnover of 2022 amounted to **1,804,432** GEL. Aforementioned change was implemented in the financial statements of LEPL - Ilia State University.

The incomes from reversal of depreciation amounted to **290,110** GEL by 31.12.2023. Depreciation costs were **11,999,453** GEL. **11,182,108** GEL in the expenses of doubtful/bad debts also includes the tuition fee arrears of status-suspended students, which were written off in 2023 (on the basis of the Ordinance N378 of the Government of Georgia, dated 03.10.2023.) (Note - the tuition fee arrears of status-suspended students are removed from suspicious debts provisions by LEPL- Ilia State University).

About the tuition fee debt of the status-suspended students, which was written off in 2023 (based on the resolution N378 of the Government of Georgia, dated 03.10.2023.)			
№	Title	Expense	Excerpt from explanatory cards received by the higher education institutions
1	LEPL - Ivane Javakhishvili Tbilisi State University	2,125,774.00	The tuition fee arrears of status-suspended students (account №1-13-6000) are written off in the depreciation article, based on the Ordinance №378 of the Government of Georgia, dated 03.10.2023.
2	LEPL - Georgian Technical University	2,471,330.00	The tuition fee arrears of status-suspended students (account №1-13-6000) are written off in the depreciation article, based on the Ordinance №378 of the Government of Georgia, dated 03.10.2023.
3	LEPL - Ilia State University	2'205'188.76	In 2023, the tuition fee debt of the students in the amount of 2,770,504 GEL was written-off, credited to the account №1-13-6000 by the order of the Prime Minister.
4	LEPL - Tbilisi State Medical University	507,486.10	Debt of 329 status- suspended students was written-off.
5	LEPL - Akaki Treseteli State University	2,278,075.00	The tuition fee arrears of status-suspended students (account №1-13-6000) are written off in the depreciation article, based on the Ordinance №378 of the Government of Georgia, dated 03.10.2023.
6	LEPL - Iakob Gogebashvili Telavi State University	289,166.00	On the basis of the Memorandum (№35) signed between the Minister of Education of Georgia and the Minister of Finance of Georgia and the Protocol №18 of the Ordinance of the University Representative Council for the purpose of promotion of the education of the status-suspended students, the annulled debt amounted to 289,166 GEL.
7	LEPL - Sokhumi State University	0.00	In 2023, no debt write-off is shown. The tuition debt write-off for the status-suspended students is provided in 2024.
8	LEPL - Samtskhe-Javakheti State University	200,055.00	During 2023, the accounts receivable of the tuition fee were decreased, i.e., the debt for the years 2018-2022 was repaid by 9,865 GEL. According to the Ordinance N378 of the Government of Georgia "On the measures to be taken for promotion of the studies of status-suspended students in the higher educational institution of Georgia", dated October 3, 2023, 182,612 GEL was written off (annulled) to the status-suspended students on the basis of the financial debt existing as of August 1, 2018-2023 (Ordinances of the Representative Council of Samtskhe-Javakheti State University: №16, 20.10.2023, №17, 26.10.2023 and №19, 10.11.2023), and the debt of 2017 in the amount of 17,443.0 GEL was written off by the Ordinance N26 of the Representative Council, dated 25.12.2023.
9	LEPL - Shota Meskhia Zugdidi State University	604'613	The tuition fee arrears of status-suspended students (account №1-13-6000) are written off in the depreciation article, based on the Ordinance N378 of the Government of Georgia, dated 03.10.2023.
10	LEPL - Batumi Shota Rustaveli State University	95,630.40	The tuition fee arrears of status-suspended students (account №1-13-6000) are written off in the depreciation article, based on the Ordinance N378 of the Government of Georgia, dated 03.10.2023.

11	LEPL - Gori State Teaching University	82,803.00	The tuition fee arrears of status-suspended students (account №1-13-6000) are written off in the depreciation article, based on the Ordinance N378 of the Government of Georgia, dated 03.10.2023.
	Total	10,860,121.26	

Note №17 - Accrued expenses, grants and subsidies- 17: Expenses of 2022 have been adjusted and turnovers for 2022 are reduced in some cases and increased in some cases, namely:

Account number and name	Turnover of 2022	Adjusted turnover of 2022	Difference
Salaries 5-10-0000	152,464,169	152,503,419.00	+39,250
Costs of goods and services 5-20-0000	135,436,125	135,579,493.00	+143,368
Including salary of freelancers 5-20-1000	90,048,852	90,073,028.00	+24,176
Current transfers not elsewhere classified 5-73-1000	24,466,838	24,069,536.00	-397,302
Expenses related to the property, other than interest 5-74-0000	679,968	543,039.00	-136,929

In the reporting period of 2023:

- In the account №5-10-0000 - Salaries - 158,844,058.00 GEL is transferred from both budget and non-budget funds;
- In the account №5-20-0000 - Costs of goods and services – 155,655,803 GEL is transferred;
- In the account №5-40-000 - Depreciation and amortization expenses – 25,708,543 GEL is transferred;
- In the account №5-50-0000 - Expenses with internal transfers- 22,309,463 GEL is transferred. Above-mentioned expenses include the expenses incurred from the targeted grants received by the organizations;
- In the account №5-60-0000 - Social assistance/security – 900,674 GEL is transferred;
- In the account №5-70-0000 – Other expenses - 24,510,00 GEL is transferred;
- In the account №5-31-000 - Grants in monetary form - 937,858 GEL is transferred;
- In the account №5-32-0000 - Grants on kind – 7,361,208 GEL is transferred;
- In the account №5-34-0000- Subsidies to private entities- 12,500 GEL is transferred;
- In the account №5-35-0000 – Subsidies to other sectors – 27,156,193 GEL is transferred.

Note №18 - Various incomes and expenses: Account №4-81-2000 - Profit from holdings as a result of recalculation of liabilities in foreign currency – Turnover of 2022 amounted to 53.050 GEL, LEPL - Ilia State University adjusted the turnover of 2022 and increased the profit from holdings as a result of recalculation of liabilities in foreign currency by **8,257** GEL. Adjusted turnover of 2022 amounted to **61,307** GEL.

For the reporting period of 2023:

- Account №4-81-8000 - Profit from holdings as a result of recalculation of liabilities in foreign currency – Intercourse income received between the courses amounts to 15,499,831.00 GEL;
- Account №5-81-0000 - Loss arising from holdings as a result of recalculation of liabilities in foreign - Losses arising due to changes in foreign currency exchange rates amounted to **744,681.00** GEL;
- Account №5-82-3000 - Losses arising from holding investments accounted for by the equity method amounted to **3,869,834.00** GEL, which is the amount of financial assets revalued using the equity method.

Reference reports:

Reference reports		Balance of 31.12.2023	Balance of 01.01.2023
Fixed assets received from operating leases	01	-	-
Assets received for responsible custody	02	2,805,776.00	3,364,315.00
Written off debts of insolvent debtors	03	16,919,989.00	14,317,022.00
Material stocks written off in costs in operation	04	37,629,056.00	35,346,578.00
Contingent assets	05	-	-

Contingent liabilities	06	-	-
Creation of equity with own funds	07	902,171.00	3,409,329.00
Fully depreciated/amortized assets in service	08	46,426,254.00	49,597,438.00
Overdue debts	09	24,385,390.00	36,349,162.00
Movable property for disposal	10	-	-
Bank guarantees	11	-	-
Written off accounts payable	12	791,996.00	785,334.00

Statement of financial position - Form N1: The closing balances of the previous accounting period in the Form N1 are adjusted in accordance with the adjustments in the notes above. In particular:

Line code	Title	Note*	Closing balance of the reporting period	Closing balance of the previous reporting period	Opening balance of the previous reporting period	Adjustment
Assets						
<i>Short-term assets</i>						
001	Cash and cash equivalents	S2	96,173,274.00	123,309,717.00	123,309,717.00	-
002	Current investments	S2a	9,775.00	9,775.00	9,775.00	-
003	Short-term (current) accounts receivable	S2a	90,503,404.00	104,565,377.00	92,415,725.00	12,149,652.00
004	Inventory	S3	18,064,273.00	18,128,120.00	18,352,848.00	(224,728.00)
005	Total short-term (current) assets	S4	64,930,233.00	15,114,197.00	15,122,038.00	(7,841.00)
006	Total current assets		269,681,771.00	261,127,186.00	249,210,103.00	11,917,083.00
<i>Long-term assets</i>						
007	Long-term financial assets	S5	40,415,307.00	44,285,141.00	44,285,141.00	-
008	Fixed assets	S6	952,292,183.00	784,106,460.00	771,408,762.00	12,697,698.00
009	Investment property	S7	-	-	-	-
010	Intangible assets	S8	6,273,120.00	5,865,201.00	5,860,824.00	4,377.00
011	Preferred service assets	S9	-	-	-	-
012	Financial leased assets	S10	-	-	-	-
013	Other long-term non-financial assets	S11	2,697,843.00	2,403,974.00	2,403,974.00	-
014	Total non-current assets		1,001,678,453.00	836,660,776.00	823,958,701.00	12,702,075.00
015	Total assets		1,271,359,412.00	1,097,787,962.00	1,073,168,804.00	24,619,158.00
Liabilities						
<i>Short-term liabilities</i>						
016	Short-term liabilities with securities	S12	-	-	-	-
017	Short-term borrowings	S12	-	-	-	-
018	Short-term accounts payable, except for interest	S13a	9,064,997.00	9,981,671.00	9,970,281.00	11,390.00
019	Interest payable	S13a	-	-	-	-
020	Current provisions	S13b	25,220.00	39,568.00	39,568.00	-
021	Other current liabilities	S13a	103,605,194.00	94,615,047.00	94,421,101.00	193,946.00
022	Liabilities with temporarily subscribed funds	N13a	28,670.00	7,396.00	7,396.00	-
023	Total current liabilities		112,724,081.00	104,643,682.00	104,438,346.00	205,336.00
<i>Long-term liabilities</i>						
024	Long-term liabilities with securities	S12	-	-	-	-
025	Long-term borrowings	S12	215,984.00	215,984.00	215,984.00	-
026	Long-term accounts payable with financial leases	S10	-	-	-	-
027	Long-term accounts payable defined in preferential service agreements	S9	-	-	-	-
028	Long-term provisions	S13b	81,568.00	70,757.00	70,757.00	-
029	Long-term accounts payable	S13a	1,847,313.00	835,521.00	835,521.00	-
030	Total long-term liabilities		2,144,865.00	1,122,262.00	1,122,262.00	-
031	Total liabilities		114,868,946.00	105,765,944.00	105,560,608.00	205,336.00
Net assets / Equity						
031	Authorized capital	F4	-	-	-	-
032	Undistributed surplus/deficit	F4	1,156,490,466.00	992,022,018.00	967,608,196.00	24,413,822.00
033	Reserves	F4	-	-	-	-
034	Total net assets / equity		1,156,490,466.00	992,022,018.00	967,608,196.00	24,413,822.00
035	Total liabilities and net assets / equity		1,271,359,412.00	1,097,787,962.00	1,073,168,804.00	24,619,158.00

Statement of changes in net assets/equity - Form N4: In Form N4, the opening balance was changed by retrospective application of accounting policy, retrospective recalculation of material errors of previous periods and adjustments as a result of one-time revaluation.

The table below presents the sum of adjustments to income and expenses in previous period.

Statement of changes in net assets/equity							
Reporting period							
Line code	Title	Note 1	Equity	Undistributed surplus/deficit		Reserves	Total net assets / equity
				Budget funds	Non-budget funds		
001	Opening balance		-	349,887,884.00	617,720,312.00	-	967,608,196.00
002	Retrospective application of changes in the accounting policies	S1		-	-	-	-
003	Retrospective recalculation of significant errors of previous periods	S1		1,407,364.00	12,097,155.00	-	13,504,519.00
004	Adjustments as a result of one-time revaluation	N1		8,125,546.00	2,783,757.00	-	10,909,303.00
005	Adjustments as a result of other changes in equity	N1		1,223.00	(1,223.00)	-	-
006	Recalculated opening balance		-	359,422,017.00	632,600,001.00	-	992,022,018.00
Changes in net assets/equity				-	-	-	-
007	Equity contributions		-	-	-	-	-
008	Equity withdrawal		-	-	-	-	-
009	Increase/decrease in reserves	N5		-	-	-	-
010	Surplus/deficit for the period			97,498,082.00	66,973,610.00	-	164,471,692.00
011	Funds to be distributed to owners			-	-	-	-
012	Closing balance			456,920,099.00	699,573,611.00	-	1,156,493,710.00

Explanatory cards for financial statements of the higher educational institutions for 2023

N	Name of the organization	32 04 05
N1	LEPL - Ivane Javakhishvili Tbilisi State University	32 04 05 02
N2	LEPL - Georgian Technical University	32 04 05 03
N3	LEPL - Ilia State University	32 04 05 04
N4	LEPL - Tbilisi State Medical University	32 04 05 05
N5	LEPL - Akaki Treseteli State University	32 04 05 06
N6	LEPL - Iakob Gogebashvili Telavi State University	32 04 05 07
N7	LEPL - Sokhumi State University	32 04 05 08
N8	LEPL - Samtskhe-Javakheti State University	32 04 05 09
N9	LEPL - Shota Meskhia Zugdidi State University	32 04 05 10
N10	LEPL - Batumi Shota Rustaveli State University	32 04 05 11
N11	LEPL - Gori State Teaching University	32 04 05 12

LEPL - Ivane Javakhishvili Tbilisi State University

As of December 31, 2023, incomes are received from budget financing and economic incomes. Cash income received from the budget financing amounted to 17,788,273.00 GEL.

Including:

Funding of scientific research institutes

Organization code 32 05 04 02 – 13,484,057.00 GEL

State scholarship 32 04 02 06 02 _ 1,976,400.00 GEL

Program funding 32 04 05 02 02 – 279,007.00 GEL

Targeted grant funding 32 04 05 02 01 - 2,048,809.00 GEL

Cash expenditure is recognized as cash income of the targeted grant.

Cash income received from economic activity amounts to 76,853,149.00 GEL, of which 3,375.00 GEL is for (N(N)LE) Georgian University Society (32 04 05 02 0) and 1,890,179.00 GEL – for N(N)LE Basketball Club BC TSU (32 04 05 02 05).

1,197,214.00 GEL - current grants from state entities of other level

Including:

7,577,289 GEL - Rustaveli Foundation (32 04 05 02 04);

465,299 GEL - program funding of the Ministry of Education (ABE) (32 04 05 02 02);

1,202,512.00 GEL - grant;

59,324 GEL - grant financed by Ilia University (32 04 05 02 01);

49,256 GEL - grant financed by Sukhumi University;

1,549,875.00 GEL - capital grant;

Including Program funding of the Ministry of Education (ABE) – 42,201.00 (7910 – repaid unspent);

Infrastructure financing – 534,541.00 (21,337 – repaid unappropriated);

Grant – 623,773.00 (24,054 - repaid unappropriated); 50,000.00 - financing of the Ministry of Culture and Sports.

41,845,198.00 GEL - tuition fees;

23,970,066.00 GEL - voucher financing of education;

1,368,281 GEL - % charged on the time deposit opened in Bank of Georgia;

66,851 GEL – lease tax;

1,182,202 GEL - fee for services rendered and work performed;

3,000,000.00 GEL – transferred by the state for the sold building;

Miscellaneous income – 5,446,151 GEL.

14,017,111.00 GEL was transferred from the sale of the building to the Bank of Georgia and is recorded in the Note №2. The total balance of current (7 207 751.00) and time deposit (11 300 000.00) accounts in the Bank of Georgia amounts to 18,507,751 GEL and miscellaneous incomes, of which 640 GEL is the balance on the corporate business card of the Bank of Georgia as of December 31, which was erroneously transferred to the current account of the Bank of Georgia. The error was corrected in 2024 and 640 GEL was transferred to the Treasury on the TSU treasury code.

Note 2-a

The balance of the **account №1-13-1230** at the beginning of the year amounts to **2,234,873** GEL, including 2,188,697 GEL - own funds of TSU; 30507 – N(N)LE - Basketball Club BC TSU; 4,500 GEL - N(N)LE - Educational Scientific Research Center; 11,169 GEL - N(N)LE Georgian University Society.

The opening balance of the account **№1-13-1220** is increased by 40,813 GEL (provided by the Treasury from the revenues of 2024) and adjusted retrospectively in the Form 4. The balance amounts to 1,775,103 GEL as of December 31, 2023, including 1,759,507 GEL - own funds of TSU; 1052.00 - N(N)LE - Basketball Club BC TSU; 14,544.00 GEL - N(N)LE Georgian University Society.

The tuition fee arrears of status-suspended students (account №1-13-6000) are written off in the depreciation article of the account **1-13-6000**, based on the Ordinance №378 of the Government of Georgia, dated 03.10.2023.

The opening balance of the account **№1-13-2100** - Income tax is reduced by 152,585 GEL. In 2022, the University has transferred the income tax from funding of the students' tuition fees, but the funding operation was missed, therefore 152,585 GEL was recorded in the surplus. The error was corrected retrospectively and was also recorded in the Form 4 and accordingly in the Form 2.

(Note 3) The literature worth 1,247 GEL published by the Ministry of Education and Science of Georgia and the literature worth 45 GEL from the Professional Development Foundation are recorded in the receipt of the low-value items, in the Grant article, totaling 1,292 GEL.

Low-value office furniture of **84,178** GEL transferred free of charge by Bank of Georgia is recorded in the article of receipt by external transfer. The low-value items of **882,582** GEL were transferred from the warehouse to operation and written off in the expenses of the following period - transferred to the off-balance sheet account.

Other inflows of **finished goods inventory** include literature published by the University publishing house with a cost value of 182,977 GEL, of which the books worth 27,179 GEL were donated to the library fund, the books worth 41,299 GEL were sold in 2023, the books worth 18,045 GEL were given to the authors - this is recorded in the article "In kind compensation". The article "Creation of equity with own funds" reflects the cost value of the books transferred and sold to the library fund: 27,179+41,299, total 68.478 GEL.

Note 6 - Buildings with a total value of **2,367,470** GEL in Rustavi and Tabakhmela together with the attached land (1,781,768 GEL) and buildings (initial value of 21,543 GEL), as well as the unfinished building with a balance value of 130,864 GEL on the Tskneti highway, Bagebi, together with the land plot with a balance value of 29,970 00 GEL, were written off from **the financial statements**.

1. The building and land plot of **Tabakhmela** listed on the University's balance sheet was alienated by the State, namely:
 - Building: original value – 2,323,858 GEL, accumulated depreciation – 314,292 GEL, residual balance value – 2,009,566 GEL;
 - Land plot – 1,781,768 GEL;
 - Premises: original value – 21,543 GEL, accumulated depreciation – 20,934 GEL, residual value - 609 GEL.
2. **On Tskneti highway in Bagebi** - an unfinished building with a balance value of 130,864 GEL together with a land plot, the balance value of which amounts to 2997000 GEL.
3. The University sold its building, **located in the city of Rustavi**, the original value of which is 43612 GEL, the accumulated depreciation - 4924 GEL, the residual value - 38688 GEL and the land plot which the above building was located.

In the Note 6, in the outflow sale item, the property sold by the university is recorded at residual value, the property sold by the State is recorded in the grant outflow at residual value. Other outflows reflect the accumulated depreciation of written-off real estate.

The buildings were alienated through the following procedures:

1. №58, Tskneti Highway (Bagebi), Tbilisi

In December 2021, we were informed by the letter N6/79152 of National Agency of State Property, dated 22.12.2021, sent to the University (addressee: TSU and the Ministry of Education and Science of Georgia), that based on the application of "Hollywood Film Academy", the Agency was considering the issue of privatization of 40,500 m² non-agricultural land plot and the buildings and structures on it (cadastral code: 01.14.09.004.038), owned by the State and used by LEPL - Ivane Javakhishvili Tbilisi State University, located at the address: N58, Tskneti Highway, Tbilisi. The buyer of the property had to deposit 8,900,000.00 (eight million nine hundred thousand) GEL for the benefit of the University as a condition of privatization.

National Agency of State Property requested the University's position on the issue. In February 2022, the Representative Council of the University discussed the issue of privatization of the above-mentioned property and gave consent to its privatization under the conditions outlined in the letter of the National Agency of State Property.

In February 2022, the University applied to the Ministry of Education and Science of Georgia and informed that the University had made a decision regarding alienation of the property and asked for written consent regarding this issue.

With the letter MES 22 0000220650, dated March 2, 2022, the Ministry of Education and Science of Georgia, taking into account the decision of the Representative Council of the University, agreed to transfer of money (8 900 000.00 GEL) to the University and the construction of a new building by the buyer of the property.

On March 7, 2022, with the letter №3286/02-03-07, the University applied for written consent to the Ministry of Economy and Sustainable Development of Georgia, where it informed that such consent has already been received from the Ministry of Education and Science of Georgia. In the letter №04/1416, dated March 09, 2022, the Ministry of Economy and Sustainable Development informed us that the Ministry has considered and within its competence is not against disposing of state property in the form of an auction in the manner provided for by the applicable legislation of Georgia.

On March 15, 2022, with the letter №3956/02-03-07, the University informed the National Agency of State Property that LEPL - Ivane Javakhishvili Tbilisi State University has no objection to privatization of 40,500 m² non-agricultural land plot and the buildings and structures on it (cadastral code: 01.14.09.004.038), owned by the State and used by the University, located at the address: №58, Tskneti Highway, Tbilisi, provided that 8,900,000 GEL will be credited to the University's account (Treasury code №708967635).

From January 13, 2023, LTD - Georgian National University SEU (ID code: 208215509) is registered as the owner of the above-mentioned property in the extract from Public Register.

8 900 000.00 GEL was credited to the University's account on February 6.

Alienated property was written off from TSU's balance sheet:

1. Unfinished building with balance value – 130,864.00 GEL;
2. Non-agricultural land plot of 40,500 m² with balance value of 2,997,000.00 GEL.

2. Village Tabakhmela

According to the letter N6/9776 of National Agency of State Property received by the University on February 21, 2023, the Agency was considering the issue of privatization of the non-agricultural land plot of 26,217 m², with the buildings and structures on it (cadastral code 81.02.07.462, new registration code 01.81.02.253.004), owned by the State and used by the University, located at the address: N31, Tamar Mepe Str., village Tabakhmela, Tbilisi and the state-owned non-agricultural land plot in village Tabakhmela (ID code: 01.81.02.253.004), which was not transferred with the right to use, but was credited to the University's balance sheet, under the condition of privatization, that 50% of the market value of both properties would be credited to the appropriate account of the University after disposal.

In the letter N MES2 23 0000410584 of the Ministry of Education and Science of Georgia received on April 11, 2023, the Ministry informed us that it had discussed the above-mentioned issue and expressed its consent to privatization of the land plots located in village Tabakhmela (cadastral code: 81.02.29.353 and cadastral code: 01.081.02.253.004 - new registration code), provided that after disposal, 50% of the market value of both properties would be credited to the account of LEPL - Ivane Javakhishvili Tbilisi State University. "Georgian Trading House" LLC was registered as the owner according to the extract of from Public Registry cadastral code № 01.81.02.253.004 on 03.10.2023, and on 26.10.2023, 2,307,111.00 GEL was credited to the University's account. The sales agreement was signed on 25.08.2023.

As a result, following was written-off:

1. Building: original value - 2323858 GEL, accumulated depreciation - 314292 GEL, residual balance value - 2009566 GEL;
2. Land plot - 1781768 GEL;
3. Building: original value - 21543, accumulated depreciation - 20934 GEL, residual value - 609 GEL.

3. Rustavi

On December 29, 2020, with the letter N12948/02-03-07, the University applied to the Ministry of Education, Science, Sports and Culture of Georgia to grant approval on privatization of property owned by the University based on the Article 85(1) of the Law of Georgia "On Higher Education", located at the address: micro-district XV, Rustavi (cadastral code: 02.03.02.279) according to the procedure prescribed by the applicable legislation on property (Decision made by the Representative Council of the University at the meeting №3 on October 1, 2020).

The letter № MES 3 20 0001209176 of the Ministry of Education and Science of Georgia, dated 17.12.2020, informed us that the Ministry had no objection to privatization of the property owned by LEPL - Ivane Javakhishvili Tbilisi State University in accordance with the applicable legislation.

With the letter № 13243/02-03-07, dated December 21, 2020, the University applied to the Ministry of Economy and Sustainable Development of Georgia for approval regarding the above-mentioned issue.

With the letter № 04/3576, dated June 8, 2021, the Ministry of Economy and Sustainable Development of Georgia informed us that, taking into account the position of the Ministry of Education and Science of Georgia fixed in the letter № 13243/02-03-07, it had no objection to privatization of the property owned by the University in accordance with the applicable legislation.

At the auction announced on January 30, 2023 (eAuction.ge), “Rustavi 2015” LLC won for 2810005.00 GEL. A sales agreement was signed by and between the University and “Rustavi 2015” LLC on February 27, 2023.

As a result:

1. Original value of the building is 43612 GEL.
2. Accumulated depreciation - 4924 GEL.
3. Residual value - 38688 GEL.
4. And the plot of land on which the said building was located.

Payment was carried out in two stages:

An advance payment in the amount of 560,000.00 GEL was credited on January 30, 2023, and 2,250,005.00 GEL - on February 16, 2023. Total deposited amount: 2,810,005.00 GEL, including VAT 428,638 GEL, which was transferred to the Budget on March 10, 2023.

The account №1-22-2220 was reduced by 7 GEL in the Grant article, the library books were given free of charge to LEPL - Ilia State University.

In the current year, the building of the National Scientific Library, located in the second lane of Merab Aleksidze street, is valued at **8042174** GEL, the accumulated depreciation of which was 145127 GEL. Based on the valuation the opening balance of the original value of non-residential buildings and the accumulated depreciation were adjusted according to the following calculation: the amount of valuation minus the accumulated depreciation ($8042174 - 145127 = 7897047$), therefore, the original value was increased by **7897047** GEL, and the accumulated depreciation was reduced by the amount of the accumulated depreciation of the valued building (145127 GEL).

The cost of non-residential buildings was increased by **523456** GEL due to the cost of overhaul and the capitalized cost of arrangement of the heating system of the building of High Energy Scientific Research Institute of Physics provided free of charge by the infrastructure amounts to **79710** GEL, which is recorded in the Grant inflow article.

The valuation of the buildings that were transferred without cost is recorded in the receipt by external transfer. A total of five buildings were evaluated for **3387773** GEL, in particular:

1. N2 01, Constitution Street, Tbilisi, cadastral code: 16.01.010.019 - 953393 GEL;
2. N9-18, Tsinandali Street, Tbilisi, cadastral code: 01.17.13.001.318 - 500874 GEL;
3. Tianeti region, townlet Sioni, cadastral code: 73.12.13.453 – 9360 GEL;
4. Tbilisi, between Nutsubidze Street and Intensification Road, cadastral code: 01.14.15.001.433 - 257400 GEL;
5. N47, Merab Kostava Street, Tbilisi, following cadastral codes:

01.15.03.010.190.01.506 - 458343 GEL
01.15.03.010.190.01.507 – 4561435 GEL
01.15.03.010.190.01.508 - 250963 GEL
01.15.03.010.190.01.509 – 74185 GEL
01.15.03.010.190.01.510 – 471820 GEL

Also, the value of the land was increased by 155699520 GEL as a result of valuation of the following land plots:

Address	Cadastral code	Value
University Street, City of Tbilisi	01.14.06.006. 098	4 662 000.00
University Street, City of Tbilisi	01.14.06.006. 063	2 250 000.00
University Street, City of Tbilisi	01.14.04.028. 060	1 569 150.00
N2, Constitution Street, City of Tbilisi	01.16.01.010.019	1 658 700.00

N9-18, Tsinandali Street, City of Tbilisi	01.17.13.001. 318	1 268 000.00
N42- 44, Vazha-Pshavel Avenue, City of Tbilisi	01.10.15.017. 005.01.500	10 907 200.00
N11, Tata (Tatiana) Tvalchrelidze Street, City of Tbilisi	01.14.16.008. 024	7 043 850.00
Vakhushti Bagration Institute of Geography		
Akhmet Region, Village Zemo Khodasheni	50.02.07.058	400
Tianeti Region, Townlet Sioni	73.12.13.453	400 000.00
Tianeti Region, Townlet Sioni	73.12.13.454	15 800.00
Shota Rustaveli Institute of Georgian Literature		
N5 Merab Kostava Street, City of Tbilisi	01.15.03.028. 001	2 543 200.00
T. Tsereteli Institute of State and Law		
N16, Leonidze Street / N1, Kikodze Street, City of Tbilisi	01.15.05.072. 002.01.545	1 944 000.00
Al. Natishvili Institute of Morphology		
N78, Akaki Belashvili Street, City of Tbilisi	01.13.02.009. 015	16 461 850.00
P. Melikishvili Institute of Physical and Organic Chemistry		
N 31a, Anna Politkovskaya Street, City of Tbilisi	01.14.05.006. 117	12 483 900.00
TEUSU		
N 55, Saint Queen Ketevan Avenue, City of Tbilisi	01.17.13.042. 014	10 900 500.00
N 8, Nikea Street, Lane II, City of Kutaisi	03.05.02.452	2 322 100.00
Institute of Inorganic Chemistry and Electrochemistry		
N 11, Mindeli Street, Plot 05/057, City of Tbilisi	01.14.05.005. 057	17 611 200.00
Mtskheta, Territory of Mukhadgverdi	72.12.04.261	87 240.00
El. Andronikashvili Institute of Physics		
N 6, Tamarashvili Street (Plot 42/137), City of Tbilisi	01.14.03.042. 137	33 982 200.00
Mtskheta, Village Mukhadgverdi	72.12.04.459	7 088 520.00
N 35, Mountain Street, Bakuriani	64.10.03.242	1 007 910.00
Mikheil Nodia Institute of Geophysics		
N 1, Aleksidze Street, City of Tbilisi,	01.10.13.040. 104	6 613 600.00
N 7, Bidzina Kvernadze II Lane, City of Tbilisi	01.10.13.023. 160	2 655 400.00
City of Tbilisi, between Nutsudidze Street and Intensification Road	01.14.15.001. 433	198 600.00
National Science Library		
N 1, Aleksidze Street, II Lane, City of Tbilisi,	01.10.13.040.095, 01.10.13.040.096	7 040 000.00
Algeti lane N1, City of Tbilisi	01.18.04.020. 004	718 000.00
Ar. Chikobava Institute of Linguistics		
N 8, Ingorokva Street, City of Tbilisi	01.15.05.068. 002	1 569 600.00
N 2, Bombora I dead-end, City of Tbilisi	01.15.07.004. 002	696 600.00
	Total	155699520.00

The assets received free of charge from various organizations are recorded in the account №1-22-2000 - Receipt of external transfers, namely:

- Total assets of 176,164 GEL from Bank of Georgia;
- Motor vehicle - 82084 GEL;
- Computers and office furniture - 94080 GEL;
- Books from various organizations and individuals for the library fund - 387112 GE L.

In the Note № 11, the article - Values in other non-financial long-term assets – provides for the precious metal products and tools of TSU with the total value of 745538 GEL placed in the safe of Bank of Georgia. In addition, the cost of the construction in progress is reduced by the cost of the sold unfinished building located in Bagebi - **130864** GEL.

Note №13. Since all provisions represent the provisions for litigation costs, the provisions of **39,568** GEL recognized in 2022 were reduced in the current year, as the proceedings had been completed and the claim had been partially satisfied.

The balance of the income account with short-term (current) advances received by grants and other non-exchange transactions totals **1,775,713 GEL**, consisting of pre-credited tranches of Rustaveli Foundation, targeted grant and program financing, *inter alia*, liability of Rustaveli Foundation - 14827028 GEL and 729453 GEL of targeted grant, Infrastructure Agency – 945496 GEL, “Let’s study in Georgia” program of the Ministry of Education (32 04 02 08) – 17491 GEL, including 11020 GEL - capital, CIF grants - 1202512 GEL, grants from LEPLs: Ilia State University - 32858.00 GEL; 875 - agreement N 4 of Rustaveli Foundation.

Other non-tax income received as short-term (current) advances (6152944.00 GEL) reflects prepaid tuition fees.

Note 14-b - The current actual income of non-budget funds received from state entities of the same level amounts to **974820 GEL, including:**

- Funding of Rustaveli Foundation - 836,265 GEL;
- Sokhumi University - 49256 GEL;
- Ilia University - 26467 GEL;
- Funding of Football Federation – 62831 GEL.

Capital – 2522060 GEL, including:

- Infrastructure - 1568155 GEL;
- Rustaveli Foundation - 944040 GEL;
- Free gasification of the building from the infrastructure - 79710 GEL;
- Free books from LEPLs - 8965 GEL.

Budget received from the state entities of other level (account №4-31-1320) - **11207111 GEL** represents the income credited as compensation for the buildings and land sold by the State.

The current income is received from the state entities of the same level - 1292 GEL (account 4-32-1310). Low-value books were received free of charge from the Ministry of Education of Georgi for 1247 GEL and from the Professional Development Agency for 45 GEL.

Accounts №4-31-1200 and №4-31-1320 - 2098455 - Actual incomes of targeted grant

Incomes with external capital transfers not elsewhere classified, account № 4-45-2000 - **95420 643 GEL** - represents the valuation of state-owned buildings and land plots listed on TSU balance sheet, which was transferred without value.

Incomes from external transfers not elsewhere classified – account №4-45-0000 - 1391073 GEL, including:

- Football Federation – 1064327 GEL;
- Bank of Georgia - 230000 GEL;
- Low-value items free of charge - 96746 GEL;

Non-budget - 64 237 926 GEL

Free equipment from the Bank of Georgia - 96746 GEL;

Funding of nominal scholarships – 8000 GEL;

Capital: Vehicle and equipment received free of charge from the Bank of Georgia - 76913 GEL;

63666650 - Evaluation of land plots recorded in ownership.

Note 15 - **Income from the sale of goods and services:**

Income in the amount of **40483 GEL** is received from sale of books published by the University publishing house.

Income received from exchange transactions amounted to **68803596 GEL**, in particular:

- **65059280 GEL** - tuition fees;
- **438862 GEL** - fee for training and retraining courses;
- **1398356 GEL** - funding of vocational training;
- **1328464 GEL** - compensation for work performed by the scientific research institutes.

Income from the sale of goods and services:

- 66196 GEL - lease;
- 511569 GEL – lease tax of the student city;
- 67110 GEL - copying, book publication, article publication, etc.

Income from property - 1,368,280 GEL - interest accrued on current and term accounts opened in Bank of Georgia.

Income received from sale of long-term assets with non-budget funds – University-owned building and land plot sold in Rustavi for 2810000 GEL, including VAT - 429,637 GEL, actual income - 2,381,363 GEL.

Note 16 - According to the Ordinance N373 of the Government, dated 03.10.23, under the article of bad expenses, based on the Order N42/02-01, the accounts receivable of the tuition debts of the status-suspended students in the amount of **2125774 GEL** are written off.

Note 17: Actual expenditure incurred from the budget funding - 14,659,914 GEL consists of following:

- Scientific-research institutes - 13632252 GEL;
- Basic salary - 10780302 GEL;
- Labor remuneration from goods and services - 817395 GEL;
- Premium - 429113 GEL;
- Utility - 812774;
- Business trip - 355336;
- Various current expenses - 437332 GEL;
- From funding of the projects (Hub; Georgian-Ossetian and Georgian-French) – 137453 GEL;
- Expenditure of targeted grant – 890209;

Non-budgetary actual expenditure – 645774 GEL:

From the agreement N143 - 15,000 GEL;

From the agreement N45 - 458829 GEL;

From the agreement N4 - 12875 GEL;

CIF software coverage - 159070 GEL

Account №5-31-1320 - Grants, the residual value of the sold state-owned building and land **6,919,808.00 GEL** is written off (130,864 GEL – construction in progress; 2,009,567 GEL - building; 609 GEL - structure; 4,778,768 GEL - land). The residual value of the owned sold building is written off to the non-budgetary expense account №5-51-0000 - 38688 GEL.

LEPL - Georgian Technical University

LEPL - Georgian Technical University is an autonomous institution, the main purpose of which is to perform higher educational activities and scientific researches. The source of funding is its own and budget funds. The financial statements are prepared as of December 31, 2023. The submitted forms of the financial statements are prepared in accordance with the Order №108 of the Minister of Finance of Georgia “On approval of the instruction for preparation of financial statements and reporting by the budgetary organizations based on the International Public Sector Accounting Standards (IPSASs)” dated May 5, 2020.

The submitted forms of the financial statements were prepared in accordance with the Order N24 of the Minister of Finance of Georgia “On approval of the instruction about the procedure for preparation and submission of financial statements of the budgetary organizations”, dated February 4, 2021, with the accrual method. In exceptional cases, the University applies to the cash method (when accounting for student registration fees, voluntary transfers).

The University uses the FIFO method for recording the inventories. Inventory is recorded in accordance with the standard 12 of the IPSAS. Low-value assets, which the organization uses in the service process, with a value of less than 500 GEL and a term of more than one-year, reusable devices, inventory, equipment, etc. are recorded in the inventory.

Accounting for the fixed assets is carried out in accordance with the IPSAS Standard 17, it is recorded in the statements in the initial (historical) value, which includes the purchase price of the fixed assets, as well as all the expenses related to purchase, acquisition of title and entry into operation. Depreciation on fixed assets is charged in accordance with the Order N289 of the Minister of Finance of Georgia, dated December 2, 2020.

Note №2 - Cash and cash equivalents. As of January 1, 2024, the balance of “Cash and cash equivalents” of the University amounts to **4034 GEL**.

- Current account is opened in JSC Bank of Georgia, balance - 3812 GEL;
- Cash balance on hand is 222 GEL.

In 2023, **48,970 GEL** was transferred to JSC Bank of Georgia for provision of a bank guarantee, which is reserved and is not visible in the bank account of the University, for which a statement from the bank is submitted.

Note №2a - Current investments and amounts receivables (debtors). As of January 1, 2024, the balance of the short-term accounts receivable related to the treasury operations of the University amounted to 1,327,106 GEL, that is the current account for non-budget funds in the treasury - 85,733 GEL, the balance on the foreign currency account of targeted grants is 1,003,342 GEL, the balance of the targeted grant is 191,886 GEL, and the balance of cash in the foreign vault with own funds is 46,145 GEL.

In the reporting period, the opening balance of short-term accounts receivable was recalculated by 61,678 GEL, which was caused by the following circumstances:

1. On September 30, 2019, an exclusive service contract for payroll program was signed by and between the University and JSC Bank of Georgia. In 2021, according to the amended terms and conditions of the agreement, Bank of Georgia had to pay 236,000 GEL per annum to the University (after the written request of the University).

According to the changed terms and conditions, the University should have received 767,000 GEL from October 1, 2019 through December 31, 2022. In 2019-2022, income was recognized using the cash method, and the balance of short-term receivables was also reduced by 59,248 GEL.

Date	Acceptable amount	Received amount/service	Recognized income	Note
01.10.2019	59 000	50 000	50 000	
2020	236 000	10 000	10 000	
2021	236000	65 000	0	Transferred to a third party
2022	236 000	513 000	513 000	
2022		69 750	0	Transferred to a third party
Total	767 000	707 752	573 000	

According to the audit report, the receivables were adjusted by 194,000-134,752=59,748 GEL.

2. The opening balance of adjusted short-term receivables also includes 2430 GEL, which represents the incorrectly charged amounts (1500+600+200+130).

In the reporting period, according to the resolution of the Government of Georgia №378 of October 3, the receivables arising from student tuition fees were written off in the amount of 2,471,330 GEL.

In 2023, the “Billing” Department of the Finance Department carried out a check of tuition fee payments and debts of university students with personal cards of students, as a result of which it was revealed that as of December 31, 2023, the debt of tuition fees amounted to 11,187,389.92 GEL (computer program "VICI").

In addition, as of December 31, 2023, the tuition debt in the accounting program was fixed at 1,930,064.80 GEL.

01.01.2023					31.12.2023
3,662,078.40		40,124,467.90	41,856,481.50		1,930,064.80

Due to the above, it became necessary to adjust the opening balance of 2023 by **9,257,324.90 GEL**. And on the basis of the Ordinance N378 of the Government, dated October 3, 2023 and the orders issued by the University, the account receivables arising from tuition fees were written off by **2,471,330 GEL**.

Note №3 – Inventory. Opening balance of the inventory is recalculated based on the submitted documents. Decrease by **207,212 GEL** is caused by the following circumstances:

- In previous years, the inventory transferred to different structural units was not written off in expenses and were adjusted by 151,194 GEL;

- Scientific literature worth 39,150 GEL, which was produced in the University printing house and transferred to the library in 2017, was not removed from the finished goods inventory.
- Also, in 2022, supplies worth 16,868 GEL, which were put into operation, were not written off in expenses.

During 2023, the inventory worth **1,153,742** GEL was purchased, **28,232** GEL supplies were received free of charge from various LLCs. The University has a printing house, accordingly the raw materials and supplies worth 7924 GEL were withdrawn from the account №1-14-1420, and the raw materials and supplies worth **21,540** GEL were transferred to the work-in process inventory. **22,146** GEL represents the work-in process inventory of the printing house, and **5,279** GEL is the work-in process inventory that has been transferred from the printing house to the store for sale. The inventory of **1,081,700** GEL was spent on goods and services. Diplomas worth **41,970** GEL were transferred to the accountable person, materials worth 7,924 GEL were transferred to the printing house, **2,806** GEL was transferred to the account of paid VAT account. Books worth **4,802** GEL were handed over to the bookstore of STU.

Note №4 – Other short-term (current) assets. Opening balance is recalculated by **5,825** GEL, since the accounts receivable of **6,030** GEL should have been recognized as expenses in 2022, and the accounts receivable is recovered by **205** GEL.

As of December 31, 2023, the University paid **293,062** GEL for goods and services in advance, **28,501** GEL for non-financial assets, and **180,710** GEL represents the deficit revealed as a result of inventory. **3,407,186** GEL represents advance payments to co-participants of the targeted grant.

Note №6 - Fixed assets. Opening balance is recalculated due to the following circumstances:

- The non-residential building was evaluated for the purpose of determination of the market value, as there was an exchange between Technical University and “Khidis Tavi” LLC. The difference is covered in cash.

During 2023, fixed assets were purchased for **1,925,707** GEL. Property of **1,094,384** GEL was transferred free of charge with grants, fixed assets of **34,905** GEL were transferred by private companies with various incomes, and **655,475** GEL was received by barter. Accumulated depreciation is shown in various receipts. Assets worth **150,516** GEL were transferred free of charge with the grant, assets worth **3,399** GEL were transferred to the deficit account. **1,984,722** GEL with various expenses, assets worth **1,103** GEL were written off.

1,195,626 GEL with other outflow consists of: **450,976** GEL of accumulated depreciation of assets written off at outflow and accumulated depreciation of assets transferred free of charge, as well as **744,650** GEL - VAT and unfinished assets, which are outlined in the Note №11.

Depreciation of fixed assets was recalculated by 664,483 GEL - according to the audit report, the accumulated depreciation of fixed assets was adjusted.

Note №8 – Intangible assets. **256** GEL was transferred from the account to the account, assets of **18,704** GEL were written off, and **514,358** GEL represents the accumulated depreciation of the written-off assets. Opening balance of accumulated depreciation was recalculated by **4,377** GEL - according to the audit report, the value of incorrectly charged depreciation was restored.

Note №11 - Other non-financial long-term assets. Assets worth of **447,685** GEL, of which **67,780** GEL represents the VAT of assets purchased with own funds, which is recorded in both inflow and outflow.

Note №13 – Accounts payable, provisions and other liabilities. As of January 1, 2024, short-term accounts payable amounted to **3,113,784** GEL. The opening balance is recalculated by **2,840** GEL, since the accounts payable was not recognized in 2022.

Note №14 - Incomes from taxes, grants, etc. Note №14B - Incomes from grants (in monetary form). **851,029** GEL was received from international organizations, **4,266,652** GEL was received in the part of own funds: funding received from N(N)LE - Professional Skills Agency, funding received from LEPL – Shota Rustaveli National Science Foundation, funding received from LEPL - Iv. Javakishvili Tbilisi State University, funding received from the Ministry of Education and Science of Georgia, funding received from LEPL - Educational and Scientific Infrastructure Development Agency.

Grants received in kind amount to **1,094,384** GEL, which is recorded in the Note №6.

Incomes from current external transfers are received both in monetary form and in kind and amount to **677,667** GEL, which includes fines imposed due to violation of the terms and conditions of the agreement and assets received from various private organizations.

Note №15 - Income from exchange transactions. Income from services actually provided by the University in 2023 amounted to **42,565,861** GEL, which includes various services provided by the University.

Note №16 - Doubtful (bad) debts/depreciation/impairment expenses and income from reversal. Fixed assets are written off in the amount of **19,807** GEL, and **2,471,330** GEL is a write-off of tuition fees (in accordance with the Ordinance N378 of the Government of Georgia, dated October 3, 2023).

Note №17 - accrued expenses. In the reporting period, the actual expenses amounted to **58,125,240** GEL, which were distributed according to the economic classification of expenses.

- **2 508 405** GEL represented the reversal of claim to the income and treasury with the targeted grant, and **53** GEL was the fine paid in the budget.
- Deviation between internal transfer costs, targeted grant cash expenses and grants received in monetary form (item N14). Difference amounts to **1,657,375** GEL. **851,029** GEL was recognized as income. **1,614,502** GEL was transferred in advance to the organizations participating in the grant, and **42,873** GEL was the balance of the grant from previous years, which was already recognized in the income.

Note №18 - Various incomes and expenses. The profit received from exchange rate difference amounts to **16,177** GEL, and the loss from exchange rate difference amounts to **17,746** GEL.

Changes in equity. Equity was adjusted in the part of own funds by **11,879,512** GEL, in the budgetary part (including targeted grant) - by **150,811** GEL.

Details of the adjustments are provided in the attached table.

N	Title	ID code	Share %
1	Partnership "Georgian Lift"	205343608	0%
2	Science and Energy	205005858	0%
3	GTU-SIS LLC	405259474	26%
4	Functional Bioproduct LLC	427736408	10%
5	Design and Expert Institute of Energy Development of Georgia Partnership "Georgian Lift"	404948624	5%
6	Energy Service Partnership "Georgian Lift"	236050722	2%
7	Fire Safety Scientific Research Center	405385649	0%
8	Mining Society of Georgia	205283511	0%
9	Development Foundation of Georgian Technical University	405586325	0%
10	University Sports Development Foundation	405501194	0%
11	Social Economy LLC	205117951	20%
12	College of Railway Transport	402019917	0%
13	Association of Scientific-Educational Computer Networks of Georgia - GRENA	204931654	0%
14	Computer Design Center	204445635	3%
15	Caucasus School of Business Administration LLC	211379729	50%
16	Center for Strategic Studies	204966563	%
17	Partnership of Joint Activities of Georgian Higher Educational Institutions (Permanent Conference of Rectors of Higher Educational Institutions of Georgia)	205634394	%

LEPL - Ilia State University

Note №2 – Cash and cash equivalents. Cash and cash equivalents include:

1. Cash on hand only in national currency

Circulation of money is made with the income received from exchange transactions ("Ligamus" bookstore, canteen, Child Development Institute).

2. Cash balances in commercial banks in national currency

It includes the balance of the current card account and on-demand deposit in national currency opened by the University in JSC "Basisbank" for electronic procurements.

As of December 31, 2023, the balance consisted of:

Cash on hand only in national currency	0.75
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Deposits in JSC "Basisbank" in national currency GE55BS000000000134585	29,000,000.00
Corporate card in JSC "Basisbank" in national currency GE86BS0000000094145360	3,422.04

Note №2a - Current investments and short-term accounts receivable

Current investments

Ilia State University owns 100% share of "Uni Invest" LLC, while Uni Invest LLC owns 100% share of "Inovest" LLC. The equity method is used to account for investments in associates and joint ventures.

Article 10 - General Provisions for the Use of International Accounting Standards by Budgetary Organizations on the Basis of International Public Sector Accounting Standards (IPSASs) approved by the Order № 108 of the Minister of Finance. According to the Paragraph 46 of the General Provisions for application of IPSASs, the remaining investment shall be recalculated according to the equity method.

Under the equity method, an investment in an associate or joint venture is initially recognized at cost and the carrying amount is increased or decreased to reflect the investor's share in the investee's surplus or deficit in the periods subsequent to the acquisition date. The investor's share in the investee's surplus or deficit is recognized in the investor's surplus or deficit.

Due to the fact that the commercial activities of both subsidiary companies: "Uni Invest" LLC and "Inovest" LLC failed, in 2014 the Representative Council of Ilia State University temporarily suspended the operations of both LLCs. From 2014 to the date of signing the financial statements hereof, the activities of both LLCs have been suspended and do not provide economic benefits. In the financial statements of 2021, the investments were recalculated using the equity method and the investment was recognized in the deficit.

As of December 31, 2023, the balance of current investments recalculated in 2021 remained unchanged, due to the fact that the activities of the above-mentioned companies were suspended and no economic benefits were received, there the return of investments did not occur.

Short-term (current) accounts receivable of the budgetary organizations to the Treasury - **1-13-1200**

Non-budgetary (own) funds in national currency consist of:

All with own funds	4812690.53
Economic activity	654,997.76
CIF-grants	1,825,444.00
Rustaveli grants	2,208,080.28
Unregistered international grants	58,065.84
Financing of educational and scientific infrastructure	18,342.39
"Let's study in Georgia" program	47,760.26

Non-budgetary (own) funds in foreign currency:

Currency	Equivalent in GEL
EUR 0.30	GEL 0.89
EUR 5,600.00	GEL 16,661.68
USD 47,700.26	GEL 128,285.08

1,364,845.73 GEL in national currency with targeted funding and grants.

With targeted funding and grants in foreign currency:

Currency	Equivalent in GEL
EUR 310,499.70	GEL 923,829.76
EUR 44,350.00	GEL 131,954.56
USD 107,839.19	GEL 290,022.72
CHF 0.04	GEL 0.13

The balance of other short-term (current) accounts receivable to the Treasury amounts to **28,670.17** GEL.

Circulation of cash in the deposit account in the treasury is made with the income received from the exchange transactions (Bookstore “Ligamus”, canteen, Child Development Institute and application and deportation fees of the foreign students). Funds credited to the Treasury deposit account are transferred to the University’s revenue treasury codes after recognition as income.

Short-term (current) accounts receivable - 1-13-2000. The opening balance was adjusted retrospectively. In the Property tax section, the tax return of 2022 was accrued incorrectly and property tax on land of 2023 was paid in 2022, it was adjusted retrospectively. The accrued expense on the land in the form of property tax was reduced and the balance at the beginning of the year in the debit increased. In addition, the accrual of scholarship was adjusted with withholding of income.

Debit	Credit	Amount	Transaction Comment
1-13-2300	2-13-2300	63826.36	Property tax (except for land), the debtor balance has been carried forward
2-13-2100 1	1-13-2100 1	24.12	Scholarship accrual and withheld income tax have been adjusted
		63802.24	

Short-term (current) accounts receivable with accrued interest - 1-13-4000 – The balance of the beginning of the year was adjusted retrospectively. The financial resources of the University are provided in the form of a demand deposit in JSC “Basisbank”. The annual interest rate on the existing deposit is 1.5% plus the refinancing interest. Interest is accrued on a monthly basis and credited to the University’s treasury account. In 2022, in the financial statements, the accrual of interest for the month of December 2022 was missed in the income. Above-mentioned error has been adjusted retrospectively and accordingly 1-13-4000 opening balance has been increased in debit.

Debit	Credit	Amount	Transaction Comment
1-13-4300 231	4-41-1200	303767.12	The interest for the month of December 2022 has been adjusted and accrued on the deposit provided in JSC “Basisbank”

Short-term (current) accounts receivable from sales of goods and services 1-13-6000

Based on the report calculated the electronic program for accounting of income received from higher education.

Debit	Credit	Amount	Transaction Comment
1-13-6000 1	4-42-3000 1	(108,812.23)	Adjustment of 2022 - Income - Overcharged tuition fee of student
1-13-6000 1	4-44-0000	673,015.28	Penalty charged for violation of the payment conditions of the tuition fee for 2022 is adjusted (according to the recommendation of the state audit)
5-91-0000	1-13-6000 1	(673,015.28)	Penalty charged for violation of the payment conditions of the tuition fee for 2022 is adjusted (according to the recommendation of the state audit)
1-13-6000 2 4 1 2 10827	4-42-4000 2	270.00	Charged with therapeutic services provided in 2022
1-13-6000 2 2 8487	4-42-4000 1	48,500.00	Charged with research services provided in 2022
1-13-6000 2 2 8487	2-13-2400 1	8,730.00	VAT payable by the research services provided in 2022 is charged
1-13-6000 2 2 8487	4-44-0000	3,433.80	Penalty incurred for violation of the terms and conditions of the research services agreement of 2022 is charged
1-13-6000 2 2 9819	4-42-4000 2	(20,702.79)	Incorrectly accrued income for 2022 is adjusted and the balance is transferred to liability
1-13-6000 2 2 9819	2-15-1400 2 2 9819	20,702.79	Incorrectly accrued income for 2022 is adjusted and the balance is transferred to liability
1-13-6000 2 5 1 3	4-42-4000 1	(8,474.32)	Incorrectly accrued income from services provided by the support bases is adjusted.
		(56,352.75)	

Other short-term (current) receivables - 1-13-9000 - At the beginning of the year balance was recalculated retrospectively. In 2022, in the targeted grant project “Development of Youth Tech Club Networks”, registered in the Ministry of Finance of Georgia, according to the grant executed by the sub-grantees №2126, expenses in the amount of 615783.63 GEL were accrued and the liability to the donor was reduced by recognizing the grant income. Above-mentioned amount did not belong to the

University's expenses and income; therefore, a retrospective adjustment was made with a minus. Correct transaction was provided to the sub-grantor by reducing the liability to the claimant and the donor.

Debit	Credit	Amount	Transaction Comment
5-73-1000	1-13-9900 5 3097 401952099 N(N)LE - Innovation Education Foundation	(384,739.36)	Adjusted expenses of 2022, grant tranche to the sub-grantee, Project "Development of Youth Tech Club Networks"
5-73-1000	1-13-9900 5 3149 402094817 N(N)LE - Georgian ICT Cluster	(231,044.27)	Adjusted expenses of 2022, grant tranche to the sub-grantee, Project "Development of Youth Tech Club Networks"
		(615,783.63)	-

Provisions for bad debts and receivable annulled by disposal. On the basis of the Ordinance № 378 (03.10.2023) of the Government of Georgia, on the basis of the Order №1977-03 of the Head of the University Administration (12.10.2023), student debts were written off, totaling 2205188.76 GEL. Among the above-mentioned debts, in the previous reporting period, the accounts receivable amounted to 1059579.53 GEL, and in the current reporting period of 2023, it was 1145609.23 GEL. In addition, in the current year, the penalty imposed on students due to violation of the terms and conditions of the agreement (payment schedule) in the amount of 565315.63 GEL was written off. A total of 2770505 GEL was canceled by disposal. 675 GEL were also written off against the employees. The demand for prepaid business trips is reduced by the cost of flight tickets. Due to deterioration of the seconded person's health, the secondment was canceled under the Order №2420-02 of the University.

Inventory - The closing balance of the previous reporting period was adjusted in the total balance sheet value by retrospective recalculation of significant errors of previous periods:

Debit	Credit	Amount	Transaction Comment
1-14-1420 1 7 92363	2-13-4100 11794	3,064.52	Provided laboratory reagents free of charge from Integrated DNA Technologies BVBA, the income of 2022 was recorded, 2366 targeted grants.
5-35-9000	1-14-1420 1 4 82546	240.00	Expenses of guard voltage of 2022
5-20-9000	1-14-3000 1 1 78558	20,340.00	Expenditure in 2022, inventory written off by sale of goods
		23,644.52	

In the current reporting year, as a result of the inventory, a deficit was revealed in the inventory of the bookstore, amounting to 74 GEL (Service card № 23204-35 of [REDACTED]), which was spent in the cost of the year and canceled in expenditure.

Other short-term (current) assets. The starting balance of other short-term assets was retrospectively recalculated using the expenditure of 2022.

Debit	Credit	Amount	Transaction Comment
5-20-9000	1-15-1300 2082	2016.8	Acquisition of 2022 copyright for the performance

In 2023, chargeback of bad debt provisions is amortized and covered by accounts receivable amounting to 1394 GEL.

Fixed assets. The closing balance of the previous reporting period was adjusted in total balance value by a one-time revaluation of the vehicle. The basis for revaluation was the revaluation of the residual value for insurance purposes. The balance was changed both on the account 1-22-2100 - Value of fixed assets (-19440 GEL), as well as on the account 1-28-2100 - Fixed assets accumulated depreciation (639912 GEL). The change is adjusted by the change in equity given in line 004 of Form-4.

In 2023, three vehicles were sold by auction, the value of which amounted to 7800 GEL. The income received from sale amounted to 8940 GEL, which is provided in the Appendix №15.

Debit	Title of debit	Credit	Title of credit	Amount	Transaction comment
2-13-3200	Payables related to employees	2-13-2100	Income tax on resident persons	9245.51	Income tax withheld from the 2022 payroll has been accrued
5-74-0000	Expenses related to the property other than interest	2-13-2300	Short-term (current) account payables arising from property tax	- 136928.81	Land tax of 2022
1-13-2300	Property tax receivables	2-13-2300	Short-term (current) account payables arising from property tax	63826.36	Property tax (except for land) of the current year has been carried forward

2-13-4100 8457	8457 Integrated DNA Technologies, BV	2-13-2400	Short-term (current) accounts payable arising from value added tax	224.46	Provided free of charge by Integrated DNA Technologies BV, adjustment was carried out in 06.04.2022. Free-transfer
1-13-6000 2 2 8487	205022134 – “Dagi” LLC	2-13-2400	Short-term (current) accounts payable arising from value added tax	8730	Final act of acceptance of the Agreement №92, dated 18/10/2022
2-13-4100 11794	11794 Integrated DNA Technologies BVBA	2-13-2400	Short-term (current) accounts payable arising from value added tax	467.47	Provided free of charge by Integrated DNA Technologies BVBA, Income for 2022 was recorded
				-54435.01	

Intangible assets - Intangible assets during 2023 increased by 511913 GEL and decreased through amortization by 283462 GEL.

Other non-financial long-term assets. At the beginning of the reporting year, the first floor of the residential building on Tamarashvili Street, on which the title has not yet been transferred, accrues to the University in other non-financial assets. This area of the University is used for own consumption (the faculty of natural sciences is located there) and there is an iron-concrete fence under construction (№3-5, Cholokashvili street). The construction of the iron-concrete fence was completed in the fiscal year of 2023 and was reclassified to other structures 1-22-1300 for 163259 GEL.

Accounts payable, provisions and other liabilities. Short-term (current) accounts payable arising from the taxes 2-13-2000

The initial balance of short-term (current) accounts payable arising from the taxes was retrospectively recalculated in 2022 as follows:

Accounts payable related to employees and fellows 2-13-3000

The opening balance of the accounts payable related to employees and fellows was retrospectively recalculated in 2022 as follows:

Debit	Title of debit	Credit	Title of credit	Amount	Transaction comment
2-13-3200	Payables related to employees	2-13-2100	Income tax on resident persons	9,245.51	Income tax withheld from the 2022 payroll has been accrued
2-13-3200	Payables related to employees	4-81-2300	Short-term accounts payable. A positive difference caused by a change in the foreign currency exchange rate	117.08	Changes in exchange rate in 2022
5-11-0000	Salary expenses in monetary form	2-13-3200	Payables related to employees	39,250.00	Premium for 2022 has been accrued
5-20-1000	Salaries of persons employed under an employment agreement	2-13-3200	Payables related to employees	19,199.15	Adjustment of accrual of the salary in 2022
				49,086.56	

Short-term accounts payable related to supply of goods and services 2-13-4000

Debit	Title of debit	Credit	Title of credit	Amount	Transaction comment
2-13-4100	Short-term accounts payable arising from provision of goods and services	2-13-2400	Payable VAT	224.46	Transferred from Integrated DNA Technologies BVBA free of charge, was recorded in the income of 2022
2-13-4100	Short-term accounts payable arising from provision of goods and services	4-44-0000	Incomes from sanctions, fines and penalties	64.56	Penalty is charged to income due to violation of the terms and conditions of the agreement
2-13-4100	Short-term accounts payable arising from provision of goods and services	4-45-1000	Incomes from current external transfers not elsewhere classified	761.07	Transferred free of charge by voluntary transfer
5-20-000	Costs of goods and services	2-13-4100	Short-term accounts payable arising from provision of goods and services	3714.6	Transferred free of charge by voluntary transfer
5-73-1000	Current transfers not elsewhere classified	2-13-4100	Short-term accounts payable arising from provision of goods and services	1444.66	Cost of insurance of buildings listed on the balance sheet of 2022
				4109.17	

Short-term accounts payable related to provision of non-financial assets - 2-13-6000

Debit	Title of debit	Credit	Title of credit	Amount	Transaction comment

2-13-6100	Short-term payables arising from the delivery of long-term non-financial assets	4-44-0000	Incomes from sanctions, fines and penalties	15.98	Penalty is charged to income due to violation of the terms and conditions of the agreement
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Other short-term (current) accounts payable 2-13-9000

Debit	Title of debit	Credit	Title of credit	Amount	Transaction comment
2-13-9900	Other short-term accounts payable	5-73-1000	Current transfers not elsewhere classified	4011	Grant funding - Rustaveli Foundation project
2-13-9900	Other short-term accounts payable	4-45-1000	Incomes from current external transfers not elsewhere classified	15600	Voluntary transfer in the form of cash donation
				11589	

Income from short-term (current) advances received from grants and other non-exchange transactions 2-15-1220

Debit	Title of debit	Credit	Title of credit	Amount	Transaction comment
2-15-1400	Other short-term liabilities	4-31-1200	Current grants received from international organizations in monetary form	(187,433.47)	Adjustment of over-recognized targeted grant income in 2022
2-15-1400	Other short-term liabilities	4-31-1310	Current grants received in monetary form from state entities of the same level	2,010.82	Adjustment of current grant income in 2022
2-15-1400	Other short-term liabilities	4-81-2300	Short-term accounts payable. A positive difference caused by a change in the foreign currency exchange rate	8,140.75	Income received from change in exchange rates of the grant incomes received in 2022
5-73-1000	Current transfers not elsewhere classified	2-15-1400	Other short-term liabilities	(1,306.64)	Demand of the donor for repayment is recognized as an expense in 2022
				178,588.54)	

Other non-tax incomes received as short-term (current) advances - 2-15-1230

Debit	Title of debit	Credit	Title of credit	Amount	Transaction comment
1-13-6000 2 2 9819	9819 Free University of Brussels	2-15-1400	Other short-term liabilities	(20,702.79)	Income accrued in excess is adjusted and transferred to credit balance

Short-term provision and long-term provisions. IAS 19.22. Provisions should be recognized when:

- (a) the entity has a current obligation (legal or constructive) as a result of a past event;
- (b) it is probable that an outflow of resources carrying the potential for economic benefit or service will be required to settle the obligation; and
- (c) the amount of the obligation can be reliably estimated.

In case of failure of fulfillment of the above-mentioned conditions, the provisions should not be recognized.

At the end of 2023, the University was involved in various ongoing legal disputes.

For the disputes with a probability of winning more than 50%, provisions should be recognized. If the probability of winning is less than 50%, contingent liabilities are reflected in the explanatory notes (except for the cases when the outflow of resources is expected in the distant future).

A contingent liability also arises in cases where a liability exists but its reliable estimation is not possible.

The lawyers of the University determine the probability according to the following criteria:

- a) Applicable legislation; b) Judicial practice; c) Historical experience in similar cases; d) Evidence in the case; e) Possibility of obtaining the desired evidence.

According to information provided by the lawyers of the University, only one of the ongoing litigations at the end of 2023 was more than 50% likely to be lost. Plaintiff – “Construction Company Builder 2011” LLC and defendant - LEPL - Ilia State University, the estimated amount of the dispute - 99 288.48 GEL plus 8.56 GEL daily from May 29, 2020 until execution of the decision.

LEPL - Tbilisi State Medical University

The financial statements of LEPL - Tbilisi State Medical University for 2023 were prepared on the basis of the following normative acts and their amendments:

- a) Order №108 of the Minister of Finance of Georgia “On approval of the instruction for preparation of financial statements and reporting by the budgetary organizations based on the International Public Sector Accounting Standards (IPSASs)”, dated 05.05.2020;
- b) Order №17 of the Minister of Finance of Georgia “On approval of the plan of accounting reports of budgetary organizations and instructions on its use”, dated 15.01.2020;
- c) Order №289 of the Minister of Finance of Georgia “On approval of the instruction on the accounting plan of depreciation/amortization by budgetary organizations and reflection in financial statements”, dated 02.12.2020;
- d) Order №24 of the Minister of Finance of Georgia “On approval of the instruction about the procedure for preparation and submission of financial statements of the budgetary organizations”, dated 04.02.2021;
- e) Order №364 of the Minister of Finance of Georgia “On approval of the instruction on conducting an inventory of assets and liabilities by the budgetary organizations and recording of the results of the inventory in accounting and reporting based on International Public Sector Accounting Standards (IPSASs)”, 31.12.2021;
- f) Order №220 of the Minister of Finance of Georgia “On determining the norms of travel expenses paid to the employees”, dated 05.04.2005;
- g) Order №365 of the Minister of Finance of Georgia “On the procedure for preparing and submitting financial statements of the budgetary organizations, dated December 31, 2021.

The financial statement consists of the consolidated statement of 8 structural units: University Clinic №1, Zhvania Pediatric Clinic, Apollon Urushadze Dental Clinic, Dental Clinic №1, Dental Clinic №2, Iovel Kutateladze Institute of Pharmacochimistry, Bakhutashvili Institute of Biotechnology, Shengelia Museum of Medical History and the Medical University itself.

The Medical University receives income from various sources, the main part of the income is from its own funds, the students' tuition fee received with the organizational code 32 04 05 05, and the treatment fees received from patients in clinics. In total 120 194 752 GEL. The amount of subsidy from the budget and the funds allocated to the Museum of the History of Medicine, totaling 406,047 GEL, are credited to the same code. We receive a state scholarship for excellent students - 541 500 GEL on organizational code 32 04 02 06 04, we receive the funds approved by the educational program for Kutateladze Institute of Pharmacochimistry and Bakhutashvili Institute of Biotechnology from the budget on organizational code 32 05 04 04 - 994 941 GEL.

In Note 2, on line 080, there is an amount of 14,087 GEL in the treasury of the University Clinics. On line 090, 46,169 GEL represents the amount on the GEL account in the commercial bank. 5,697.90 GEL is the balance on the electronic card. 29 800 568 GEL is the foreign currency amount in GEL on foreign currency accounts in “TBC Bank”.

In Note 2A. In “Short-term receivables related to treasury operations” on account 1-13-1000 - 3 221 212 GEL consists of the following amounts: 295.53 USD equivalent in GEL - 794.80 GEL, 1 118.06 EUR equivalent in GEL - 3 326.57 GEL, 3 766 USD equivalent in GEL - 10 128.28 GEL, the balance of targeted grants - 5 203.86 GEL, funds transferred from “TBC Bank” to the treasury, which were withdrawn from the bank as of December 31 and not yet reflected in the treasury - 30 770.81 GEL, and the balance of treasury in GEL - 3 170 987.68 GEL.

On the account 1-13-2100, there is overpaid income tax in the amount of 12 399 GEL, on the account 1-13-2700 - 230 GEL is the tax imposed on the employee from the salary. 420 GEL on the account 1-13-3000 represents an overpaid pension tax.

On the account 1-13-4000, 730 979 GEL is interest accrued on currency in a commercial bank.

On the account 1-13-6000, 14 241 355 GEL is the amount received from the students' tuition fee and patient services in university clinics. On the account 1-13-7000 - 24 412 GEL are the funds issued to the accountable persons.

On the account 1-13-9000 - 597 GEL is the loss of the money stolen from the dental clinic as a result of the theft of 246 GEL and the claim against the fined organization is 351 GEL.

In the third table, 553 184 GEL are bad and adjusted receivables of clinics.

Based on the Ordinance №378 of the Government of Georgia, dated 03.10.2023, the Medical University wrote off the debts of 329 students in the amount of 507,486.10 GEL.

In the Note 3, in the report received with grants, the books received from the Ministry of Education and Science within the framework of the program “Promotion of Science” amount to 925.81 GEL. 132,668 GEL of external transfers are supplies received from individuals (patients in clinics) and various organizations.

In other inflows, 33 199 GEL is the surplus identified as a result of inventory and adjustment as a result of accounting. 9,754,739 GEL is already spent and written off stocks in goods and services.

Note 4 – Account 1-15-1300 - 73 504 GEL are amounts paid in advance to organizations by university clinics and institutes. 59 245 704 GEL is the amount paid in advance by the university for purchase of real estate, the ownership right has not yet been obtained. Account № 1-15-5000 - 188 841 GEL are the deficits revealed as a result of the inventory.

Note 5 – Account 1-21-3000 - 40 415 307 GEL are long-term financial assets, 15% share of Tbilisi State Medical University in Medulla Chemotherapy and Immunotherapy Clinic LLC, which according to audits amounts to 32 507 GEL. 40 182 800 GEL is the 40% share of JSC “Evex Hospitals”, which we bought with our own income for implementation of the training process in 2020. 200,000 GEL is the 89% share of the scientific magazine “Georgian Biomedical News” LLC acquired in 2022.

In the Note 6. Fixed assets on the account 1-22-2000 in external transfers in the amount of 406 273 GEL are assets received from various organizations and individuals free of charge. In other inflows, 239,852 GEL are the amounts adjusted by the accounting procedures of the University Clinic, which were added to the fixed assets. In the outflows with grants, 120,000 GEL is the transfer of the land plot of the Institute of Pharmacochimistry to the State, 8,331 GEL is the carrying amount of transport transferred to another organization. In miscellaneous expenses, 127,718 GEL in the article – Construction in progress, is an amount of construction in progress, which has been transferred under the article - Non-residential building and then transferred to miscellaneous expenditure on construction in progress, this also reflected in the article - Other inflows in the Appendix 11. 1,100,574 GEL is the value of depreciated assets and the amounts adjusted by accounting. Other outflows include the value of written-off assets. 45,266 GEL is the deduction of its old historical value after valuation of the building. In the middle table, the difference between the opening balances of the reporting period, accounts 1-22-2100, 1-22-2210 and 1-22-2220, is caused by valuation of fixed assets by independent auditors. In the third table - Accumulated depreciation of fixed assets - 45 266 GEL is the depreciation of the building value, 377 148 GEL and 2 717 500 GEL is the accumulated depreciation of the written-off assets, in the third table, 689 496 GEL is the depreciated assets, which is damaged, has the expert opinion of Samkharauli Forensics Bureau and does not subject to recovery, however it not yet written off from the balance. 772,878 GEL is the depreciation expense of the current year, written off fixed assets that had a residual value and were depreciated.

Intangible assets in the Note 8 were purchased for 128,765 GEL with own funds. Permits for fulfillment of specific activities are the amount of the Institute of Pharmacochimistry. The institute produces the drug and receives a special permit that the drug is registered and has the right to produce and sell it to various organizations for 5 years. Deferred assets are shown in other outflows. In the third table, in the amounts canceled on disposal, there is a deferred asset and the amounts adjusted by transactions. Intangible assets depreciation expense for the year amounts to 24 586 GEL.

In the Note 11, in valuables, the rare books allocated from the library fund according to specialists’ evaluation amount to 127,425 GEL, and 337,068 GEL are funds for construction in progress. During 2023, 127,718 GEL was transferred from own funds under the article – Construction in progress.

In the Note 12, 215,984 GEL is a long-term loan for the university clinics. The bankrupt insurance company “Archimedes” could not pay the cost of performed works to the clinics, and instead the Ministry of Health signed an agreement with the clinics and allocated a long-term loan.

In note 13a, on the account 2-13-2000 - 63,849 GEL is tax arrears, which was transferred at the beginning of January. On the account 2-13-3000, 1,143,028 GEL is salary arrears of employees, mainly of the university clinics, which was issued in January. On the account 2-13-4000, 2,978,892 GEL are various accounts payable arising from goods and services with various organizations. On the account 2-13-6000, 362,710 GEL are liabilities arising from delivery of non-financial assets. On the account 2-13-9000, 15,408 GEL are the accounts payable with accountable persons as of January 1. Other current liabilities on the account

2-15-0000, 29 848 175 GEL are pre-paid tuition and treatment funds from students and insurance companies, including debts within the framework of the program “Door of Knowledge” of the Ministry of Education and Science of Georgia – 230,777 GEL, science promotion program (Agreement №147) amounts to 1,250 GEL, debt to Shota Rustaveli National Science Foundation of Georgia amounts to 508,050 GEL.

In the Note 14, on the account 4-31-1300, 570,569 GEL is current and capital grants received from the Rustaveli Foundation and various organizations. On the account 4-32-1310, 520,110 GEL (120,520 and 399,590) are the inventories received in kind from various organizations and long-term fixed assets, which are provided in the Note 3 and the Note 6, respectively. In the Note 14c, on the account 4-44-0000 – there are sanctions with fines, conditional claims imposed by the court against the legal entity in the amount of 415 146 GEL, on the account 4-45-0000, 538,941 GEL are the medicines purchased from patients in the university clinic, from individuals and assets transferred from various organizations. On the account 4-52-000, 1 942 488 GEL consists of the following amounts: subsidy received under the code 32 05 04 04 – 994,941 GEL, financing of institutions with educational program, received under the code 32 04 02 06 04 - state scholarship 541 500 GEL, 32 04 05 05 02 Subsidy received by code 317 120 GEL, amount of Museum of History of Medicine received by code 32 04 05 05 01 – 88,927 GEL.

In the Note 15, on the account 4-41-1000, 1,909,857 GEL is monthly accrued interest on the funds in the foreign currency account in the commercial bank. On the account 4-41-2000, 433 364 GEL are dividends received from long-term financial assets of the University. On the account 4-42-0000 – 96,163,914 GEL is the income accrued from provision of services to the university and its structural units.

In the Note 16, on the account 5-91-0000 - from 553 184 GEL, 186 824 GEL are bad debts written off by the inventory of debtors-creditors and transferred to the off-balance sheet account. 366 360 GEL is writing off the adjusted amounts of the clinics.

On the account 5-93-0000, 778 878 GEL is depreciated fixed assets that were written off; on the account 5-95-0000, 24 586 GEL is depreciated intangible assets.

In the Note 17 of the account 5-10-0000, in the budget section 36 960 GEL are the amounts of salary charged by Shengelia Museum of the History of Medicine, received from the budget under the code 32 04 05 05. 41 499 088 GEL are the salaries charged with own funds, including the structural units of the University as a whole. On the account 5-20-2000, 51 787 GEL is the accrued cost of goods and services from funding of the museum. On the account 5-40-0000, 6 654 022 is accrued depreciation and amortization. On the account 5-60-0000, 529 542 GEL is accrued social benefits and bulletins. On the account 5-71-000, 28 654 GEL is the interest of the terminal service in the clinic (the bank takes the % of service). On the account 5-73-1000, 541 500 GEL out of 541 680 GEL in other expenses is scholarship, 180 GEL is other expense from the budget funds of Shengelia Museum of Medicine.

On the account 5-31-1200, 29 687 GEL is membership fees transferred to various organizations. Out of 128,331 GEL credited to the account 5-32-000, 120,000 GEL is the land plot transferred to the State, 8,331 GEL is the cost of transportation transferred to another organization (college). On the account 5-34-0000, 12 500 GEL are funds transferred to various organizations in the form of assistance from own funds in the article - Subsidy. 1 312 061 GEL has been credited to the account 5-35-0000 from the subsidies received from the budget.

In the note 18, on the account 4-81-0000, 15,257,064 GEL is the difference between foreign exchange rates (difference between income and expenses).

On the account 5-82-3000, 3 869 834 GEL is the amount of financial assets revalued by the capital method.

Adjustments in the Form 4 as a result of one-time revaluations, 216 987 GEL is caused by revaluation of fixed assets by independent audits, which is recorded in the Note 6 in the second table (opening balances).

On reference account 03, 3 479 078 GEL consists of insolvent receivables written off as a result of the inventory commission and transferred to an off-balance sheet account in 2019, 2020, 2021, 2022 and 2023.

On the account 04, 5 585 540 GEL is written off in expenses and the inventories. On the account 08, 97 528 GEL are completely depreciated fixed assets which have not yet been written off. On the account 09, 280,399 GEL are overdue debts, on the account 12, 450,095 GEL are overdue accounts payable written off as a result of the inventory and transferred to the off-balance sheet account.

LEPL - Akaki Tsereteli State University

Statement of financial position of Akaki Tsereteli State University on December 31, 2023:

The funding received from the budget by Akaki Tsereteli State University in 2023 amounted to 253,994 GEL under the program code 32 04 05 06 01 (musical education component), and 745,800 GEL - under the program 32 04 02 03 08, under the treasury code 32 04 02 06 02 - targeted grant projects amounted to 11,310 GEL (actual incomes) and cash revenues of targeted grant projects amounted to - 342,296 GEL, on the treasury code 32 04 02 06 02 (Budget funds without foundations) - 49,600 GEL, scientific literature transferred under current budget funds grants - 5,257 GEL.

Non-budget funds of 2023 with exchange operations amounted to - 28 076 740 GEL (interest incomes from deposit - 528 393 GEL, incomes from goods and service sales (tuition fee, ongoing center and language courses) taxes - 27 513 927 GEL, conference memberships - 30496 GEL, missing, lost book incomes - 2474 Gel, income from removal of elderly creditors - 679 GEL), incomes with non-budget amounted to 772849 GEL (165306 GEL – funded with current grants by Rustaveli Foundation; 362 391 GEL – funded by ERASMUS projects and the Infrastructure Agency, as well 245 152 GEL – funded with a capital grant by the Infrastructure Agency).

Short-term assets, cash and cash equivalents (001) amount to - 4,500,000 GEL - (1, 3, 4, 6-month and year) deposits in the bank (Note 2).

Note 2a (110) - Current accounts receivable of the budgetary organizations with targeted funding and grants in national currency 1-13-1220, the opening balance of 2023, 85929 GEL was added to the target grant (№1929) accrued in 2022 (Universities of Batumi and Gori) and 19839 GEL returned in April and June 2023, the balance of 2022 before recalculation amounted to 85929 GEL, after recalculation - 105768 GEL.

Current accounts receivable (003) amounts to - 9 184 640 GEL (Note 2a).

090 Current accounts receivable related to treasury operations (1-13-1200) – 4 643 916 GEL (including: balance of non-budget funds and Rustaveli Foundation grants - 1 293 805 GEL, GEL account of targeted grants - 237 183 GEL, non-budget funds account in foreign currency (6300 EUR) – 18 744 GEL and (1150510.76 USD) – 3 094 184 GEL).

170 Short-term (current) tax accounts receivable 1-13-2000-

99 867 GEL (amount to be repaid to the budget - 1203 GEL, prepaid income tax - 11 314 GEL and land tax - 87 350 GEL); Property tax of 2022 – account № 1-13-2300 – the balance before recalculation amounts to 5 GEL, was reduced by the 2022 as a result of adjusting the property tax declaration in the financial statement by 204,563, in addition the expenses of the property tax were also increased by 20,910 GEL for 2020 and 2021, and after recalculation the balance was - 183658 GEL ($S2a=5+204563-20910$) GEL.

250 - Short-term (current) receivables - Pension scheme 1-13-3000 – 155 GEL (excessively transferred accumulated pension).

260 - Current accounts receivable with accrued interest (penalties) - 1-13-4000 - 93 648 GEL (yield on a 1-year deposit).

280 - Short-term (current) accounts receivable from sales of goods and services - 1-13-6000 – 4 322 580 GEL (debts of tuition fees - 4 308 635 GEL, receivbles accrued on space leases - 13 945 GEL).

The income of the previous years was charged - 1857834 GEL as of December 31, 2022, the balance of account № 1-13-6000 amounted to - 2618 195 GEL and after recalculation it ws - 4476029 ($S2a=2618195+1857834$ ($1800831-56500+5756-7443+115190$)) GEL.

290 - Short-term (current) receivables for employees and accountable persons - 1-13-7000 – 3961 GEL ((requests for business trips within the country - 238 GEL, refundable salary - 3656 GEL, professional membership, church leave, sick card - 67 GEL).

310 - Other short-term (current) receivables - 1-13-9000 – 20,513 GEL (debts arising from the sale of books published by the University publishing house - 1,440 GEL, amounts credited by mistake to the treasury code - 198, insurance debts of foreign students - 18,875 GEL), in addition we reduced the initial balance of 71857 GEL for 2023 to 19839 GEL of the targeted grant (№ 1929) transferred in 2022 (Universities of Batumi and Gori) and repaid in April and June, 2023.

Inflow and outflow of inventory is carried out through weighted average method (Note №3).

Raw materials and supplies (010) - Other inflows - 204 GEL (204 GEL - transferred from low-value assets).

Raw materials and supplies - Other outflows - 184 479 GEL (transferred to other machinery and equipment - 6928 GEL, construction in progress - 127 224 GEL, small assets - 216 GEL and other materials and supplies - 50 111 GEL).

Finished goods inventory (100) - Other inflows - delivered goods and services (for cost of production) - 18,379 GEL and other materials - 30,062 GEL (books and publications produced by the University publishing house, as well as printing and ordering of conference materials).

Finished goods inventory - Other Outflows - 52 430 GEL (books and publications produced by the University publishing house in accordance with the agreement are sold for 2 870 GEL, transferred to other materials and supplies - 49560 GEL).

Other materials and supplies (060) - Other inflows - 101,682 GEL (delivered from raw materials and materials - 50,330 GEL, from finished products - 49,559 GEL and from low-value assets - 1,114 GEL and free delivery of medicines from Pharma LLC - 679), other outflows - 21 482 GEL.

Low-value assets (030) receipt - with other outflows - 12 752 GEL (taken from rest of other materials and supplies).

Outflows with grants - 45,824 GEL given to schools free of charge, other outflows - 1,564 GEL (transferred to other materials and supplies).

Total current assets - Note №4 (010) - amounts to 20,958 GEL (prepaid for goods and services - 9,645 GEL and prepaid for non-financial assets - 11,313 GEL (for permits to carry out specific activities - 6,720 GEL and book translation fee - 4,593 GEL).

Fixed assets – Note № 6 - Fixed assets are recognized at their original (historical) value and depreciation is charged on a straight-line basis.

The useful service life of each class of intangible assets

It is defined in accordance with the Order №289 of the Minister of Finance of Georgia.

Non-residential buildings (030) - Other inflows - 508 886 GEL (funds for capital repairs and reconstruction carried out with the resources of the University from construction in progress - 182 043 GEL, funds for video surveillance and employee registration systems with the resources of the University - 326 843 GEL).

Other structures (040) - Other inflows - 29 313 GEL (from construction in progress (with capitalization). Other outflows - other machinery and equipment - 37 790 GEL.

Other machinery and equipment (090) - Other inflows - 52 156 GEL (derived from raw materials and supplies - 6928 GEL and also scientific and popular literature delivered within the framework of the program “Promotion of Science” of the Ministry of Education and Science of Georgia - 5257 GEL, which is supported by the other materials and supplies grants of the Note 3. Since the University library took the nomenclature, we transferred it to the library fund with other inflows, 37790 GEL from other premises and 2181 GEL from goods and services), outflows - with grants - 63 524 GEL is delivered free of charge to schools), other outflows - 179 195 GEL (in construction in progress - 25 170 GEL and in the cost of products - 154,025 GEL for video surveillance and employee registration systems with the resources of the University).

Other structures - Accumulated depreciation (030) - cancelled in other machinery and equipment at disposal (paintings, sculptures and other art pieces) - 3779 GEL.

Accumulated depreciation of other machinery and equipment (090) - canceled at disposal (Information, computer, telecommunication and other devices, furniture and equipment) in the cost price transferred from other machinery to non-residential buildings with the resources of the university video surveillance and employee registration systems amounts 51182 GEL.

Other machinery and devices canceled at disposal - 37337 GEL (in the cost value transferred from other machinery and equipment for non-residential buildings with the resources of the University, the amounts of video surveillance and employee registration systems are 35 240 GEL and in the construction in progress - 2097 GEL).

Intangible assets - Note №8 - Permits for implementation of specific activities (120) - 30908 GEL was transferred to goods and services by other means, which was transferred to goods and services in the treasury operations of 2022 and to financial payments S4 - Advance payments for long-term non-financial assets - account № 1-15-1200, instead of advance payments for goods and services - account №1-15-1100.

Other non-financial long-term assets - Note №11

Construction in progress (050) 1-27-4100 with other inflows - Capital repair and reconstruction work of university buildings, auditoriums, open fields and other premises performed with the resources of the university is recorded in the amount of 319 199 GEL, due to which raw materials and supplies were transferred - 127 224 GEL, low- from value assets - 450 GEL, rest of other materials and supplies - 8 525 GEL, goods under the article Service (remuneration of persons employed under an employment agreement) - 157 830 GEL, from other machinery and equipment - 25 170 GEL.

Other outflows - 319 199 GEL (transferred to non-residential buildings with capitalization - 182 044 GEL and other premises with capitalization - 29 312 GEL, goods and services (remuneration of persons employed under an employment agreement) - 105 746 GEL and accumulated depreciation of other machinery and equipment - 2097 GEL, repair of university buildings, depreciation charged on non-financial assets used for work.

Accounts payable, provisions and other obligations - Note № 13

Short-term accounts payable (010) – amounts to 1000 503 GEL,

Which consists of:

Short-term (current) accounts payable originated from taxes (030) - 791 397 GEL (payable profit tax - 766 239 GEL, amount to be returned to the budget - 1 342 GEL, income tax-18 512 GEL, accumulated pension - 5 304 GEL).

Payables related to employees and scholarships (040) – 77,441 GEL (returned pension funds of full-time employees of the College of Music - 24 GEL, salary to be paid to full-time employees - 1,229 GEL, salary to part-time employees - 72,745 GEL, amount to be paid on the basis of sick leave - 1,994 GEL, business trip inside the country - 510 GEL, outside the country - 920 GEL, fee for the Church of the Mother of God - 19 GEL).

Short-term accounts payable related to the supply of goods and services (060) - 122,205 GEL (University utility bills, transportation, practical training, space lease and fuel), as of December 31, 2022, balance account № 2-13-4000 amounted to 82728 GEL and after recalculation it amounted to 98778 GEL ($S13=82728+16050$). Other short-term (current) liabilities (090) – 9,460 GEL (4,829 GEL insurance amounts paid in advance by the foreign language students, refundable amounts debited by mistake - 4,631 GEL).

Other short-term (current) non-tax incomes received in advance (150) 2-15-1230 - 1 734 849 GEL includes (pre-received funds from Rustaveli Foundation grants - 707 839 GEL, various projects - 40 630 GEL, N(N)LE - Professional Skills Agency - 538 892 GEL, 351 994 GEL - targeted grants and Education and Scientific Infrastructure Development Agency - 95 494 GEL).

Long-term accounts payable (280) 2- 26- 5000 – 1 847 313 GEL - (prepaid tax for 2023-2024 academic year - 1845783 GEL, tuition fees for the students of the continuous educational center - 1530 GEL).

Statement of financial results

Incomes from grants - Note №14b

With the budget funds received from international organizations (030) 4-31-1200 – Cash incomes of targeted grants - 342,296 GEL.

Non-budget funds received from state entities of the same level (050)-

Current - 527,697 GEL (Rustaveli Foundation grants - 165,306 GEL, Erasmus and other projects - 119,370 GEL, Professional Skills Agency - 243,021 GEL).

Non-budget funds received from state entities of the same level (050) - capital - 245 152 GEL (Educational and Scientific Infrastructure Development Agency).

Incomes from other operations - Note № 14c - Revenues from internal current transfers (060) 4-52-0000 Budget funds -

1260 276 GEL including music component (32 04 05 06 01) – 253 994 GEL, state scholarship (32 04 02 06 08) – 745 800 GEL, budget funds without foundation (32 04 05 06 02) – 49 600 GEL and treasury expenses of targeted grants (32 04 05 06 02) – 210 882 GEL.

Income from exchange operations - Note №15 - Interest incomes (020) 4-41-1000 - Non-budget funds - 528 393 GEL - income charged to the deposit.

Income from provision of services (070) 4-42-1000 - Non-budget funds -

27 548 347 GEL (tuition fees - 26 789 601 GEL and continuing education center, publishing, doctoral, master's enrollment exam registration and other incomes - 724 326 GEL, conference incomes -

30,496 GEL, absences, books and other income - 2,474 GEL, medicines transferred from "Pharma" LLC - 679 GEL and income received from removal of elderly creditors - 771 GEL).

Turnover of income from provision of services in 2022 amounted to 23 912 363 GEL, after recalculation - 24 027 553 GEL (23912363+115190). Adjustment of accrual is caused in the part of the student tuition fee accrual, that is caused by adjustment of contingent accrual with actual quarterly accrual and untimely submission of documentation.

Accrued costs, grants and subsidies - Note № 17a - Costs of goods and services with budget funds (020) 5-20-0000 -

414 943 GEL (actual costs of budget financing and targeted grant, including remuneration of persons employed under an employment agreement - 268 220 GEL (musical lighting 129 458 GEL, budget funds without foundations - 7800 GEL, targeted grant - 130 962 GEL), business trip expenses - 74 527 GEL, office costs - 40 756 GEL, representative expenses - 140 GEL and other goods and services - 31 300 GEL).

Turnover of expenses of goods and services in 2022 amounted to 11 166 061 GEL, after recalculation - 11 182 311 GEL (11 166 061+16250) was increased by the amount of protection of buildings and structures in 2022 by 16250 GEL (16250-200=16050).

With internal current transfers (090) -5-52-0000 – 210 882 GEL - Cash expenses of the targeted grant.

Current transfers not classified elsewhere, with the budget funds (170) 5-73-1000 - 1108 489 GEL (745 800 GEL (state scholarship costs and targeted grant costs - 31 704 GEL and the difference between the target grant cash income and recognized income - 330985 GEL).

With internal current transfers (account № 5-73-1000) the turnover of 2022 was - 2,719,260 GEL, after recalculation - 2,514,697 GEL (2719260-204563) was reduced by the property tax.

Costs of goods and services - non-budget funds (020) 5-20-0000 -14 225 390 GEL (remuneration of persons employed under an employment agreement - 7 549 293 GEL, rent costs (for educational practice) - 121 054 GEL, business trip - 294 572 GEL, office costs - 2 344 385 GEL, representation costs - 324 861 GEL, food costs - 8 521 GEL, soft equipment and uniform costs - 23 627 GEL, transport costs - 411 822 GEL, other goods and services - 869 179 GEL, expenses for bad debt (old tuition fees) - 2278 076 GEL).

Social assistance/security (120) 5-60-0000 - 35,050 GEL (amounts issued on the basis of a sick card).

Current transfers not classified elsewhere with non-budget funds (170) 5-73-1000 - 1 348 525 GEL (scholarships, property tax, fees, insurance costs of foreign students).

Expenses of grants - Note № 17b

In monetary form (010) - Non-budget funds 5-31-0000 – 2064 GEL - association membership fees transferred to international organizations with current grants.

Grants in kind (070) - Non-budget funds 5-32-0000 - 109 348 GEL, including those with current grants 45,824 GEL, transfers to schools of low-value equipment and capital grants of 63,524 GEL, transfers of machinery and equipment to schools.

Various incomes and expenses – Note №18 - Profit from holdings as a result of recalculation of liabilities in foreign currency (020) 4-81-1000 - income received from changes in exchange rate - 28 157 GEL (budgetary - 1503 GEL and non-budgetary - 26 654 GEL).

As a result of recalculation of obligations in foreign currency, loss from holding (090) 5-81-1000 - the loss from changes in exchange rates amounted to 454 GEL (budgetary - 32 GEL and non-budgetary - 422 GEL).

Form № 4 - Statement of changes in net assets/equity - Retrospective recalculation of significant errors of previous periods (003), budget funds reduced the amount of the targeted grant overstated in the income of the financial statements of 2022, which was repaid to the foreign exchange account by 25664 GEL and the change in the exchange rate by 1420 GEL (- 27084 GEL) and reduced by the amounts of the targeted grant (№ 1929) transferred to the universities in 2022 (Universities of Batumi and Gori), which was repaid in the months of April and June 2023 by 19839 GEL.

As of December 31, 2022, the balance of the account № 1-13-9910 amounted to - 98942 GEL, and after recalculation it amounted to - 52019 GEL ($S2a = 98942 - 27084 - 19839$)

Non-budget funds were reduced by 204,563 GEL in the financial statements of 2022 as a result of adjustment of the property tax declaration, and the property tax expenses of 2020 and 2021 were also increased by 20,910 GEL. As of December 31, 2022, the balance of the account №1-13-2300 amounted to - 5 GEL, and after recalculation it amounted to - 183658 GEL ($S2a = 5 + 204563 - 20910$) GEL.

Income of the previous years of tuition fees was charged - 1857834 GEL (we charged the income of 2018 - 1800 831 GEL, reduced the income of 2019 - 56500 GEL, charged the income of 2020 - 5756 GEL, reduced the income of 2021 - 7443 GEL, accrual of incomes of 2022 - 115190 GEL), the balance as of December 31, 2022 on the account №1-13-6000 amounted to - 2618 195 GEL and after recalculation it amounted to 4476029 ($S2a = 2618195 + 1857834 (1800831 - 56500 + 5756 - 7443 + 115190)$) GEL. Adjustment of accrual is caused by the accrual of student tuition fees, which is caused by adjustment of the accrual of the admission quota with actual quarterly accrual and untimely submission of documentation.

The master's program in chemistry reflected in the expenses of goods and service was decreased in 2021 by 200 GEL and increased by the amount of buildings protection of 2022 by 16250 GEL ($16250 - 200 = 16050$). As of December 31, 2022, the balance of account № 2-13-4000 amounted to 82728 GEL, and after recalculation it amounted to 98778 GEL ($S13 = 82728 + 16050$).

As of January 1, 2023, the acts of comparison with debtors and creditors are presented in part because some of the debts and liabilities are current, including most student tuition fees. As for the part of the old receivables, we provide you with the documents in PDF format, and we cannot provide the remaining small part due to the lack of search for the payers.

Response to State Audit Recommendations

Inventory commissions was created in accordance with the legislation in 2022 for the purpose of inventorying of material stock, verification of the actual balances of assets was carried out, in accordance with the accounting registers.

In the findings, the written-off inventories worth 133504 GEL, recorded by the audit, consists of the inventories worth 104707 GEL written off from the balance sheet and expensed in 2022, and the inventories worth 28797 GEL written off in previous years. 133504 GEL is the cumulative sum of written off inventories.

In 2022, the write-offs were carried out as a result of the correspondence of the responsible persons and the inspection of the Commission, which from our side was not recorded in the inventory protocol, although the write-off acts were signed by the Commission with appropriate signatures.

After the purchase of supplies, they are taken to the relevant accounts and are issued from the warehouse electronically in the accounting program. As for the inventory deeds, several deeds were sent for display in accordance with the request of the audit service from our side. And we could not fully submit the acts in 2022 due to the existing software bug, about which we informed the Audit Service. Programmatic work to solve the issue is ongoing at this stage.

The register of assets recorded in the library funds is definitely in material form and we will digitize the above-mentioned registers in the near future. According to the institution, certain technical errors did not cause inaccuracies in inventories, fixed assets and other long-term non-financial assets.

In 2019, the amount received from the first tranche of the targeted grant - 974073 GEL - was recognized as income (accounting: D-1-13-1250 - currency account, K-4-31-1200 - grants from international organizations in monetary form).

The second tranche was debited to the foreign currency account on December 10, 2021 in the amount of 213,185.68 EUR, which the University did not recognize as income, as it was income for the future period (accounting: D-1-13-1250 - foreign exchange account, K-2-15-1230 - future period incomes).

On January 26, 2022, the above-mentioned amount was converted to 738,155.42 GEL, and in 2022, the returned amount was converted to 8,062.25 EUR. Considering the documentation submitted to the donor, we recognized 760133 GEL as income for 2022, where we over-recognized the returned amount of 25664 GEL (8062.25 EUR) and exchange rate change of 1420 GEL as income, where we retrospectively recalculated the errors with budget funds in the financial statements of 2023.

From our side, the financial statements for 2022 was submitted to the Ministry of Education and Science by the letter № 218695 of February 23, 2023. And the property declaration for 2022 was adjusted as of May 6, 2023. Accordingly, the financial statements reflect the accrual of 272,024 GEL by the initial declaration of the property of 2022, and the accrual by the adjusted declaration amounts to 67,460 GEL.

We made a retrospective recalculation of errors with non-budget funds in the financial statements of 2023, we reduced expenses by 204,563 GEL as a result of adjustment of the property tax declaration in the financial statements of 2022.

In the financial statements of 2022, the amount of overpaid taxes in short-term accounts receivable amounted to 5866 GEL, according to the data of the taxpayer's card, the amount is 29902 GEL, the existing difference consists of the tax paid on 01.01.2023 and 16.01.2023 inclusive, 377 GEL and 23659 GEL, the surplus arising from the declarations adjusting the property taxes of previous years, which is reflected in the financial statements of 2023.

LEPL - Iakob Gogebashvili Telavi State University

As of January 1, 2023, the balance on the deposit account in the commercial bank amounted to 2299000 GEL. At the end of the reporting period - 609000 GEL - Note №2 - Cash balances in commercial banks in national currency is recorded.

As of January 1, 2023, the balance of money in the treasury was 680331 GEL, including: account 1-13-1230 - 257820 GEL, account 1-13-1240 - 2134 GEL, account 1-13-1220 - 420377 GEL for targeted projects. At the end of the reporting period, it amounted to 496949 GEL. Specifically, account 1-13-1230 - 349817 GEL, account 1-13-1240 - 6546 GEL, account 1-13-1220 - 140586 GEL. It is recorded in the Note №2a.

As of January 1, 2024, the accounts receivable of tuition fees increased by 595,913 GEL and amounted to 1,678,850 GEL.

During the reporting period, on the basis of the Memorandum (№35) signed by the Ministry of Education and Finance of Georgia and the Protocol of the Resolution of the University's Representative Council № 18, in order to promote the studies of students with suspended status, 289,166 GEL were paid.

We also have a debt of 3394 GEL on the 1-13-9000 account. A lawsuit has been initiated over the debt against Individual Entrepreneur Al. Makhathelashvili. In addition, for the reporting period, we have the accounts receivable of 4728 GEL towards the Bank of Georgia, the interest charged on the deposit.

Finally, the accounts receivable amounted to 2183921 GEL. This is recorded in the Note № 2a.

At the beginning of the reporting period, the balance of low-value assets amounted to 107480 GEL, purchased for 58788 GEL. "Geotecho" LLC received assets of 183 GEL free of charge, the balance at the end of the period was 166451 GEL. It is recorded in the Note № 3. In addition, in the Note № 3 - Inventories on the account 1-14-1420 - in grant inflows, I have shown the books worth 6,791.56 GEL given free of charge within the framework of the sub-program "Frankfurt Book Fair" of "Promotion of Science" program of the Ministry of Education (program code 32 05 05).

Note №4 shows the amounts transferred as an advance. In particular, as of January 1, the existing advance in the amount of 29,103 GEL was increased by 17,835 GEL and decreased by 45,311 GEL. For 2024, the amount of the advance remained 1627 GEL, the fee for the program account at the National Quality Center. An act of comparison has been drawn up.

In the Note № 6, I have described the movement of fixed assets. In particular, the initial balance of the fixed assets has been increased by the purchase of accounting period by 717631 GEL and also the books donated by individuals in the amount of 397 GEL. The closing balance amounted to 17 890127 GEL.

In the Note № 8, by reducing the advances of the previous year by 29103 GEL and by purchases of the accounting period by 59507 GEL, the balance increased and, excluding amortization, amounted to 199785 GEL.

In the Note №13, I have reflected the accounts payable of the reporting period, which amounted to 641011 GEL. The existing debt with suppliers is 6,611 GEL, the student tuition fee is 211,909 GEL. It is reflected in the account 2-13-4000.

We also owe 175052 GEL to the Infrastructure Agency as the accounts payable: 6993 GEL - for Ilia Chavchavadze University and 155 GEL - for Sukhumi University, 93250 GEL - for the Shota Rustaveli Fund.

We also have funds deposited as an advance for targeted projects with the accounts payable in the amount of 147041 GEL.

Total creditor debt amounts to 641011 GEL, regarding which the acts of comparison were signed.

In the Note №14, in other operating income, on the account 4-31-1310, I indicated funding of 40,000 GEL. On program code 32 04 05 07, we received funding without foundations. I spent 485 GEL in subsidies 2.5 3; 39515 GEL in the article of non-financial assets.

In the note №16, I explained in the reporting period, on the basis of the memorandum (№ 35) signed by the Ministry of Education and Finance of Georgia and the protocol of the resolution of the Representative Council of the University №18, the debt written off for the purpose of promoting the studies of the students with suspended status amounts to 289166 GEL. The written-off debt amounts to 289166 GEL, accordingly, I indicated 5-91-0000 in the expenses of doubtful/hopeless debts, as well as short-term receivables from sales of goods and services in the Note № 2 on the account 1-13-6000.

Note №18 reflects the income received from the budget funds - 63 GEL, and the income received from own funds - 36 GEL due to the change in the exchange rates. Total income amounts to 99 GEL.

Following is received and issued during the reporting period:

1. State educational scholarship 147450 GEL, from the budget;
2. Gudavdze-Patarkatsishvili Foundation - 15,000 GEL;
3. Green scholarship from the Ministry of Environmental Protection - 3000 GEL (from own funds).

LEPL - Sokhumi State University

Sokhumi State University submits the financial statements as of December 31, 2023. Financial statements are submitted using the accrual method.

The reporting currency of the financial statements is GEL, which is expressed in accuracy of the nearest GEL.

Financial statements include the following forms:

Form F1 shows information about the organization's financial position for the reporting year and the previous year, which consists of the following expenses.

Total assets of Sokhumi State University amount to 10,003,618

Short-term assets – 4,131,374.00 GEL.

- Cash and cash equivalents - 2 745 516 GEL;
- Short-term (current) accounts receivable –1 164 423 GEL;
- Inventories –135 030 GEL;
- Total Short-term (current) assets - 86 396 GEL.

Compared to last year, the short-term assets are decreased by 889,392 GEL.

Long-term assets –5 872 244 GEL:

- Fixed assets –5 400 275 GEL;
- Intangible assets – 471 969 GEL;
- Fixed assets decreased by 20,681 GEL compared to last year;
- Intangible assets increased by GEL 61,790;
- Fixed assets are shown at historical value, which is reflected in the Appendix № 6, as well as with accumulated depreciation.

Short-term liabilities – 445,110 GEL:

- Accounts payable – Property tax 62 535 GEL; Land tax - 1404 GEL; Other short-term liabilities - 381 171 GEL; Electricity 8022.88 GEL; water supply - 2497.41 GEL; Natural gas supply - 29549.95 GEL, JSC Silknet - 862.29 GEL; Akhali Kselebi - 128.07 GEL;
- Akhali Kselebi 112---23,20; Silknet 112-21,60; for infrastructure development -11629; Rustaveli Foundation – 315000; for cleaning - 1570.30 – “Molecule” LLC – 3443 GEL; LLC
- Unified account of Master 140: Tax Inspection unified account of property 62534; Tax Inspection - land 1404; Universal LLC 1960; Planeta Forte 194.10; Rompetrol Georgia LLC -1218.48; Sun Petroleum Georgia LLC - 540.59;
- Information Communications Systems LLC – 85; Print Hub LLC - 1275; Favorite Style LLC- 650;
- Short-term liabilities have increased by 120,828 GEL compared to last year.

Net Assets/Equity – Retained earnings –9 558 508 GEL

Is decreased by 809 539 GEL compared to last year;

Note: the organization has no long-term obligations.

Form F2 shows information about the organization’s financial results. In 2023, the income of the organization shows 8 292 348 GEL, which consists of:

- The information in the Form F2 is described in details
- In S-14-b=911 845;
- Incomes are shown by grants from international organizations, cash expenses 828,429;
- 86416 in kind income received from the Kutaisi Parliament;
- And $S-14c=277044+273\,000+828429=1\,378\,473$

Incomes from internal transfers - Peace Fund - 277 044 GEL; scholarship – 273000 GEL

Cash expenditure of targeted grant - 828 429

S-14c - Non-budgetary funds are shown:

- Rustaveli Foundation - 197,360
- 36,000 - for education
- 7320 for the Ministry of Education of Abkhazia;
- Income: 66,383 = 307,063 received as a gift
- Income from exchange operations, interest and income from the sale of long-term assets (non-budget funds), % from deposit - 244 825; Tuition fee - 5 402 637, Other incomes - 47 505 GEL;

Note: Compared to last year, the income has decreased by 167,976 GEL.

In 2023, the actual expenses of the organization amounted to 9 101 887 GEL, which consists of the following expenses:

- Salary - 4 453 303 GEL;
- Goods and services – 2 188 701 GEL;
- Subsidies and state scholarship - 550044 GEL;
- Depreciation and amortization expense - 335 827 GEL;
- Expenditure of the targeted grant - 745,583 GEL;
- Cash expenditure of targeted grant - 828,429.

Note: the total actual expenditure of the organization in 2023 has increased by 1,113,260 GEL.

In the Form F-4, the net equity is reduced by 809,539 GEL.

277044 GEL is shown in the subsidies in the Form F-5.

In the Form F-5, 804,917GEL in targeted grants from budget funds and 23,512 GEL of cash increase of non-financial assets, 252,829 GEL from non-budget funds.

Appendix S2 – In 2023, the deposit from non-budget funds of the organization amounted to 2 745 516 GEL.

Appendix S2a – the balance of targeted grants of the organization by January 1, 2024 amounted to 92,754.47 GEL; Non-budgetary funds in the treasury - 1976 997 GEL; Non-budgetary funds in foreign currency amounted to 14059 GEL. The current receivables (rent for students) amounted to 853,073 GEL, of which the old receivables are 30,010 GEL.

Appendix S3 – Inventory balance as of January 1, 2023 was 61,454 GEL, income from purchases in 2023 amounted to 182,280 GEL, gifts received were 186,795 GEL, goods and services were 195,490 GEL. The final balance of the inventories amounted to 135,039 GEL as of December 31, 2023.

Appendix S4 - Information about the other short-term (current) assets of the organization. From the targeted grant of 11,817 GEL for the accreditation service, the debt to various universities amounted to 74,579 GEL, in total - 86,396 GEL.

Appendix S6 –Information if provided about the fixed assets of the organization. The historical value of fixed assets amounted to 7919107 GEL as of January 1, 2023. In 2023, other machinery and equipment was purchased for 190109.78 GEL. The fixed assets in the amount of 4830 GEL are transferred from Kutaisi Parliament as a gift; 21 073 GEL – from the Republic of Turkey; the library books worth 16960 GEL from natural persons, a total of 18,053 GEL. 60,916 GEL was transferred as a gift. 44,226 GEL was spent on the repair of non-residential buildings;

Vehicles were written off for 10755 GEL;

Historical value of fixed assets amounted to 8,204,164 GEL;

Depreciation of fixed assets in 01.01.2023 was 2,477,718 GEL;

In 2023, depreciation amounted to 333,694 GEL, deducted from the depreciation of the vehicle.

Depreciation cost is 7528 GEL.

Balance value of fixed assets as of December 31, 2023 amounted to 5,400,279 GEL.

Appendix S8 - Historical cost of intangible assets for January 1, 2023 amounted to 419254 GEL for the year 2023, the purchase was 63922, the balance of depreciation was 9075 GEL. The depreciation of the current year was 2133 GEL, and the accumulated depreciation amounted to 11208 GEL. The balance sheet value was 471,968.78 GEL.

Appendix S13 – shows information about the organization's property/land payments, amounting to 63,939 GEL;

In Appendix S-13, I adjusted the balance, since 5345 GEL fixed assets were recognized in 2022 and the cash expense was incurred in 2023.

Opening balance in 2023 on the account 2-15-15 -230- 272 844 reduced by 5345=267 499

Cash flow is also reduced by 5345 GEL, instead of 1 312 328 GEL, 1 306 984 GEL is shown.

Other current liabilities have increased by 120,828, the balance is 381,171 GEL.

Appendix S14b - shows information about income from taxes and grants of the organization. 14-b is shown

- In S-14-b=911 845
- Incomes are shown by grants from international organizations, cash expenses - 828,429.
- 86416 in kind income received from the Kutaisi Parliament;
- S-14-g=277044+273 000+828429=1 378 473;
- Subsidies 277044;
- State scholarship 273,000;
- Targeted grant cash expenditure 828429;

Non-budgetary funds are shown in the **Appendix S14G**: 307063

Rustaveli Foundation - 197360

Received from education - 36,000

Ministry of Education of Abkhazia - 7320

66,383 received in kind

Appendix S17 A - shows the information about the accrued expenses of the organization in 2023, which includes budget funds and non-budget funds.

- Salary - 4 453302 GEL;
- Non-budget funds - goods and services - 2 188 701 GEL; whereof the funds issued to the salaries – 1288373, business trips – 83972;
- Other expenses – 816356;
- Depreciation and amortization expenses – 324321.7 GEL;

Annex S17a - in budget funds = 1 585 519

- From here - Goods and services - 745 583;
- Depreciation of fixed assets – 11506;
- Cash expenditure of targeted grant - 828,429;
- In the Appendix S17c.

State scholarship and subsidies - 550044.

The total accrued expenses of the organization in 2023 amounted to 9,101,887 GEL. The expenses are increased by 1,113,260 GEL.

LEPL - Samtskhe-Javakheti State University

During preparation of the financial statements of Samtskhe-Javakheti State University, we were guided by the Order №365 of the Minister of Finance of Georgia “On Approval of the Instruction on the Method of Preparation and Submission of Financial Statements of Budget Organizations” of 2003, taking into account the amendment to the Order №24 of the Minister of Finance of Georgia, dated February 4, 2021 (Amendment № 280, 23.08.2022).

Order №289 of the Minister of Finance of Georgia, with the instructions on the accounting and financial reporting of depreciation/amortization by the budgetary organizations, dated 02.12.2020.

The sources of University funding are as follows:

1. Budget funds - code 32 04 02 06 10 (state scholarship),
2. Targeted grants which agreements are registered in the Ministry of Finance - code 32 04 05 09.

ERASMUS+DITECH № 2191; ERASMUS+ VETPRO № 2709; DOIT № 463, № 1209; USAID Basic Education Program, funded by the United States Agency for International Development (USAID), is implemented by RTI International; United Nations Children's Fund UNICEF;

3. Non-budgetary funds - code 32 04 05 09 (targeted grants from partner universities, which are in their own funds; Shota Rustaveli National Science Foundation of Georgia; LEPL - Educational and Scientific Infrastructure Development Agency within the framework of program code 32 07 02; Ministry project CIF-2023-05 (entrepreneurial) and others – please see in the table below.

Note № 2a- Current investments and short-term accounts receivable:

1. Please see the short-term (current) accounts receivable related to total treasury operations in the table - Initial balances, increase, decrease and final balances as of 31.12.2023 according to funding sources (Treasury).

Samtskhe-Javakheti State University - Movement of funds on the account, 2023

	Funding sources	Balance as of 01.01.2023	Increase	Decrease	Balance as of 01.01.2024
1	Own funds (only)	1521270,56	3290617,01	4358133,65	453753,92
2	Education and Scientific Infrastructure Development Agency	279211,3	0	279211,3	0
3	Europe Horizon - Grant Office	15000	0	15000	0
4	Entrepreneurial project	0	475670	313029,69	162640,31
5	From Akhaltsikhe Municipality	0	15000	15000	0
6	M. Natenadze Scholarship	375	2500	2875	0
7	From Gudavadze-Patarkatsishvili Foundation-Scholarship	3000	15000	15000	3000

8	From Shota Rustaveli National Scientific Foundation (Agreement SL-22-529)	60000	0	55594,1	4405,9
9	From Shota Rustaveli National Scientific Foundation (Agreement OTG-II-23-095)	0	27400	27400	0
10	Erasmus + E-PSY - From Sokhumi State University	3129	47382,92	50511,92	0
11	Erasmus + ETIHCS - From Ilia State University	0	33168,54	26526,09	6642,45
12	Erasmus +RURD from A. Tsereteli State University	10698,86	0	10698,86	0
13	UNICEF - Consulting LLC	0	15732	15732	0
	In total in own funds (mixed)	1892684,72	3922470,5	5184712,61	630442,58
	Foreign exchange (150.0 EUR) account	0	446,3	0	446,3
1	DITECH №2191	2970,05	61794,56	64764,61	0
2	USAID №2648	17585	198540	216125	0
3	USAID №2916	0	8580	1280	7300
4	USAID №2917	0	7020	580	6440
5	UNICEF №2557	500	9200	9700	0
6	UNICEF №2558	0			0
7	UNICEF №2685	7295	0	7295	0
8	VETPRO №2709	0	75902,33	60981,27	14921,06
9	DOIT №463, №1209	6227,79	0	0	6227,79
	Total targeted grants (budget)	34577,84	361036,89	360725,88	34888,85
	IN TOTAL	1927262,56	4283953,7	5545438,49	665777,73

2. Total short-term (current) accounts receivable and other receivables - **1 445 393,0 GEL**, including:

2.1. As of 31.12.2023, the debt of students' tuition fees amounts to 750,672.0 GEL (since the duration of the academic semester was transferred to January, a large part of the debt was repaid in January 2024).

As of 31.12.2022, the debt amounted to 180,048 GEL. In 2023, 780,544 GEL of accounts receivable arose, repayment, write-offs and defaults totaled 209,920 GEL of debt, in particular:

During 2023, the accounts receivable of the tuition fee decreased, i.e. the debts of 2018-2022 were paid off with 9865 GEL. In accordance with the resolution №378 of the Government of Georgia "On the measures to be taken for promotion of the education of students with suspended status in the higher educational institution of Georgia with financial debt", dated October 3, 2023, the financial debts existing as of August 1, 2018-2023 were written off **in the amount of 182,612 GEL to the students whose status has been suspended** (Resolutions of the Representative Council of Samtskhe-Javakheti State University: № 16, 20.10.2023, № 17, 26.10.2023 and № 19, 10.11.2023), and the debt in the amount of 17,443.0 GEL was written off according to the resolution № 26 of the Representative Council, 25.12.2023).

2.2. Due to non-payment of rent (2016-2019), there was a debt in the amount of 230.0 GEL, and a fine in the amount of 394.0 GEL, a total of 624.0 GEL, which was written off by the Resolution № 23 of the Representative Council, dated 12.12.2023.

i.e. The cost of doubtful/bad debts totaled 182612.0 + 17443.0 + 624.0 = 200 679.0 GEL.

2.3. Among other receivables, there was a debt of 56,788.0 GEL to the budget - over-transferred profit tax, which we will gradually be adjusted by transferring and not transferring the tax that arose when submitting the property (including land) tax declaration, and as of 31.12.2023 it amounted to **30,410.0 GEL**.

Note №3 - Inventories. As of 01.01.2023, the balance of inventories was 117,226.0 GEL. In 2023, purchases of low-value assets for 218,894 GEL and rest of other materials and supplies for 111,654 GEL were made, totaling 330,548 GEL.

In grants inflow - LEPL - Meskheti (Akhhaltsikhe) Professional Drama Theater delivered us 300 pieces - 1200.0 GEL - hall seats free of charge.

Rest of other materials and supplies - within the framework of article of "Promotion of Science Program" of the Ministry of Education, Science and Youth of Georgia, program code 32 05 05, scientific-popular and educational literature worth **3,336.94 GEL** was provided to us free of charge.

And among the various inflows, there are magazines, booklets and other printing goods made in the university printing house, **1722.0 GEL** worth.

Under the article - Goods and services, outflows in the amount of 333,908.0 GEL was carried out.

As of 01.01.2024, the balance of materials and supplies totaled 120 125.0 GEL.

Note №4 - Other short-term assets. With the National Center for Education Quality Enhancement, advance payments for accreditation of non-financial assets - educational programs as of 31.12.2022 amounted to 70,192.0 GEL, in the period of 2023 there is an increase of 17,359 GEL and a decrease of 83,319 GEL, as of 31.12.2023, advance payments for non-financial assets amount to 4,232.0 GEL (verifications are carried out based on the minutes of the meetings of the Accreditation Council of Educational Programs).

Advance payments for goods and services amounted to 310,400.0 GEL, as follows:

The program code of the Ministry of Education, Science and Youth of Georgia – “Innovation, Inclusion and Quality Project - Georgia I2Q (WB)”, program code - 32 09, the main goal of which is to improve the innovative and entrepreneurship capabilities of higher educational institutions participating in this project - Samtskhe-Javakheti State University and Caucasus University, and George Washington University is also a project partner. The recipient of the funds, in this case the Samtskhe-Javakheti University, within the framework of the project budget, transferred 174,540.35 GEL to Caucasus University LLC and 135,860.0 GEL - to George Washington University, a total of 310,400.0 GEL for implementation of activities, verifications will be made after the presentation of the accounts.

Note №6 - Fixed assets. A total of 261,204.0 GEL was made in 2023 under the article - Fixed assets, including:

The value of non-residential buildings increased by GEL 49,244, in particular:

Buildings - 15,500.0 GEL (excavation of wells, fire safety);

Information, computer, telecommunication and other machinery in the amount of 196,460.0 GEL was purchased.

We have received free of charge under the grants: from the Education and Scientific Infrastructure Development Agency, works for the rehabilitation of educational (“professional programs”) buildings of the Samtskhe-Javakheti State University in Akhalkalaki amounted to 3,129,177.0 GEL, including non-residential (educational) buildings - 2,422,522.0 GEL and structures - 706,655.0 GEL.

From the above-mentioned works, the works worth $1\ 157\ 610.08 + 5\ 110.84 + 2\ 226.94 = 1\ 164\ 948$ GEL in non-residential buildings were retrospectively reflected in the financial statements of 2023, since the said works were actually completed in 2022, which was confirmed by the act of acceptance, while it was delivered to Samtskhe-Javakheti University on 12.12.2023, the accumulated depreciation in 2023 (19 days) amounted to 222.0 GEL, which was also retrospectively added to the recalculated opening balance of the reporting period of the accumulated depreciation of fixed assets, and as for the Form F4 in the statement of changes in net assets/capital on the line code 003 of the previous period material errors in the retrospective recalculation, it will be $1\ 164\ 948.0 - 222.0 = 1\ 164\ 726.0$ GEL (with the residual amount).

In grant inflows - on-residential buildings - 1,257,574.0 GEL and other structures - 706,655.0 GEL, total 1,964,229.0 GEL.

Also in the grant inflows - in accordance with the requirements of the Article 85(1) of the Law of Georgia “On Higher Education”, by the decision of the Representative Council of LEPL - Samtskhe-Javakheti State University, with the approval of the Ministry of Education, Science and Youth of Georgia and the Ministry of Economy and Sustainable Development of Georgi, according to the applicable legislation of Georgia and established procedure, LEPL - Department of General Courts under the Supreme Council of Justice of Georgia transferred to us the right of usufruct free of charge in the building of total area of 258.28 m², located at the address: №44, Tamar Mepe Street, I floor, city of Akhalkalaki, cadastral code: 63.18.32.544.01.501 (without land plot) at the cost of **396,004.0 GEL**.

In grant inflows, we also have the book funds of the value of **3,263.0 GEL** transferred free of charge from various legal entities (in the Appendix № 26 I have deciphered the acts of acceptance and the names of organizations).

With external transfers not classified elsewhere – the book funds in the amount of 373.0 GEL were transferred to us free of charge from natural persons.

With various incomes – the book fund in the amount of 558.0 GEL (published in the University printing house).

Grant outflows - and in return we transferred the area of Samtskhe-Javakheti State University, located at the address: №102, Mashtots Street, city of Akhalkalaki, cadastral code 63.18.33.383 (first floor, total area of the building - 159 m² – with residual

balance value of **127,162.14 GEL** and land plot, total area 668 m² - with the balance value of **56,900.0 GEL**, accumulated depreciation of the building in other exits **8137,56 GEL**, to LEPL - Department of General Courts, permanently, free of charge, with the right to use in the form of usufruct.

All of the above is confirmed by free usufruct agreements, acts of acceptance and extracts from the Public Register.

Note №8 - Intangible assets. In intangible assets - the value of assets increased by 19,822.0 GEL with the purchases of the current period, and by 65,960 GEL with the reduction of the advances of the previous reporting period.

73,291.0 GEL has been accrued for the amortization of the year.

Note №11 – Other non-financial, long-term assets. According to this article, we have a unique and collectable-rarity book fund, the value of which is 17,074.0 GEL.

Note №13 - Accounts payable, provisions and other liabilities. Incomes from grants received as short-term advances and non-exchange transactions total 645,281.44 GEL, in particular:

1. Program code 32 09 of “Innovation, Inclusion and Quality Project - Georgia I2Q(WB)” of the Ministry of Education, Science and Youth of Georgia - **475 670.0 GEL** (we have an act of comparison).
2. Grant funding within the framework of Shota Rustaveli National Science Foundation of Georgia - scientific research grant competition promoting the protection and development of the state language - 60,000.0 + 27,400.0 = 87,400.0 GEL (we have an act of comparison).
3. ERASMUS+ETICS together with LEPL - Ilia State University, partner organization, project - 6642.45 GEL (we have an act of comparison).
4. ERASMUS+ VETPRO together with European University, partner organization, project - 14,921.06 GEL (we have an act of comparison).
5. The USAID Basic Education Program, funded by the United States Agency for International Development (USAID), is implemented by RTI International - 13,740.0 GEL (we do not have an act of comparison, since it is received from an international organization, the act of comparison will be made after the project is completed, based on the audit report, the amount of the unfulfilled task is returned to the donor).
6. Overpaid tuition fees by students amount to **46,907.93 GEL**.

Note №14 - Incomes from taxes, grants, etc. - 14b – Incomes of grants - Budget funds

Budget funds: In monetary form - 346,430.0 GEL from targeted grants, current or subsidy, and 14,296.0 GEL, a total 360,726.0 GEL.

In kind - a total of 2,363,496.0 GEL of equity, non-financial assets were transferred free of charge, of which 1,257,574.0 GEL - in non-residential buildings and 706,655.0 GEL - in other structures (a total of 1,964,229.0 GEL from the Infrastructure Agency), as well as with gratuitous usufruct agreements – the non-residential building with the value of 396,004.0 GEL, and the book fund transferred free of charge with the value of 3,263.0 GEL.

Current incomes from grants – the hall seats worth 1200.0 GEL and free scientific-popular and educational literature worth 3 336.94 GEL, total 4 537 GEL.

i.e. Total in budgetary funds:

Current - $346\,430.0 + 4\,537.0 = 350\,967.0$ GEL

Capital - $14,296.0 + 1,964,229.0 + 396,004.0 + 3,263.0 = 2,377,792.0$ GEL.

14b - Incomes from grants - Non-budget funds. From the projects of partner organization - the amount of targeted grants totals **396,948.0 GEL**, in particular:

Current - 298 216.0 GEL,

Capital - 98 732.0 GEL,

14 c - Incomes from other operations. Budget funds - a total of 511,099.0 GEL, including:

Incomes from capital external transfers, not classified elsewhere, books transferred free of charge from natural persons - 373.0 GEL.

Incomes from internal current transfers; state scholarship - 150,000.0 GEL,

Incomes from internal current transfers - 346,430.0 GEL

i.e. $150\,000.0 + 346\,430.0 = 496\,430.0$,

And the income from internal capital transfers amounts to 14,296.0 GEL.

Non-budget funds - a total of **148,177.0 GEL**, including:

Incomes from sanctions, fines and penalties - **102,435.0 GEL**,

Income from current external transfers not classified elsewhere - **45,742.0 GEL**.

Note № 15 - Income from exchange transactions from non-budget funds - Income from provision of services amounts to 3 981 791.0 GEL (tuition fees - 3 974 385.0 GEL, from other services - 7 406.0 GEL).

Note № 16 - Costs of reduction of the value of doubtful (bad) debts/depreciation. The cost of doubtful/bad debts totaled **182 612.0 + 17 443.0 + 624.0 = 200 679.0 GEL**. partner organization. Write-off the accounts receivable, in particular 200 679.0 GEL is discussed in the Note 2a in details.

Note №17 - Operating expenses, 17a - Budget funds – in total **997 681,0 GEL**, including:

Expenses with internal current transfers - 346,430.0 GEL,

Expenses with internal capital transfers - 14,296.0 GEL.

Current transfers not classified elsewhere:

State scholarship - **150,000.0 GEL**,

Current transfers, not classified elsewhere (on 5-73-1000). Cash expenditures from the targeted grants totaled 350,445.0 GEL, including: subsidy - 346,430.0 GEL; 250.0 GEL was not issued to materially responsible persons, is in stock + (4180.0+85.0 GEL from the balances of the previous year), i.e. the actual cost is $346\,430.0 - 250.0 + 4180.0 + 85.0 = 350\,445.0 + 150\,000.0$ (scholarship) = **500 445.0 GEL**.

Depreciation costs from the budget funds- 136,510.0 GEL.

I.e. Operating expenses of the budget funds are: $136,510.0 + 14,296.0 + 346,430.0 + 500,445.0 = 997,681.0$ GEL.

17a – Expenses from non-budget funds - In total - **4 806 021,0 GEL**.

Including the salaries - 2 409 193.0 GEL;

Goods and service expenses - 2,102,322.0 GEL;

Depreciation expenses - 101 425.0 GEL, amortization expenses - 73 291.0 GEL, in total 174 716.0 GEL;

Social security - 2,556.0 GEL;

Current transfers not classified elsewhere - 90,856.0 GEL (cash funds - 42,081.0 GEL + Gudavadze Patarkatsishvili Foundation and M. Natenadze scholarship - 17,875.0 GEL + mixed cash funds of grants - 30,900.0 = 90 856.0) GEL.

Expenses related to the property (property/land tax) - 26,378.0 GEL.

I.e. Operating expenses of non-budget funds are: $2,409,193.0 + 2,102,322.0 + 174,716.0 + 2,556.0 + 90,856.0 + 26,378.0 = 4,806,021.0$ GEL.

17b. Grant expenses - Capital costs from non-budget funds are 184,062.0 GEL, a non-residential building transferred to the Department of General Courts in the form of a lifetime, free usufruct - 127,162.0 GEL and the attached land area worth 56,900.0 GEL.

The information requested by the Ministry is attached to the annual financial report (balance sheet) of 2023, in particular:

1. Detailed information of the reference articles of the financial statement form №1 in an excel file;
2. Appendices №1.1; №1.2 - Information on accounts receivable and accounts payable recorded in the financial statements - table, according to the accounts chart and economic classification;
3. Acts of comparison with debtors and creditors as of January 1, 2024;
4. Information about receipt/transfer of the assets free of charge from legal entities or natural persons;
5. Appendix №3;
6. Internal current transfers of the budget inflows according to individual programs (Appendix №4);
7. Complete list of the inventories and fixed assets, including
Registers of non-financial assets, in accordance with the accounts chart,
A source for calculation of the depreciation of non-financial assets;
8. Rotary sources, including book, transactions;
9. At the detailed level - according to funding sources E6;
10. Documentation on real estate leasing.

LEPL - Shota Meskhia Zugdidi State University

The financial statements of LEPL - Shota Meskhia Zugdidi State University for 2023 have been prepared and submitted in accordance with the financial statement forms and appendices approved by the Order №365 of the Minister of Finance of Georgia, dated December 31, 2021,

Incomes - Budget funds

Code 32 04 05 10 - budget funds - subsidy in 2023 amounted to 53 077.58 GEL.

Code 32 04 05 10 - the grant received from international organizations amounted to 267,947.59 GEL.

Code 32 04 02 06 11 - state scholarship for outstanding students - 88,950 GEL.

Total - 413 045.17 GEL

Cash expenditures with budget funds

Code 32 04 02 06 11 - expenditure, state scholarship for excellent students - 88 950 GEL. Including, the cost of state educational scholarships amounts to 81,152 GEL, the cost of presidential scholarships is 7,800 GEL.

Code 32 04 05 11 - the cost of targeted grants (registered grants from the international organizations) amounts to 267,947.59 GEL. Subsidy - salary - 66,492.91 GEL, subsidy to other sectors, salary of persons employed under the employment agreements is 149,900 GEL, subsidy to other sectors is **6,695.40 GEL**, subsidy - business trip within the country - **17 030.50 GEL**, subsidy - business trip outside the country - **13 405.28 GEL**, increase of non-financial assets - **14 423.50 GEL**, including other machinery not classified elsewhere - **14 423.50 GEL**.

Code 32 04 05 10 - expenditure - subsidy, the expenditure of the State Budget amounts to - **56 147.58 GEL**. Subsidy for others - **34,877.58 GEL**, subsidy for salary - **4,500 GEL**, salary for persons employed in other sectors under the employment agreements - **13,700 GEL**, increase of non-financial assets - **3 070 GEL**.

Non-budgetary/own funds

Code 32 04 05 10 - the cash income of 2023 in the part of own funds amounted to **4 648 657.58 GEL**.

1. In the academic year 2022-2023, the income received from the services provided to students (tuition fee) amounts to 4,588,358.81 GEL;
Including:
 - 1.1. Voucher financing - 2 608 899.94 GEL;
 - 1.2. Tuition fees for bachelor students 1 979 458.87 GEL.

2. Income from property (realization of accrued interest) - 5,881.02 GEL;

3. Transfers that are not classified as income - 49,567.75 GEL.

Including:

3.1. Revenue, fine imposed due to violation of the terms and conditions of the agreement - 1 889.07 GEL;

3.2. Budget funds unused and returned in the previous year - 72 GEL;

3.3. Other current incomes - 7470 GEL, which includes: voluntary transfers except for the grant;

3.4. Other unclassified income - 40 136.68 GEL;

Including:

3.4.1. Income received from the non-market sale of goods amounts to 13,225.08 GEL.

3.4.2. Amount received within the framework of the grant agreement (Creative Spark) – 26,911.60 GEL.

Grants received from the state entities of other level amount to 475,751.19 GEL

Including:

Zugdidi Municipality City Hall - 30,000 GEL.

N(N)LE - Professional Skills Development Agency - capital purpose grant - 153,240 GEL

N(N)LE Professional Skills Development Agency - other current grants from the State Budget - 292,511.19 GEL.

Cash expenditure - with non-budgetary/own funds

Code 32 04 05 10 - cash expenditure incurred in 2022 in the part of own funds amounted to 6 234 158.03 GEL.

Salary - 1,879,335.25 GEL, premium - 66,775 GEL, bonus - 26,395 GEL. Goods and services - 3,369,076.31 GEL: salary of freelancers - 2,121,544 GEL, premium of freelancers - 5,485 GEL, bonus of freelancers - 5,000 GEL, business trip within the country - 30,572.09 GEL, business trip abroad - 40 103.86 GEL, office expenses - 864 800.35 GEL, including stationery - 14 339.50 GEL, publishing and printing expenses - 3 929 GEL, procurement and installation of low-value office equipment - 19 428 GEL, including: hardware - 4,270 GEL, procurement and charging of cartridges - 10,310 GEL, photo-audio-video equipment - 2,950 GEL, expenses related to procurement and installation of other low-value office equipment - 1,898 GEL, procurement and installation of office equipment - 84,071.58 GEL, including soft furniture - 7,635 GEL, 76,436 GEL for the procurement and installation of other low-value office equipment; the cost of procurement of items and materials needed for office - 37,554.50 GEL; the cost of procurement of washing, dry cleaning and sanitary items - 8,067.25 GEL, repair costs of building and facilities - 584,889.09 GEL, maintenance and repair costs of office equipment, inventory, machinery and equipment - 2,105 GEL, communication costs - 13,758.01 GEL, postal service costs - 619.60 GEL, utility costs - 88,910 82 GEL, including electricity costs - 37,837.80 GEL, water supply costs - 6,389.04 GEL, gas supply costs - 44,683.98 GEL, the office costs, not classified elsewhere - 7,128 GEL, representative costs - 24 383.11 GEL, medical costs - 1600.07 GEL, soft inventory and personal hygiene related costs - 2 040.60 GEL; operation and maintenance costs of transport, equipment and weapons - 49,461.21 GEL, including fuel/lubricant procurement costs - 17,791.91 GEL, operation, maintenance and spare parts procurement costs - 8,432.23 GEL, cost of hiring transport - 23,237.07 GEL. Other goods and services - 224,086.02 GEL, including other costs incurred on other goods and services - 49,124.76 GEL, examination and inspection costs - 2,200 GEL, personnel training - 240 GEL, advertising costs - 29,275 GEL, cost of consulting, notary, interpreter and translator - 9 729.70 GEL, cost of auditing services - 5 500 GEL, cost of building security - 121 620 GEL, cost of cultural, sports, educational and exhibition events - 6 396.56 GEL.

The remaining costs for other goods and services - 49 124.76 GEL, grants - 861.81 GEL, other costs - 79 454.39 GEL; including cost of other scholarships and grants - 60,000 GEL, tax - 10,659 GEL, vehicle insurance cost - 297.29 GEL, fee - 7,635 GEL, other current transfers not classified elsewhere - 14,360.10 GEL.

Increase of non-financial assets – 812,260.27 GEL, non-residential building - 214 275.01 GEL, other machinery and equipment - 572,996.35 GEL, including information, computer, telecommunication and other devices, furniture and equipment - 301,763 GEL, including computers - 214,503 GEL, printer, scanner - 70,160 GEL, uninterrupted power source - 8000 GEL, camera – 1100 GEL, soft furniture - 8 000 GEL. Other machinery and equipment, not classified elsewhere - 271,233.35 GEL, other fixed assets - 1,350 GEL, including software - 1,350 GEL.

Non-derivative assets – permits for specific activities - 23,638.91 GEL.

Note №2 - Balance sheet appendix - Current accounts in the national currency in the commercial bank as of December 2023 amount to 0.0 GEL.

Note №2-a – Short-term (current) accounts receivable of the budgetary organizations to the Treasury. The opening balance on the account №1-13-1200 amounted to **1 790 453 GEL**, the increase in the balance during the reporting period is **5 392 356 GEL**, the decrease - **6 314 167 GEL**, and the closing balance of the accounting period amounts to **868 621 GEL**, including short-term receivables of the budgetary organizations to the Treasury with financing and grants in national currency on the account №1-13-1220, opening balance - **21 GEL**, increase - **283 750 GEL**, decrease - **267 948 GEL**, balance - **15 823 GEL**. The opening balance of short-term accounts receivable from sales of goods and services on the account №1-13-6000 amounted to **954,507 GEL**. During the period, the increase is **4,662,472 GEL**, the decrease is **5,182,522 GEL**, and the closing balance is **534,457 GEL**, which represents the arrears of tuition fees charged to the students. In addition, in 2023, the depreciation expense for the year amounted to **600,383 GEL** on the account №1-13-6000, which represents the arrears of tuition fees written off from the students according to the Ordinance №378 of the Government of Georgia, dated October 3, 2023.

Note №3 - Raw materials and supplies – On the account №1-14-1100, the opening balance amounted to **62 593 GEL**, procurement of the current period amounted to **87 638 GEL**. With various incomes, inflow amounted to **13,255 GEL**. This represents the finished products received in the process of implementation of the professional programs in Senaki. Other inflows in the amount of 5,261 GEL represent the receipt of corn income received in the educational process (non-operating income). Outflows with goods and services - 108 984 GEL, and 13,255 GEL for other outflows - represents the sold products. The balance at the end of the reporting period was **46,508 GEL**.

Other materials and supplies - on account №1-14-1400 the opening balance of the reporting period amounted to **62,099 GEL**, procurement of the current period - **172,951 GEL**, inflow with grant - **2047 GEL**, as well as **447 GEL** in other inflows is a gift of books, outflows from individuals with goods and services is **193 408 GEL**. The closing balance is **44136 GEL**. The total value of the inventories at the end of the reporting period is **90,644 GEL**.

Note №4 - Other short-term (current) assets - the opening balance of the previous reporting period as of December 31, 2022 amounted to **47,640 GEL**, during the period there was an increase of **21,177 GEL** and a decrease of **47,037 GEL**, the closing balance of 2023 on the account №1-15-1200 amounted to **21,780 GEL**. The above-mentioned amount represents the accounts receivable of LEPL - National Center for Education Quality Enhancement.

Note №6 - Buildings and structures for personal use on account №1-22-1000 - Non-residential buildings on the account №1-22-1200, the opening balance amounted to **5,946,975 GEL**, procurement of the current period amounts to **214,275 GEL**. Inflow with grant - **227,404 GEL** (inflow is carried out from LEPL - Education and Scientific Infrastructure Development Agency). Outflows with other expenses amounted to **164,276 GEL**, received with other inflows from other vehicles on the account №1-22-2220, since the actual situation represented the above. Other structures – on the account №1-22-1300 - opening balance amounted to **1 718 454 GEL**, opening balance of other non-financial long-term machinery and equipment amounted to **2 017 772 GEL**, procurement of the current period amounted to **582 490 GEL**.

Cultivated plants and animals – on the account №1-22-3000 the opening balance amounted to **20 732 GEL**; other inflows - 3 478 GEL represent the non-operating income received as a result of rebalancing the cultivated assets.

Note №8 - Intangible assets – on the account №1-24-1310, the opening balance of 2021 amounted to **119,164 GEL**, procurement of the current year was **1,350 GEL**.

Permits for the implementation of specific activities – the opening balance on the account №1-24-2130 amounted to **184,711 GEL**, procurement of the current period amounted to **23,639 GEL**. Reduction of the advance of the previous reporting period amounted to **25,860 GEL**. (Acceptance and consideration of services in 2023 with amounts paid in advance for quality assurance in previous years).

Note №11 - Other non-financial long-term assets - Opening balance amounts to **104,235 GEL**, no changes were made to this asset.

Note №13 – Accounts payable - Short-term accounts payable on the account 2-13-0000 amounted to **15 058 GEL** at the beginning of the year, during the year the cash increase was **2 016 658 GEL**, and the decrease was **2 027 730 GEL**. At the end of the reporting period, it amounted to 3,978 GEL. Acts of mutual comparison have been drawn up for the above-mentioned amount and are attached to the financial statements. Other short-term current liabilities on the account №2-15-0000 initially amounted to **479,693 GEL**, during the period there was an increase in cash by **650,371 GEL**, a decrease - by **726,130 GEL** and at the end of the reporting period it was **403,934 GEL**, which represents the funds received by the donor as an advance, in which there is a condition to repay the unused amount after the end of the contractual term. Please see the Appendix 2.

We have not submitted the mutual comparison with the international organizations (registered targeted grants) for **15,823 GEL**, since the mentioned document could not be created with the donor organizations.

Note №14-b - Incomes from grants - Grants received from the international organizations on the account №4-31-1200 with the budget funds, **283,751 GEL** amounts to registered targeted grants.

Grants received from the state entities of other level - on the account №4-31-1320 the non-budget funds amount to **559,978 GEL**, including the current 280,254 GEL represent the funds received from LEPL Agency of Professional Skills Enhancement, the funds recognized in the reporting period. Capital **279,724 GEL** - including **170,000 GEL** represent the funds received from LEPL - Infrastructure, which was determined at the beginning of the year on the account №2-15-1000, was recognized in incomes in the reporting period, and **109,724 GEL** represents the recognition of the funds received from N(N)LE Agency of Professional Skills Enhancement in the income.

Grants in kind received from the state entities of other level amount to **229,451 GEL** on the account №4-32-1320, including **227,404 GEL** represents the capital repair of non-residential building by LEPL - Education and Scientific Infrastructure Development Agency (on which the act of acceptance is filed), **2047 GEL** is a gift of books, an ongoing grant in kind.

Note №14-c - Income from other operations with budget funds - income, through internal transfers to the account №4-50-0000 - **413 045 GEL** consists of:

1. Targeted grants for code 32 04 05 16 amount to **267 947 GEL**, including procurement of non-financial assets - **14,423.50 GEL**,
2. State scholarship for code 32 04 02 06 - **11 88 950 GEL**,
3. Subsidy from the State Budget for code 32 04 05 16 - **53 077.58 GEL**.

Non-budget funds - income from external transfers, not classified elsewhere, on the account №4-45-0000 - **53 387 GEL**. Incomes from sanctions, fines and penalties - **1 889 GEL**.

Note №15 - Incomes from exchange transactions - Interest incomes on the account №4-41-1000 - **10 731 GEL** consists of:

1. Realization of accrued interest - **5 481 GEL**;
2. Gudavadze Patarkatsishvili scholarship for students - **5 250 GEL**;

Since the above-mentioned scholarship was debited to the wrong income code (other unclassified rent), which did not correspond to the purpose of the amount, it was not indicated in the account №4-41-3000 and was added to the account №4-41-1000.

Income from services on the account №4-42-1000 amounts to **4,762,472 GEL**, representing tuition fees charged to students in the reporting period.

Note 16 - Incomes generated by reversal of depreciation of fixed assets - on the account №4-93-0000 **3 477 GEL** represents the income received as a result of cattle overweighting. Depreciation expenses of 2023 on the account №5-91-0000 amounted to **600,383 GEL**, which represents the arrears of tuition fees charged to the students by the Ordinance №378 of October 3, 2023.

Note №17-a - Accrued expenses, grants and subsidies – salary cost on the account №5-10-0000, **70,973 GEL** represents the salaries from registered targeted grants. In addition, the cost of goods and services on the account №5-20-0000 is **235,609 GEL** and represents the costs of registered targeted grants, including the salary of freelancers - **163 600 GEL**. The cost of internal capital transfer on the account №5-51-0000 is **17,494 GEL** (including the expenses of the amount received from funding of the state budget - **3,070 GEL**, expenses of registered grants received from international organizations - **14,503 GEL**), depreciation and amortization costs on account №5-40-0000 with the budget funds amount to **271 418 GEL**. Expenses with internal transfers on account №5-50-0000 - **324 095 GEL** represent the expenses of registered targeted grants. Other expenses on the account №5-70-000 - **88,950 GEL** represent the accrued state scholarship.

Operating expenses with non-budget funds – salary expenses on the account №5-10-0000 - **1 972 505 GEL**, goods and services on the account № 5-20-0000 - **3 432 408 GEL**, including salaries of freelancers on the account №5-20-1000 - **2,132,029 GEL**. Business trip expenses on the account №5-20-2000 - **70 676 GEL** (inside and outside of the country)

Depreciation and amortization expenses on account №5-40-0000 amount to **121,349 GEL**.

Social assistance/provision on account №5-60-0000 - **638,350 GEL**.

Current transfers not classified elsewhere on the account №5-73-1000 amount to **79,454 GEL**.

Note №17-b - Expenses with grants - expenses paid to the international organizations - on the account №5-31-1200 in the part of own funds, according to the treasury statement, cash expenses in the amount of **862 GEL** are recorded, which is a membership fee.

LEPL - Batumi Shota Rustaveli State University

Explanation of certain information of the financial statements as of December 31, 2023 on the treasury code – 32040511 of legal entity under public law “Batumi Shota Rustaveli State University”.

Entries made in the section “Budget Funds” of the forms of balance sheets and appendices represent income and expenses Within the framework of targeted grants, state scholarships, and the entries made in the section “Non-budget funds” represent income and expenses Within the framework of financing with own funds.

In 2023, the budget funding received amounts to **1,433,066 GEL**:

- ✓ 546,600 GEL was received as a scholarship within the state budget funding.
- ✓ 55,160 GEL was received as a subsidy within the state budget for financing student projects.
- ✓ Revenues received through targeted grants amount to 831,306 GEL.
- ✓ Financial information recorded in the statement of financial position:
 - Appendix S2 to the financial statement - 10,500,000 GEL recorded in the account №1-11-2410 consists student tuition fees, short-term education programs fees, dormitory living fees, rental and other service income within the framework of the economic activity, as well as free cash within various projects funds in the bank.
 - In the appendix S2 of the financial statement:
 - On the account №1-13-1200 - a change was made in the initial balance, part of the cash expenditure incurred in 2022 Within the framework of the targeted grants, in the amount of 1,018 GEL (158 GEL - grant N1710; 860 GEL - grant N1958) was returned in 2023, the relevant cash expenditure was restored, which increased the final cash balance of 2022 and amounted to 148,844 GEL, it is reflected in the recalculated opening balance of Appendix S2a as well as in Form 4 of the financial statement (retrospective recalculation of significant errors of previous periods). On the same account, in 2023, the increase was 779,299 GEL, and the decrease was 840,687 GEL. 101,495 GEL is left as a balance on the account - the current cash balance of targeted grants in the state treasury in GEL;
 - 31,986 GEL recorded in the account №1-13-1230 is the unspent part of the non-budget funds received in the past periods. Increase in the mentioned account was caused by cash inflows received from non-budget funds, including the payment of tuition fees within the scope of the main activity. Incomes also increased due to foreign currency conversions, penalties and interest accrued by the bank on the free cash balance, while various grants (except for registered targeted grants) and funds received Within the framework of the scientific projects are collected on the same account. The cash expenses incurred are reflected in the same account, which include: staff salaries (full-time, freelance), goods and services, social, tax and other cash expenses. Considering the above, at the end of the period, the cash balance in the amount of 35,985 GEL remains in the account;
 - The university receives income in foreign currency from the funds transferred by the donor Within the framework of the targeted grant, as well as from registration of tuition fees by foreign students (own funds). The opening and closing balances of the period are recorded through recalculation of foreign currency balance in the national currency at the relevant exchange rate. The opening balance on account №1-11-2200 - 4,602,648 GEL includes 405,481 GEL within targeted grants and GEL within own funds); in the same account, decrease in foreign exchange volume is caused by conversion, goods, services and memberships purchased abroad, as well as the amounts paid to foreign reviewers. The balance at the end of the period - 685,838 GEL consists of 386,147 GEL within the targeted grants and 299,691 GEL within the own funds;

Account №1-13-2000 - Short-term (current) tax accounts receivable at the beginning of the period - 109,030 GEL were reduced by the amounts to be paid based on the submitted tax declarations - 80,384 GEL, which caused the balance to decrease to 28,646 GEL at the end of the period;

Account №1-13-3000 – Short-term (Current) accounts receivable in the pension scheme - 84 GEL;

Account №1-13-4000 provides the penalties charged due to violation of the terms and conditions of the agreement. The balance at the beginning of the period - 953 GEL increased up to 17,188 GEL;

Account №1-13-6000 - Short-term (current) accounts receivable from sales of goods and services - 14,662,885 GEL (Within the framework of economic activity - tuition fees for students, teaching in short-term educational programs, fees for living in a dormitory, rent and other services, as well as requests for funds accrued Within the framework of grants and various scientific projects);

Account №1-13-7000 - At the beginning of the period 17,191 GEL mainly includes the receivables arising from the money paid in advance. Taking into account the return of the travel documentation and/or part of the advance presented during the period, the accounts receivable decreased at the end of the period and mounted to 2907 GEL;

Account №1-13-9000 - Opening balance - 158 GEL credited in the account of other short-term (current) receivables is a part of the amount paid and refundable in 2022 Within the framework of the targeted grant, which was returned in 2023 and restored in the appropriate article of expenses. Taking into account that the repaid amount (158 GEL) was restored in the corresponding period of cash expenses incurred (2022), it was necessary to adjust the initial balance of the current period, which was recorded in the recalculated opening balance of the reporting period section (the opening balance decreased by 158 GEL). During the period, the increase in the balance on the mentioned account is caused by repayment of recovered debt and also by the act of mutual comparison regarding the amount to be transferred to the university within the grant project, which totaled - 4,052 GEL.

3. S3 - Inventories - 503714 GEL, include:

At the beginning of 2023, Batumi State University owed the inventories worth 523,965 GEL, it bought the low-value long-term (non-current) assets worth 111,570 GEL and other materials and supplies - 389,121 GEL. During the reporting period, BSU received the inventories in the amount of 1,288,477 GEL, including: the inventories worth 1,114,201 GEL from current year procurements and the inventories worth 12,057 GEL by reducing the advances of the previous period. Low-value assets worth 138,047 GEL were transferred from the article - Rest of other materials and supplies, also in the current period scientific, popular, educational literary magazines worth 3022 GEL were transferred to BSU from the Ministry of Education and Science of Georgia, during the same period, outflow of the inventories worth 1,108,328 GEL was carried out only for internal consumption, transfer into operation, a certain part of which (long-term consumption) is recorded in the reference article – Inventories written off in costs in operation (297,878 GEL).

4. S4 - Total short-term (current) assets - 349,335 GEL (accounts receivable arising from the amounts paid in advance for receiving fixed assets and intangible assets).

5. S6 - Fixed assets – 173,395,227 GEL includes movables, including vehicles, office equipment, library funds and other machinery and equipment, and immovable assets - buildings, land plots. Assets worth 183,872 GEL were received in 2023 as part of the advances of the past periods. Other machinery and equipment worth 2,306,467 GEL were received as part of procurements of the current year, and capital repairs of 1,208,310 GEL were made on buildings and structures in the current year. Accrued/accumulated depreciation expense of 2023 amounted to 1,572,099 GEL.

6. S8 Intangible assets - 912,344 GEL includes the right to implement computer programs and various educational programs. The cost of depreciation for the year amounts to 371,799 GEL.

8. S11 - Other non-financial assets - 51,149 GEL includes the project cost accounting documentation for arrangement of the BSU stadium dressing room - 3,372 GEL, the project cost accounting documentation for the construction of the new medical training building - 47,777 GEL.

9. S13 – Accounts payable - 32,517 GEL includes tax obligations (income - 15,220 GEL), and existing obligations to employees (salary, business trip - 17,297 GEL).

Other short-term (current) liabilities - 10,347,852 GEL includes (within the scope of economic activity - funds received in advance Within the framework of student tuition fees, short-term educational programs, dormitory living fees, university dental clinic services, lease and other services, as well as grants and various scientific projects).

10. S14 - Incomes from taxes, grants, etc.;

Includes funding received within the State Budget, namely:

During 2023, BSU received 546,600 GEL as a state scholarship, 831,306 GEL as targeted grants, and 55,160 GEL from the Ministry of Education, Science and Youth of Georgia for funding of the student projects. In addition, 15,992.5 GEL current and 3,280 GEL capital transfer for implementation of the “Black Sea Blue Policy” event, 20,000 GEL for organization of the international conference, early education and care.

1,353,014 GEL was received as part of the financing of the Autonomous Republic of Adjara, 242,970 GEL was received from Shota Rustaveli National Science Foundation of Georgia.

342,955 GEL was received as grants from the international organizations, in addition 5070 GEL - from the Agency of Professional Skills Enhancement for the purpose of implementation of the vocational program.

11. **S15** - income from exchange transactions:

20,174,691 GEL - accrued tuition fee, 632,323 GEL - short-term schools, 84,167 GEL - dormitory, 475.7 GEL - income from photocopier services, 19,381 GEL – income from lease, 6550 GEL – from laboratory and printing services, 59,777 GEL – from various services, the interest income accrued on free funds in the commercial bank amounts to 1,558,620 GEL.

✓ During 2023, actual (charged) expenses within the limits of own and budget funds amount to 26,316,678 GEL, which includes:

1. **S16** - Impairment expenses and impairment reversal incomes - includes provision of the students with a benefit in the section of arrears of the tuition fee on the basis of **the Ordinance №378 of the Government of Georgia, dated October 03, 2023**. Within the framework of the aforementioned ordinance, 63 students were given benefit in the amount of 95630.40 GEL in 2023, and 94 students – in the amount of 930874.28 in 2024.

2. **S17** – Salary provided by the staff schedule of academic, administrative and support staff employed in BSU – 14,537,791 GEL, as well as remuneration of freelancers, which includes both own funds and remuneration of persons employed under the agreement. Within the framework of financing from grant projects, business trip within the country – 172,697 GEL, 528,816 GEL - outside the country. The cost of rental services (for the students of the Faculty of Health) amounts to 17,067 GEL, the cost of subsidies under the targeted grants is 810,634 GEL, and the capital cost is 20,672 GEL. Medical bulletin and maternity leave cost amount to 68,890 GEL.

3. Current transfers not classified elsewhere include: car insurance costs - 1935 GEL, property tax – 89,001 GEL, state duty - 8550 GEL, monthly provision of Emeritus support – 278,440 GEL, grant funding for key personnel – 453,905 GEL, scholarship within own funds – 76,225 GEL, with budget funding 546,600 GEL, participation of students in various events – 231,009 GEL, enforcement and various expenses – 26,075 GEL.

4. Depreciation and amortization expenses charged on intangible and tangible, fixed assets in use by the university amount to 1,671,817 GEL.

S18 - Includes 98,494 GEL – profit from holding of foreign currency and 305,707 GEL - loss.

LEPL – Gori State University

LEPL - Gori State University has two organizational codes in the State Treasury:

32.04.02.06.06 - where we receive the state educational scholarship;

32.04.05.12 - own funds, budget funds without foundations and targeted grants.

Form № F-4 – Statement on change in net assets / equity

Non-financial assets, which do not have a residual value and are equal to zero, however are fit for consumption, were adjusted by a one-time revaluation of 20,700 GEL with Budget funds, and 11,450 GEL with own funds. Total - 32150 GEL.

Note №2 - Cash and cash equivalents

442726 GEL is credited to the deposit of the University in a commercial bank.

Note №2a - Short-term accounts receivable

The total amount of the accounts receivable are 1003984 GEL.

1003984 GEL – accounts receivable related to treasury operations, including:

19860 GEL - targeted grant balance, 4895 GEL - equivalent of EUR in the foreign currency account in GEL;

24825 GEL - the balance of own funds in the Treasury;

The total amount is **49580 GEL**.

71822 GEL - pre-transferred amount with tax operations;

162 GEL - pre-transferred pension amount;

752269 GEL - from sales of goods and services,

Including:

40636.55 GEL - lease rent,

711632 GEL - student tuition fee arrears,

130146.45 GEL - amount transferred in advance for scientific works (Rustaveli Foundation).

Note №3 - Inventories - 68269 GEL - balance at the beginning of the accounting period

During the reporting period, inventory worth GEL 164,117 was purchased with own funds, is increased with the value of 164117 GEL, goods and services are spent with the value of 131485 GEL. Balance of the inventories at the end of the reporting period amounts to 100901 GEL.

Note №4 - Other short-term assets - Other short-term assets transferred in advance have no balance

Note №6 - Fixed assets - 9824960 GEL - at the beginning of the reporting period, the initial value of the fixed asset has increased by 231439 GEL, including 32150 GEL - which is the amount of one-time evaluated assets, the account №1-22-2210 is evaluated at 19600 GEL, and on the account №1-22-2220 the evaluated asset is at 12550 GEL.

198,000 GEL of assets were purchased during the reporting period; the gift property is 489 GEL.

In the third part of Note 6, the recalculated opening balance of the reporting period is reduced by 75644 GEL

Note №8 - Intangible asset - 209857 GEL is the initial value of the intangible asset at the beginning of the year.

The value of the asset increased in the current year by reducing the advances of the previous reporting periods by 10,670 GEL, by procurement of the current period by 27,597 GEL.

Based on the results of the inventory, 26733 GEL of the expired programs of 2022 were written off.

Closing balance of the reporting period is 221391 GEL.

Note №11 - Non-financial long-term (non-current) asset – construction in progress - 18880 GEL

Note №13a – Accounts payable

321524 GEL amounts to accounts payable

Including:

7200 GEL - prepaid rent,

7391 GEL - Gudavadze Patarkatsishvili Foundation,

164500 GEL - Sh. Rustaveli National Science Foundation of Georgia,

11970 GEL – in relation to the Treasury operations,

51000 GEL- LEPL - Ilia State University,

22250 GEL – N(N)LE Professional Skills Agency,

67213 GEL – accounts payable related to students,

7202 GEL - LEPL - Sokhumi State University.

Note №14b - Incomes from grants

298007 GEL - incomes

Including: on budgetary funds

126413 GEL received from the targeted grant,

171105 GEL - Budget funds without foundations,

489 GEL received in commodity form (gifted property - books)

On funds:

46279.47 GEL – transferred for LEPL - Sokhumi State University,

52446.70 GEL – Ivane Javakhishvili Tbilisi State University,

59457 GEL - Sh. Rustaveli Scientific Foundation,

33740 GEL - transferred from the Ministry of Culture of Georgia,

22700 GEL - transferred from the Ministry of Education and Science of Georgia,

10500 GEL – N(NLE) Gudavadze-Patarkatsishvili Foundation

12220 GEL - Gori Municipality City Hall

408,000 GEL – Students of Ministry of Education from dividing line, as well as scholarship to be issued.

Total - 645343 GEL.

Note №14c - Income from other operations

Received on budget funds:

157200 GEL - state teaching scholarship,

Received on own funds:

1126 GEL - due to violation of the terms and conditions of the agreement,

9000 GEL- deducted from external transfers.

Note №15 - Incomes

4531228 GEL - income from provision of services

79677 GEL - accrued interest income.

Note №17 - Accrued expenses, grants and subsidies

2796602 GEL - the expense was incurred from the salary article,

1753782 GEL – expenses were incurred from the goods and services article,

48308 GEL - the cost of business trip,

157200 GEL – costs was paid for state educational scholarship,

215653 GEL - depreciation and amortization expenses,

8496 GEL - from own funds, cost of social assistance,

597762 GEL - cost of internal transfers.

Note №17c - Expenditures with grants

779 GEL - fee issued to international organizations from own funds

Note №16 - Impairment expenses and impairment reversal incomes

218529 GEL - bad debt write-off costs (debt write-off - Ordinance №378 of the Government)

Note №18 - Various incomes and expenses

153 GEL - income from change in exchange rate.

40. Office of LEPL - Shota Rustaveli National Science Foundation of Georgia - 32 05 01

	Office of LEPL - Shota Rustaveli National Science Foundation of Georgia	
00	Total	36,428,212.16
2	Expenses	36,388,852.74
31	Increase of non-financial assets	39,359.42
32 05 01 01	Office of LEPL - Shota Rustaveli National Science Foundation of Georgia	
00	Total	1,552,356.60

2	Expenses	1,512,997.18
31	Increase of non-financial assets	39,359.42
32 05 01 02	Programs and grants of LEPL - Shota Rustaveli National Science Foundation of Georgia	
00	Total	32,989,723.07
2	Expenses	32,989,723.07
32 05 04 06	LEPL - Promotion of updating the material and technical base of independent scientific-research units of higher educational institutions - LEPL - Shota Rustaveli National Science Foundation of Georgia	
00	Total	1,499,916.00
2	Expenses	1,499,916.00
32 02 04 03	Successful Students Encouragement- LEPL - Shota Rustaveli National Science Foundation of Georgia	
00	Total	386,216.49
2	Expenses	386,216.49

Note №2. At the end of the reporting period, there was 941 GEL in the commercial bank, however, **48 GEL** of the targeted grant was transferred to the code 302009941, which led to an increase in the initial balance (2a) of the account №1-13-1220, and accordingly, the account №1-11-2100 was reduced.

Note 2a. At the beginning of 2023, the foundation had 20,903.59 EUR from targeted grants in foreign currency, and 174,530.16 USD within the scope of the Applied Research Grant Program (32 15). Balances at the end of the period were 903.59 EUR and 0 USD, respectively.

The balance of own funds at the end of the period amounted to **11624 GEL**.

As we mentioned, the initial balance of the account №1-13-1220 was increased by **48 GEL** due to crediting the target grant amount to code 302009941 in 2024.

On the account №1-13-7000 - 2660 GEL represents the amount of a business trip outside the country.

On the account №1-13-1240, the balance of **471,580 GEL** at the beginning of the year represents the equivalent of 174,530.16 USD, which remained unspent after the end of the Applied Research Grant Program (program code 32 15). This amount was repaid to the donor in 2023.

Note 3. Flow of inventories during the year is shown.

Inventories in the amount of **1015 GEL** were delivered to the Ministry of Education, Science and Youth of Georgia Within the framework of the program “Horizon-Europe”.

Note 4. Scientific grant amounts transferred in advance by the Foundation, before confirmation of their targeted spending, are recorded in the account №1-15-1300 in the amount of **52 922 673 GEL**.

On account №1-15-5000 - 523 GEL represents the residual value of the laptop “HP Compaq” for that period, that was stolen from the Foundation in 2010.

Note №6: In 2023, the damaged and unusable inventory identified as a result of the inventory was handed over to the National Agency of State Property.

Outflow of the fixed assets is shown at historical value in other outflows (9224 GEL – on the account №1-22-2210, 3449 GEL – on the account №1-22-2220) and accumulated depreciation as canceled on outflow (8978 GEL – on the account №1-22-2210, 2819 GEL – on the account №1-22-2220).

The residual value of the written-off assets - 876 GEL is shown in impairment charge for the year and written off on outflow.

The residual value of the fixed assets transferred to the Ministry of Education, Science and Youth of Georgia is shown in the grant outflow (30029 GEL - on the account №1-22-2210, 582 GEL - on the account №1-22-2220), and depreciation - in other outflows. Depreciation is also recorded as canceled at outflow (240 GEL - on the account №1-22-2210, 58 GEL - on account №1-22-2220).

Note 8: As in the Note 6, the residual value of the intangible asset transferred to the Ministry of Education, Science and Youth of Georgia is shown in the grant outflow - 6300 GEL, and depreciation - in other outflows (700 GEL). Depreciation is also recorded as canceled on outflow.

Permissions to perform specific activities on the account №1-27-3130. The right to access ELSEVIER search databases was acquired in 2022 for a period of 1 year. Since the above-mentioned term has expired, the historical value of the asset and the corresponding accumulated depreciation of 1,528,681 GEL have been withdrawn from the balance sheet - an adjustment was made to this amount on 1-24-2130 and the opening balance of the corresponding depreciation account.

Note №13: On 2-13-1000, **2688 GEL** is the equivalent of 903.59 EUR, which is placed in the currency account of the Treasury as of 31.12.2021.

The foundation owes 6,932 to the Ministry of Education, Science, Culture and Sports of Georgia, which was received Within the framework of the program “Promotion of involvement of Georgian scientists in international programs”.

The debt to the German Academic Exchange Service (DAAD) amounts to 1106.42 EUR (3291.93 GEL)

Accounts payable to LEPL - Ilia State University as of 31.12.2023 amounted to 11,608 GEL. The project lasts for four years.

1 GEL is an incorrectly transferred amount.

Note №14: **202,253 GEL** represents the amount of targeted grants received from the international organization.

In non-budgetary funds, 597 533 GEL in grants received in monetary form represent the expenditure confirmed from the income received in advance within the framework of the program “Promotion of involvement of Georgian scientists in international programs”.

Incomes from internal transfers. Account №4-50-0000 provides for the funding received from the budget, both current and capital, on the organizational codes 32 05 01 01, 32 05 01 02, 32 05 04 06 and 32 02 04 03.

32 05 01 01 - 1 552 356 GEL

32 05 01 02 - 32989 723 GEL

32 05 04 06 - 1 499 916 GEL

32 02 04 03 – 386 217 GEL

Note №16: In 2023, the damaged and unusable inventory identified as a result of the inventory was handed over to the National Agency of State Property. The main part of the aforementioned inventory was revorded in the reference articles of the balance sheet. Disposals of assets that still had a residual book amount are shown in the Note №6 - Historical cost in other outflows, and accumulated depreciation as cancelled on disposal. The residual value is also reflected in the Note №16 on the account №5-93-0000 (876 GEL).

Note №17: The actual expenses incurred by the foundation are recorded in the mentioned form on the organizational codes 32 05 01 01, 32 05 01 02, 32 05 04 06 and 32 02 04 03 with both budgetary and own funds, including the costs of internal current transfers on the account №5-52-0000 - 1666799 GEL represent the unspent funds returned to the budget (amounts of previous years) by the grantees.

Note №18: On the account №4-81-2000, 2171 GEL represents the exchange rate difference received during recalculation of the accounts payable in foreign currency.

On the account №5-81-1000, 1882 GEL represents the exchange rate difference received during conversion of assets in foreign currency.

41. Promotion of involvement of Georgian scientists in international programs - 32 05 01 03

32 05 01 03	Promotion of involvement of Georgian scientists in international programs	
00	Total	293,935.57
2	Expenses	228,535.57
31	Increase of non-financial assets	65,400.00

Program – “Promotion of involvement of Georgian scientists in international programs” (program code: 32 05 01 03) approved by the Order N1677997 of the Deputy Minister of Education and Science of Georgia, dated December 29, 2022 (last amendment 1715907, 14.12.2023).

Note №2a

Account №1-13-1220 – Accounts receivable to the treasury with targeted grants - the cash balance represents the unspent cash balance of the targeted grant credited by the European Union Within the framework of the grant agreement №1452, signed by and between the Ministry and the European Union, dated 30.10.2017. As of December 31, 2022, 4,300,859 GEL was credited to the account №1-13-1220.

LEPL - Shota Rustaveli National Science Foundation of Georgia repaid the unutilized part of the amount deposited in 2022 in the amount of 17,740.48 GEL, to the unified account of the treasury on November 13, 2023. Based on the Ministerial letter №1572293 of November 17, 2023, the aforementioned amount was reflected in the targeted grant of the Ministry of Education and Science of Georgia (registration №1452) as the balance of the previous year, therefore the opening balance of 2023 increased by **17,740.48 GEL** and amounted to **4,318,599 GEL**.

Unspent amount - 17,740.48 GEL returned from the cash expenses incurred in 2022 was transferred from treasury code 302009941 to treasury code 302007000 of the treasury account and was determined in the financing of the program “Promotion of involvement of the Georgian scientists in international programs” (program code 32 05 01 03) in the grant of the Ministry of Education and Science (registration №1452), as the balance of the previous year.

During 2023, the cash expenses amounted to 293,935.57 GEL, and as of December 31, 2023, on the account №1-13-1220, accounts receivable to the Treasury with targeted grants - the cash balance amounts to 4,024,664 GEL.

Account №1-13-1250 – Short-term (current) accounts receivable of budgetary organizations with targeted financing and grants in foreign currency - a total of **1,829,126'75 EUR** is credited to the account, which as of December 31, 2023 amounts to **5,442,200 GEL** (1 euro - 2.9753, 31.12.2023), including:

- **1,787,646.75 EUR - 5,318,785.38 GEL, exchange rate - 1 EUR -2.9753 GEL, 31.12.2023** - A targeted grant registered under the grant agreement registered with the number №2734 on 02/02/2022. ((EXTERNAL ACTIONS OF THE EUROPEAN UNION - 2022/439-266), compensation of 50% of the membership fee Within the framework of the European Union framework program “Horizon Europe”)).
- **41,480 EUR -123.415.44 GEL, exchange rate 1 ER -2.9753 GEL, 31.12.2023** - The grant agreement registered under №2930 on 20/12/2023, “Financial Support for Third Parties (FST)” signed on November 17, 2023 between the Ministry of Education and Science of Georgia and the Polish Center for Research and Development (NCBR) “Financial Support for Third Parties (FST)”, which serves the NCP network strengthening of the National Office “Horizon Europe” and its goal is to strengthen the communication between the EU and Widening countries (Georgia) by strengthening the network of national contact persons.

Note №3

As of January 1, 2023, 2,081 GEL of supplies were recorded in the financial statements of the program. On the basis of the act of acceptance №132 of August 6, 2023 and №18/08/23-132 of August 18, 2023 of the Director General of LEPL - Shota Rustaveli National Science Foundation of Georgia, LEPL - Shota Rustaveli National Science Foundation of Georgia transferred the inventories worth 1,015 GEL free of charge to the Ministry and recorded in the financial statements of the program. During 2023, 2,810 GEL of low-value assets and inventories were recognized as expenses. As of January 1, 2024, 286 GEL remains in the financial statement of the program - Rest of other materials and supplies.

Note №4

In the financial statement of the program, 583,526 GEL of credits receivable towards LEPL - Shota Rustaveli National Science Foundation of Georgia were recorded as of January 1, 2023. On the basis of the Article 10 of the Order №107604, dted February 01, 2023, for the purpose of administration of the sub-program for promotion of involvement of the Georgian scientists in the European Union research and innovation framework program “Horizon Europe”, **1,191,775.05 GEL** was prepaid to the account of LEPL - Shota Rustaveli National Science Foundation of Georgia in February 01, 2023. GEL, from which **1,165,105.05 GEL** was repaid in 2023 and the cash expenses were reduced. During 2023, the foundation submitted a content report on the spending of the deposited money and the annual budget performance report in the amount of **518,898.95 GEL**, whie the unspent amount of **1,182,845.53 GEL** was repaid by the foundation to the national budget (including the amount of the previous period of 17,740.48 GEL, the amount of current year – 1,165,105.05 GEL).

Date of Crediting	Balance as of 01.01.2023	Crediting of 2023	Actual expenses of 2023	Repid amount	Balance as of 01.01.2024	Number ad date of submitted actual expense document	Number and date of repayment order
2019	34,771.00		28714.47		6,056.53	Service card №976573, 08.08.2023	

2022	548,754.95		463514.48	17,740.48	67,499.99	Service card №1390689, 17.10.2023, №1610372, 28.11.2023	13.11.2023
2023		1,146,775.05		1,146,775.05	0.00		13.11.2023
2023		45,000.00	26670	18,330.00	0.00	Service card №1390689, 17.10.2023	13.11.2023
	583,525.95	1,191,775.05	518,898.95	1,182,845.53	73,556.52		

Note №6

As of January 1, 2023, the fixed assets with the initial balance value of **10,839 GEL** were recorded in the financial statements of the program.

In 2023, based on the agreement №1-96/1, dated January 12, 2023 and the act of acceptance №-96/1, dated June 22, 2023, a vehicle "KIA SPORTAGE" (state (plate) number NLV 593 LL, responsible person – [REDACTED]) was bought in 2023 for 65,400 GEL.

On the basis of the Order №132 of the Director General of LEPL - Shota Rustaveli National Science Foundation of Georgia, dated August 06, 2023, and the act of acceptance №18/08/23-132, dated August 18, 2023, LEPL - Shota Rustaveli National Science Foundation of Georgia transferred the fixed assets with opening balance value of **30,909 GEL** and residual value of **30,610.89 GEL** to the Ministry free of charge and recorded in the field of the Note №6 – Receipt with grant of the financial statements of the program (Service cards №933127, 27.07.23, №1012260, 18.08.23).

Depreciation of fixed assets in 2023 amounts to 15,992 GEL.

As of January 1, 2024, the fixed assets with opening balance value of 107,148 GEL, residual value of 88,690 GEL are recorded in the financial statements of the program.

Note №8

On the basis of the Order №132 of the Director General of LEPL - Shota Rustaveli National Science Foundation of Georgia, dated August 06, 2023, and the act of acceptance №18/08/23-132, dated August 18, 2023, LEPL - Shota Rustaveli National Science Foundation of Georgia transferred one unit of intangible asset – website: horizoneurope.org.ge with opening balance value of **7,000 GEL** and residual value of **6,300 GEL** to the Ministry free of charge and recorded in the field of the Note №6 – Receipt with grant of the financial statements of the program (Service card №933127, 27.07.23). According to the Service card №1549662 of the Science Development Department, dated 14.11.2023, the aforementioned asset is consumable and subject to future use.

Depreciation belonging to the intangible assets in 2023 amounts to 700 GEL.

Note №13

Account №2-15-1200 - Income from short-term (current) advances received from grants and other non-exchange operations. Accounts payable in the amount of 41,480 EUR - 121,449.29 GEL (exchange rate of 1 EUR -2.9279 GEL, as of 05.12.2023) are credited, that of the basis of the Grant Agreement №101055286/8/3/02 signed by between the Ministry of Education and Science of Georgia and the Polish National Centre for Research and Development (NCBR) on November 17, 2023 (registered in the Ministry of Finance with the Letter №2930, 20/12/2023, Letter №1744153, 20.12.23).

According to the Article 10 of the Grant Agreement, the selected applicant (Ministry) must repay the amount in accordance with the letter on refund issued by the Center, no later than 30 days after receiving the letter, therefore the said agreement is a conditional targeted grant and the amount is recognized as income based on the report submitted to the organization. On the basis of the terms and conditions of the agreement, a debt in the amount of 41,480 EUR - 121,449.29 GEL (in accordance with the current exchange rate on the day of transfer) was recorded in the financial statements of the program to the Polish National Centre for Research and Development (NCBR) before the amount is spent.

Note №14

Account №4-31-1200 - Received from international organizations – 5,199,728 GEL is credited, which represents 1,787,646.75 EUR – 5,199,728.10 GEL, (according to the exchange rate of the National Bank of Georgia on the day of transfer) exchange rate 1 EUR -2.9087 GEL as of 03.02.2023, the targeted grant transferred within the framework of the Grant Agreement registered under №2734 in 02/02/2022 (Reimbursement of 50% of the membership fee of the Horizon Europe framework program of the European Union (External Actions of the European Union - 2022/439-266)) (Service cards №150802, 09.02.23, №105029, 31.01.23).

Based on the content of the Grant Agreement, the Ministry does not have an obligation to repay the unspent amount to the European Commission, therefore the debited 1,787,646.75 EUR – 5,199,728 GEL was recognized as income on February 3, 2023.

Account №4-32-1310 - Received from the state entities of the same level - 37,926 GEL is credited. Above-mentioned represents the residual value of the assets transferred free of charge by LEPL - Shota Rustaveli National Science Foundation of Georgia (Service cards №933127, 27.07.23, №1012260, 18.08.23).

Account №4-50-0000 - Incomes from internal transfers - Cash expenses amount to **293,935.57 GEL**, including: incomes from internal current transfers 4-52-0000 – 228,526 GEL, incomes from internal capital transfers 4-51-0000 – 65,400 GEL.

Note №17

The actual cost of the program in 2023 totals 1,051,942 GEL, including:

Account №5-20-1000 – Salaries of freelancers - 186,992 GEL;

Account №5-20-2000 - Business trip expenses – 9788 GEL;

Account №5-40-0000 - Depreciation and amortization expenses - 16,692 GEL;

Account №5-52-0000 - Expenses with internal current transfers – 311,676 GEL (including cash expenses - 293936 GEL, the amount repaid by Rustaveli Foundation – 17.740.48 GEL).

Note №18

Account №4-81-0000 - Profit from holding as a result of translation of assets in foreign currency - 121,023 GEL, which represents the difference between the exchange rate on the day of the transfer of the funds and the exchange rate of December 31, 2023, including:

1,787,646.75 EUR – 5,318,785.38 GEL, exchange rate 1 EUR -2.9753 GEL, 31.12.2023 - Profit from holding as a result of translation of assets in foreign currency Within the framework of the grant agreement registered with the number №2734, dated 02/02/2022 (5,318,785.38-5,199,728.10=119,057.28). Difference is generated by difference between the EUR exchange rates on February 3 and December 31.

41,480 EUR – 123,415.44 GEL, exchange rate 1 EUR -2.9753 GEL, 31.12.2023 - Profit from holding as a result of translation of assets in foreign currency within the framework of the grant agreement signed by and between the Ministry of Education and Science of Georgia and the Polish Center for Research and Development (NCBR) registered with number №2930 on 20/12/2023 (123,415.44-121,449.29L=1,66.15). The difference is generated by the difference between the EUR exchange rates on December 5 and December 31.

Reference account №04 - Inventories written off in costs in operation

Inventories in operation, transferred by LEPL - Shota Rustaveli National Science Foundation of Georgia free of charge and written off in costs – 9,126 GEL, are credited to the reference account №04. (service cards №933127, 27.07.23, 20/12/2023. 1012260, 18.08.23).

Elimination:

The accounts receivable to LEPL - Shota Rustaveli National Science Foundation of Georgia in the amount of 6,931.53 GEL is subject to elimination.

Assets transferred under the grant article by LEPL - Shota Rustaveli National Science Foundation of Georgia with a total balance (residual) value of 37,925.89 GEL, including:

Account №1-14-1420 – 1,015 GEL;

Account №1-22-2210 – 30,610.89 GEL;

Account №1-22-2210 – 6,300 GEL.

42. Scientific institutions programs 32 05 02

32 05 02	Scientific institutions programs	
00	Total	7,921,101.84
2	Expenses	7,738,407.08
31	Increase of non-financial assets	182,694.76

32 05 02 01	LEPL - Ivane Beritashvili Center of Experimental Biomedicine	
00	Total	2,713,411.90
2	Expenses	2,668,942.44
31	Increase of non-financial assets	44,469.46
32 05 02 01 01	LEPL - Ivane Beritashvili Center of Experimental Biomedicine	
00	Total	2,713,411.90
2	Expenses	2,668,942.44
31	Increase of non-financial assets	44,469.46
32 05 02 02	LEPL - Korneli Kekelidze National Centre of Manuscripts	
00	Total	2,335,822.78
2	Expenses	2,304,801.28
31	Increase of non-financial assets	31,021.50
32 05 02 02 01	LEPL - Korneli Kekelidze National Centre of Manuscripts	
00	Total	2,335,822.78
2	Expenses	2,304,801.28
31	Increase of non-financial assets	31,021.50
32 05 02 03	LEPL - George Eliava Institute of Bacteriophage, Microbiology and Virology	
00	Total	914,644.17
2	Expenses	867,544.37
31	Increase of non-financial assets	47,099.80
32 05 02 04	LEPL - Evgeni Kharadze National Astrophysical Observatory of Georgia	
00	Total	1,957,222.99
2	Expenses	1,897,118.99
31	Increase of non-financial assets	60,104.00

As of December 31, 2023, funding of the scientific institutions program budget (budget code 32 05 02) was as follows: **7,845,485.00 GEL** was provided for in the plan (adjusted), cash expenditure amounted to **7,921,101.84 GEL** - including expenses – **7,738,407.08 GEL** and increase of non-financial assets – **182,694.76 GEL**.

Note 2: LEPL - National Center for Manuscripts showed 1,890.00 GEL, account №1-11-2420, cash balances in commercial banks in foreign currency. As of December 31, 2023, according to the statement of JSC Bank of Georgia, the balance is not credited to the existing account, while the personal account statement shows that the remaining balance was transferred to the Treasury on December 29, 2023. Above-mentioned amount was deposited in the treasury on January 3, 2024 (please see the Appendices - 1. Electronic payment request of the bank №2652 in the amount of 1890.00 GEL, dated 29.12.2023. 2. Payment order of the Treasury №2652, dated 29.12.2023), certifying that the amounts received as a result of sale are deposited in JSC Bank of Georgia. Among them, the funds received as a result of the sale of digital copies and scientific printed products were recorded in the unified account of the Treasury.

Note 2a: As of December 31, 2023, the cash balance of economic activity in the Treasury amounts to **3,103,102.00 GEL**, including currency balance – **253,789.41 GEL**, target grant balance – **16,436.92 GEL**, non-budgetary income cash balance **2,832,876.00 GEL** (please see the Appendix).

A total of **253,789.00 GEL** was credited to the accounts №1-13-1260 (247,053.00 GEL) and №1-13-1250 (6736.00 GEL) and represented the unconverted national currency of the organizations (please see the appendix in the form of a table below)

N	Title	Balance in the Treasury as of 01.01.2023	Incomes, 2023	Expenses, 2023	Balance in Treasury as of 31.12.2023	Targeted grant	Currency	Total
1	Beritashvili	2,432,962.43	760,570.13	2,371,073.66	822,458.90	30.04	2.08	822,491.02
2	Eliava	1,460,531.91	1,153,242.37	1,116,340.81	1,497,433.47	16,406.88	253,787.33	1,767,627.68
3	Observatory	183,174.30	317,640.87	283,110.82	217,704.35			217,704.35
4	Manuscript	204,887.43	430,529.19	340,136.85	295,279.77			295,279.77
	Total	4,281,556.07	1,153,242.37	2,601,921.95	2,832,876.49	16,436.92	253,789.41	3,103,102.82

Title	Currency	Balance in foreign currency	Exchange rate as of 31.12.23	Balance in GEL
LEPL - Ivane Beritashvili Center of Experimental Biomedicine	EUR	0.7	2.9753	2.08

LEPL - George Eliava Institute of Bacteriophage, Microbiology and Virology	EUR	60,241.32	2.9753	179,236.00
	GBP	2,000.00	3.4228	6,845.60
	USD	25,175.03	2.6894	67,705.73
Total				253,789.41

Note 3: Reduction of amounts of 5'816.00 GEL transferred as an advance payment of the previous reporting period in raw materials and materials by LEPL - Ivane Beritashvili Center of Experimental Biomedicine is shown. In addition, 361.00 GEL was withdrawn from the low-value assets (with various expenses) on the balance sheet based on the audit report of LEPL - National Center of Manuscripts, which is also shown in the **Note №16** of the balance sheet, account № 5-92-0000. Expenses for reduction of value of the inventories, and the inventories worth 221.94 GEL were recorded in the income (scrap with external transfers not classified elsewhere) (Scrap 1. "08" - Fully depreciated/amortized assets in service - 1197.00 GEL; 2. "04" - Depreciated supplies in service - 2030.00 GEL; 3. 1-14-1410 - Low-value assets - 361.00 GEL). And 5,577.00 GEL - in the grants outflow - the cost of the books given free of charge to LEPL – Ivane Javakhishvili Tbilisi State University amounts to 1,850.00 GEL and to LEPL - Ilia Chavchavadze National Library of the Parliament of Georgia- 727.00 GEL. In addition, external transfers, not classified elsewhere, LEPL - Giorgi Eliava Institute of Bacteriophage, Microbiology and Virology has transferred 724.00 GEL of laboratory materials free of charge from N(N)LE Eliava Foundation.

Note 4: As of December 31, a total of 26,114.00 GEL of current short-term assets are credited:

- LEPL - National Center of Manuscripts - 10.00 GEL is a prepaid amount (service) and 1960.00 GEL is the loss of the video camera.
- LEPL - Evgeni Kharadze National Astrophysical Observatory of Georgia – “L+” LLC - 23981.55 GEL, agreement №111, date 12.12.2024 (3991.55 GEL is paid from non-budgetary (own) funds, 19990 GEL – from the budget funds). According to the legislation applicable to advance payment, the guarantees, as well as property tax paid in advance are provided - 162 GEL.

Note 6: Reduction of advances from the previous year in the amount of 8,350.00 GEL is shown by LEPL - Ivane Beritashvili Center for Experimental Biomedicine in other machinery and equipment, as well as it is shown by the Center with external transfers not classified elsewhere. Receipt of equipment worth 2,821.00 GEL transferred by the organization is also shown in the **Note №14**. In A total of 742.00 GEL is shown in the grant outflow by LEPL - National Center of Manuscripts, 42.00 GEL - for scientific books issued free of charge for the purpose of popularization and 700.00 GEL (residual value) LEPL – by LEPL - Evgeni Kharadze National Astrophysical Observatory of Georgia, which was given to LEPL - Abastumani Public School of Adigeni Municipality (telescope With a historical value of 875.00 GEL, accumulated depreciation - 175 GEL and balance value – 700 GEL), shown in outflow and in cancelation through outflow – 175.00 GEL.

And the sold scientific printed products of 193.00 GEL are shown by external transfers, not classified elsewhere. The VAT of the amount transferred by the observatory through the grant is shown under various expenses.

In addition, in the Note №6, as of December 31, the balance sheet shows a total of 469,009.00 GEL as a fixed asset grant, including non-residential buildings – 294,207.00 GEL and other machinery and equipment – 174,802.00 GEL, which stipulates that on May 5, 2023, an agreement was concluded by and between LEPL - Education and Scientific Infrastructure Development Agency and “Zaza” LLC on state procurement of the dismantling of telescope “AZT-11” and the dome of 125 cm mirror telescope building of Evgeni Kharadze National Astrophysical Observatory of Georgia, located in townlet Abastumani.

On December 15, 2023, according to the act of acceptance №1240 signed by and between LEPL - Education and Scientific Infrastructure Development Agency and the Astrophysical Observatory (basis: №320704/03/11005.05.2023, NAT230007566), the Agency actually handed over, and the Observatory took over the works worth 469,009.9 GEL (Appendix №1)

The above-mentioned works were carried out on the assets – “AZT 11 telescope” and the dome of the “125-mirror telescope building” shown in the financial statements of the observatory, which were handed over to the observatory on 06.06.2020 on the basis of the act of acceptance from LEPL - Ilia State University:

1. “AZT 11 Telescope” - reference account - fully depreciated/amortized assets in service – 78,510 GEL (in service since 01.03.1972);
2. Non-residential buildings: “125 mirror telescope building: reference account - fully depreciated/amortized assets in service - 0 GEL”;

On 10.03.2021, an independent valuer – Mr. Shota Baramidze (personal №01030033588, certificate №A-0685) appraised the real estate transferred by the Minister of Economy on 28.02.2020, for the duration of existence of the beneficiary, at the market value. As a result of the valuation, the value of the asset was determined as follows: Non- residential buildings: (125 cm mirror telescope building) – 1,355,308 GEL.

AZT 11 telescope - not evaluated.

The purpose of the above-mentioned works is to replace “AZT 11 telescope” and the dome of the building in accordance with state-of-the-arts requirements.

During the reporting period:

1. Due to the cost of dismantling of “AZT 11 telescope”, the value of the fully depreciated asset increased by 174,802.00 GEL and was recorded in the Note 6 of the statements – Receipt from grants. The reference account “08” was reduced by the cost of the AZT11 telescope and amounted to 769,399 GEL.
2. The cost of dismantling of the dome of “125 cm mirror telescope” building - 294 207.82 GEL is recorded in the Note №6 in the financial statements (Receipt from grants)

In the Note 6, the opening balances of the reporting period have been adjusted by retrospective adjustment, which is also shown in the Form F4 (please see the Appendix).

Organization	Fixed assets	Opening balance value	Accumulated depreciation	Book (residual) value	Year	Note
LEPL – National Center of Manuscripts	Non-residential buildings - 1-22-1200	8,353.00	425.00	7,928.00	2020 (4852.60 GEL) 2015 (3500.00 GEL)	Retrospective adjustment by Infrastructure
	Cultivated plants and animals - 1-22-3000	380,680.00	750.00	379,930.00	2023	Valuation of cultivated assets by the audit
LEPL - George Eliava Institute of Bacteriophage, Microbiology and Virology	Non-residential buildings - 1-22-1200	28,389,975.00	0.00	28,389,975.00	2023 (conclusion of December 20)	Valuation of non-residential buildings by the audit
	Other machinery - 1-22-2220	253,406.00	0.00	253,406.00	2023 (conclusion of December 20)	Valuation of machinery and equipment by the audit
LEPL - Evgeni Kharadze National Astrophysical Observatory of Georgia	Non-residential buildings 1-22-1200	339.00	0.00	339.00	2022	Retrospective adjustment of non-residential buildings by Infrastructure Agency
	Other premises 1-22-1300	8,094.00	0.00	8,094.00	2022	Retrospective adjustment of other premises by Infrastructure Agency
		29,040,847.00	1,175.00	29,039,672.00		

LEPL - George Eliava Institute of Bacteriophage, Microbiology and Virology evaluated the non-residential buildings and other machinery (laboratory equipment) in December 2023 by the audit, which caused the property of the institute to increase during the reporting period by a total of 28,643,381.00 GEL, (including: non-residential buildings - 1-22-1200 – 28,389,975.00 GEL and other machinery - 1-22-2220 – 253,406.00 GEL), and the accumulated depreciation of the evaluated property that it had before the evaluation is shown in the Note №6 – Canceled upon outflow and other outflows (non-residential buildings - 1-22-1200 – 581,315.00 GEL and other machinery - 1-22-2220 – 164,218.00 GEL).

Here, Giorgi Eliava Institute of Bacteriophage, Microbiology and Virology has an economic income, which in the reporting period includes the lease – 321,174.00 GEL: this sum – 321,174.00 GEL includes, in addition to the income from the net lease, the income received from the tenants’ utility bills, the tenants have the counters and according to the data taken from the counters, their utility expenses are determined, which they transfer together with the lease and recognize as income, this is recorded in 321,174.00 GEL, of which the net lease income is 262,908.00 GEL and the income from utility services is – 58,266.00 GEL.

In addition, the institute has an income of 296,207.00 GEL from production of individual phages, 126,958.00 GEL - from ordered scientific researches, 6,614.00 GEL - from license fees and 7,882.00 GEL - from production of microscopic specimen. Total economic income amounts to 758,835.00 GEL, which is reflected in **the Note 15**.

Note 11: Construction in progress in the amount of 87,620.00 GEL, the design works transferred by LEPL - Educational and Scientific Infrastructure Development Agency in 2023, are recorded in receipt from grant.

Note 13: Arrears of the organizations against LEPL - Shota Rustaveli National Science Foundation amount to **2,594,184.00** GEL, including:

- LEPL - Ivane Beritashvili Center of Experimental Biomedicine – 905,724.00 GEL;
- LEPL - National Center of Manuscripts – 525,783.91 GEL;
- LEPL - George Eliava Institute of Bacteriophage, Microbiology and Virology – 526,506.00 GEL;
- LEPL - Evgeni Kharadze National Astrophysical Observatory of Georgia – 238,665.00 GEL.

Arrears of the organizations against LEPL - Education and Science Infrastructure Development Agency amounts to **397,505.00** GEL, including:

- LEPL - Ivane Beritashvili Center of Experimental Biomedicine - 2'2'594'184 GEL;
- LEPL - Evgeni Kharadze National Astrophysical Observatory of Georgia - 558.00 GEL.

In addition, 166.00 GEL is transferred by the Embassy of France as the business trip advance, which is recorded in the Note №13, Account 2-15-1220 - Short-term (current) advances received from grants and income from other non-exchange transactions by LEPL - by Evgeni Kharadze National Astrophysical Observatory of Georgia.

In the Note 18, the loss arising from holdings as a result of conversion of assets in foreign currency, 5-81-1000 - is fixed at 398.00 GEL, including:

- ✓ LEPL - George Eliava Institute of Bacteriophage, Microbiology and Virology - 395.00 GEL;
- ✓ LEPL - National Center of Manuscripts - 3.00 GEL.

Profit from holdings as a result of recalculation of liabilities in foreign currency - 4-81-2000

- ✓ LEPL - National Center of Manuscripts - 230.00 GEL.

Profit from holdings as a result of conversion of assets in foreign currency - 4-81-1000

- ✓ LEPL - George Eliava Institute of Bacteriophage, Microbiology and Virology – 5,777.00 GEL;

Liquidated scientific-research institute - Professor M. Chkheidze Educational and Scientific Institute of Standardization and Metrology

As of January 1, 2022, the accounts receivable of Professor M. Chkheidze Educational and Scientific Institute of Standardization and Metrology, transferred to the reference article №05 in 2020 in the amount of 347.00 GEL (VAT), are credited to the financial statements of the liquidated scientific-research institutes.

Short-term (current) accounts payable arising from the consolidated financial statements of scientific and research institutes - №2-13-2000 – Accounts payable in the amount of 51,967.99 GEL of Professor M. Chkheidze Educational and Scientific Institute of Standardization and Metrology (ID code: 203851108), liquidated under the Order №1249 of the Ministry of Education and Science of Georgi, dated December 07, 2007, are credited, which represent various taxes to the tax authority.

In order to write off the accounts payable in the amount of 51,967.99 GEL, the act of comparison of settlements with the budget by the liquidated Professor M. Chkheidze Educational and Scientific Institute of Standardization and Metrology was retrieved from the Revenue Service under the Order №1131796, dated September 12, 2003, as well as the information about the date of liquidation of the above-mentioned organization by the Revenue Service of the Ministry of Finance of Georgia.

By the letter №21-11/78283 of the Service Department of the Revenue Service, dated October 5, 2023 (registration in the Ministry №1305830, 05.10.2023), we are informed that as of September 29, 2023, the Educational and Scientific Institute of Standardization and Metrology (ID code 203851108) based on the Tax Administration Information System of the Revenue Service was liquidated on 07.12.2007 and the tax budget debt amounts to 51,967.99 GEL (Act of comparison 01.01.2016 - 29.09.2023).

On October 6, 2023, the Economic Department sent the Letter №1313706 to the Revenue Service with liquidation materials, in accordance with the Article 66 of the Order №994 of the Minister of Finance, dated December 31, 2010, or to write off the budgetary debt in the amount of GEL 51,967.99 of Professor M. Chkheidze Educational and Scientific Institute of Standardization and Metrology, liquidated in 2007.

In response to the aforementioned, by the Letter №21-17/88194 of the Debt Management Department of the Revenue Service, dated November 9, 2023 (registered in the Ministry №1519064, 09.11.2023), information is provided, in particular: according to the data available on the personal accounting card of Professor M. Chkheidze Educational and Scientific Institute of Standardization and Metrology (ID code: 203851108), in the Tax Administration Information System, the declarations of the taxes withheld from the source of payment for the months of November and December 2007 are provided after December 7, 2007, according to which as of the estimated date 26.11.2007 the income tax in the amount of 124.00 GEL and social tax - 206.00 GEL was charged, and as of the estimated date - 20.12.2007, income tax 142.00 GEL and social tax 236.00 GEL were charged, in addition, on 20.12.2007, income tax 141.60 GEL and social tax 236.00 GEL were paid to the Budget, in the mentioned period the main debt in income tax arose 124.40 GEL (124+142-141.60) and 206.00 GEL (206+236-236) in social tax, in total - 330.40 GEL. Here we inform you that Professor M. Chkheidze Educational and Scientific Institute of Standardization and Metrology (ID code: 203851108) has been charged a fine under the Article 137(1) of the Tax Code of Georgia in force for that period due to the impossibility of providing the information of 2007 "On the amounts issued and tax withheld according to the reporting period", dated 09.01.2009, in the amount of 200 GEL (protocol № 328401, 26.12.2008).

In addition, the letter provide for the information that the decision (original or duly certified copy) made by the authorized body on liquidation of the budgetary organization has not been submitted - in accordance with the Article 66(2)(e) of the Order №994 of the Minister of Finance of Georgia, dated December 31, 2010, the decision of the authorized body on liquidation of the provided budgetary organization (original or duly certified copy), namely, Professor M. Chkheidze Educational and Scientific Institute of Standardization and Metrology, by which it will be confirmed whether the liquidation commission created by the above-mentioned order №1249 of the Minister of Education and Science of Georgia, dated December 07, 2007, liquidated the institute. Based on all of the above, the Debt Management Department of the Revenue Service is deprived of the opportunity to consider the issue of write-off the tax debt of Professor M. Chkheidze Educational and Scientific Institute of Standardization and Metrology (ID code: 203 851108).

43. Promotion of the Georgian Academy of Agricultural Sciences - 32 05 03

32 05 03	Promotion of the Georgian Academy of Agricultural Sciences	
00	Total	1,310,301.48
2	Expenses	1,290,311.48
31	Increase of non-financial assets	19,990.00

In the annual accounting report (balance sheet) of the Georgian Academy of Agricultural Sciences (GAAS) as of January 1, 2024, the funding actually received from the budget amounts to 1310302 GEL, cash expenditures - 1310302 GEL. The actual budgetary expenses of the organization amounted to 1,332,302 GEL, including 992,830 GEL - for salaries, 179,668 GEL - for other goods and services, 94,117 GEL - for other expenses and 19,910 GEL - for increase in non-financial assets.

Appendix №8 - Existing intangible asset - 600 GEL is the accounting program "Oris", which is purchased and amortized in 2011. The need for this intangible asset no longer exists and will be written off in the current year of 2024.

In the Appendix №6 of the financial statement, there was a decrease in initial balance value and depreciation by **13,380 GEL**, this was caused by transfer of the balance value and depreciation of the fixed assets from old balance sheet format to new one in the Appendix №6, in the balance sheet format of 2019-2022 (transmission of assets purchased by grants to the accountable grant recipients).

I would like to point out here that in the old balance sheet format №5, the purchase of the current year was added to the balance value and depreciation of the current year was subtracted (in fact, the old balance sheet format reflected the residual value).

Above-mentioned amount has been removed from the inventory and currently does not require any adjustment, only the excess amount of 13,380 GEL appeared in the balance sheet in the Appendix №6 in the opening balance and depreciation, which I hereby adjust).

Income received from own funds in the current year amounts to 41,450 GEL - received from Shota Rustaveli National Foundation for holding the conference, and 79,320 GEL - for the fundamental grant, a total of 120,770 GEL from the above-mentioned funds, cash expenses in the amount of 39,959 GEL are incurred.

The accounts receivable on the balance sheet of the organization for the period of 01.01.2024 amounted to 87,857 GEL, 7,209 GEL is a deficit of intangible assets. Depreciation charged on fixed assets of the current year amounted to 65,588 GEL. Fixed assets worth 19,990 GEL were purchased with the budget funds in 2023.

44. Promotion of Scientific Researches - 32 05 04

32 05 04	Promotion of Scientific Researches	
00	Total	27,143,773.10
2	Expenses	27,143,773.10
32 05 04 01	Promotion of scientific researches - disposal of the Ministry of Education and Science of Georgia	
00	Total	137,300.27
2	Expenses	137,300.27
32 05 04 02	LEPL - Ivane Javakhishvili Tbilisi State University	Recorded in 32 04 05
00	Total	13,484,057.40
2	Expenses	13,484,057.40
32 05 04 03	LEPL - Georgian Technical University	Recorded in 32 04 05
00	Total	6,959,755.10
2	Expenses	6,959,755.10
32 05 04 04	LEPL - Tbilisi State Medical University	Recorded in 32 04 05
00	Total	994,940.78
2	Expenses	994,940.78
32 05 04 05	LEPL - Ilia State University	Recorded in 32 04 05
00	Total	4,067,803.55
2	Expenses	4,067,803.55
32 05 04 06	LEPL - Promotion of updating the material and technical base of independent scientific and research units of higher educational institutions - LEPL - Shota Rustaveli National Science Foundation of Georgia	Recorded in 32 05 01 - 02
00	Total	1,499,916.00
2	Expenses	1,499,916.00

The program "Promotion of Scientific Researches" was approved by the Order N1675911 of the Deputy Minister of Education and Science of Georgia, dated December 29, 2022 (last amendment 1333107, 09.10.2023).

The cash expenditures of the program "Promotion of Scientific Researches" of the Ministry of Education and Science of Georgia amounted to 137,300.27 GEL in 2023.

Note №4

As of January 1, 2023, the accounts receivable of a total of **90,005 GEL** were credited to the account 1-15-1300 Within the framework of the program, including:

- 90,000 GEL - Agreement №99 is signed by and between the Ministry and the International Center for Christian Research existing with the Orthodox Church of Georgia on 02.08.2022. The accounts receivable originated Within the framework of the agreement. In addition, on April 13, 2023, a total of 79,913.00 GEL was additionally transferred to the organization based on the agreement №397717 to the above-mentioned agreement, dated April 7, 2023. The accounts receivable of the Christian Center were written off on the basis of the act of acceptance signed between the parties on July 27, 2023.
- 5.00 GEL - The accounts receivable are originated on the basis of the agreement №60 signed between the Ministry and Gelati Theological Academy and Seminary of Orthodox theological higher educational institution - N(N)LP - Theological Academy and Seminary of Apostolic Autocephalous Orthodox Church of Georgia, on March 29, 2022, which represent the amount unspent Within the framework of the agreement and were repaid by the organization on February 6, 2023. Accordingly, Within the framework of the program, the accounts receivable has been reduced.
- Within the framework of the program, as of December 31, 2023, the accounts receivable in the amount of **39,500.00 GEL** transferred in advance are credited Within the framework of the agreement №72 signed between LEPL - National Academy of Sciences of Georgia and the Ministry on December 6, 2023. Within the above-mentioned agreement, the National Academy of Sciences is financed for the purpose of funding of the volume V of the encyclopedia "Georgia". The accounts receivable will be written off in accordance with presentation of the financial statement by the organization, the deadline for which is July 30, 2024.

Note №17

Within the framework of the program, the actual expenditure of 2023 totals 187,805.27 GEL, including:

- The cost of compensation of persons under the employment agreement - 17,827.27 GEL;
- Business trip - 60 GEL;
- Subsidy article - 153,625 GEL, which represents the cost of the subsidy of N(N)LE - International Center for Christian Research existing with the Georgian Orthodox Church;
- Expenses with internal current transfers – 5,543.26 GEL, which represents the repayment of money unspent by the N(N)LE - International Christian Research Center of the Georgian Orthodox Church and the Gelati Theological Academy and Seminary of Apostolic Autocephalous Orthodox Church of Georgia;
- Capital transfers, not classified elsewhere – 10,750 GEL. This amount represents the cost of capital financing of the International Center for Christian Research existing with N(N)LE - Georgian Orthodox Church.

45. Promotion of Science - 32 05 05

32 05 05	Promotion of Science	
00	Total	77,586.57
2	Expenses	77,586.57

The program “Promotion of Science” (program code 32 05 05 01) was approved by the Order №1671201 of the Deputy Minister of Education and Science of Georgia, dated December 28, 2022 (last amendment №1773324, 27.12.2023)

Within the framework of program “Promotion of Science” of the Ministry of Education and Science of Georgia (program code 32 05 05 01), cash expenses incurred as of December 31, 2023 amounted to **77,586.57 GEL**.

Note S2a - Account №1-13-1220 – Accounts receivable to the Treasury with targeted grants - Cash balance at the beginning of the year amounts to **98,726.35 GEL**, which represents the amount allocated to the Ministry of Education, Science, Culture and Sports of Georgia in the form of a targeted grant Within the framework of the agreement №2035 from the EC Research Executive Agency (REA) on 10.07.2020 (197,500.00 EUR).

On July 2, 2020, the Accounting Department converted 148,125.00 EUR into the national currency and it amounted to **515,726.82 GEL**. In 2020, the total rendered expenses amounted to 504,970.31 GEL.

On October 5, 2020, the Ministry transferred 159,875.31 GEL to LEPL - Shota Rustaveli National Science Foundation of Georgia, for the purpose of financial support of the project “Science is Captain”. From this, LEPL - Shota Rustaveli National Science Foundation of Georgia presented the financial documentation confirming the expenditure of 147,233.84 GEL, on the basis of which the mentioned amount was spent (letter №358017, 14/04/2021), and LEPL - Shota Rustaveli National Science Foundation of Georgia repaid **11,500.00 GEL** to the account of the targeted grant as an unspent amount (payment order № 2203, 31.05.2021) and accordingly the balance of the targeted grant increased by the above-mentioned amount. In addition, on December 22, 2021, **1,141.47 GEL** was repaid by Shota Rustaveli Scientific Foundation (payment order № 2201, 22/12/2021) and the initial balance of the targeted grant was increased by this amount. In total, the opening balance increased by **12,641.47 GEL**.

Also, Within the framework of the above-mentioned agreement - 9,875.00 EUR and 22,907.54 EUR were credited to the foreign currency account of the Treasury Service of the Ministry of Finance of Georgia on August 11 and 12, 2021, in total - 32,782.54 EUR. On November 8, 2021, the Accounting Department converted 32,782.54 EUR into the national currency, amounting to 119,928.37 GEL, which was recognized as income, since the agreement does not stipulate the condition of repayment of unspent money. From this amount, 44,600.00 GEL was transferred for funding of salaries of the personnel determined by the Order №59 of the Director General of the Scientific Foundation, dated November 13, 2020 - service card №1311430, dated 06/12/2021, act of acceptance №955373, dated 03.02.2022.

As of December 31, 2023, the cash balance of the targeted grant (EC Research Executive Agency (REA), Order №2035; 10.07.2020) (Account №1-13-1220) amounts to 98,726.35 GEL. During 2023, there was no turnover within the targeted grant.

Note S4: Account №1-15-1300 - Other short-term (current) receivables with pre-paid payables - at the beginning of the year, accounts receivable in the amount of **180,150.00 GEL** were credited to the account, which represented the funds transferred to the universities in advance. In 2023, Shota Rustaveli Batumi State University and Technical University were financed with a total of **40,489.30 GEL**. In 2023, on the basis of the financial documentation presented by the organizations and the act of

acceptances signed between the parties, a total of **218,826.80 GEL** was recognized as an expense and written off in the financial statements, and as of December 31, 2023, a total of **1,812.5 GEL** was credited as a balance, in particular:

- 562.50 GEL by LEPL - Georgian Technical University under the agreement №145, dated December 22, 2022, which is repaid to the budget on February 12, 2024.
- 1250 GEL by LEPL – Tbilisi State Medical University under the agreement №147, dated December 21, 2022, which is recognized as an actual expense in 2024.

Note S3: Account №1-14-1420 – Other materials and supplies - At the beginning of 01.01.2023, the inventories of a total of **977,944.93 GEL** were credited.

In 2023, the literature printed at the Frankfurt Book Fair was delivered to the organizations free of charge from the initial balance, as well as the supplies were distributed within the program at the events and ministerial meetings, including printed material and branded items in the amount of **171,700.86 GEL**;

In particular:

1. Inventories transferred free of charge (printed material - Frankfurt books) - 143,478.90 GEL.

N	Name of organization	Basis for free transfer	Amount
1	LEPL – Akaki Tsereteli State University	Ministerial Order №497407, dated 04.05.2023	5256.81
2	LEPL - Samtskhe-Javakheti State University	Ministerial Order №497407, dated 04.05.2023	3336.94
3	LEPL - Shota Meskhia Zugdidi State University	Ministerial Order №497407, dated 04.05.2023	1912.26
4	LEPL – Gori State University	Ministerial Order №497407, dated 04.05.2023	488.86
5	LEPL - Batumi Shota Rustaveli State University	Ministerial Order №497407, dated 04.05.2023	3022.33
6	LEPL - Sokhumi State University	Ministerial Order №497407, dated 04.05.2023	2208.56
7	LEPL - Tbilisi State Medical University	Ministerial Order №497407, dated 04.05.2023	925.81
8	LEPL - Ilia State University	Ministerial Order №497407, dated 04.05.2023	2541.64
9	LEPL - Ivane Javakhishvili Tbilisi State University	Ministerial Order №497407, dated 04.05.2023	1247.49
10	LEPL - Iakob Gogebashvili Telavi State University	Ministerial Order №497407, dated 04.05.2023	6791.56
11	National Library of the Parliament of Georgia	Ministerial Order N 912159, dated 25.07.2023	115746.6
	In total:		143'478.9

2. Inventories credited within the program were distributed at the events and ministerial meetings, including printed material and branded items with a total value of **28,221.86 GEL**;

Inventories worth 123,393.73 GEL were added in 2023, in particular: in accordance with the factual census by the Non-financial Inventory working group of 2023 and also based on the summary protocol of the Non-financial Inventory Commission, dated January 29, 2024, 2170 units, the books printed by the Polish publishing house free of charge and brought to Georgia, are recognized as income in the financial statement of the program, with a total value of **123,393.73 GEL**.

As of December 31, 2023, a balance of 929,637.79 GEL is credited to the **account №1-14-1420 – Other materials and supplies**.

Note S8: Account №1-24-1500 - Other intellectual property products - The license purchased in 2016 – “Zezva and Mzia taking Selfie” is credited to the account with the initial cost of **6,250.00 GEL**, accumulated depreciation - **3,750.00 GEL**, residual value - **2,500.00 GEL**.

On November 10, 2023, with the service card №1525629, information was requested from the structural departments of the Ministry for the purpose of evaluation of the intangible assets - regarding their existence, current and future use. In response to the above, various departments have presented the service cards regarding the use of each intangible asset. With reference to that, according to the service card №1549662 of the Science Development Department, dated 14.11.2023, the intangible asset listed in the financial statement of the program – “Zezva and Mzia taking Selfie” is currently consumable and subject to future use.

Note S13: At the beginning of and at the end of 2023, the accounts payable amount to **30,262 GEL**, in particular:

- **Account №2-13-4100** - Short-term (current) accounts payable arising from provision of goods and services within the budget year - **25,682 GEL** (24,800 GEL and 882 GEL);
- **Account №2-13-9600** – Accounts payable arising from withholding of fines/penalties - **4,580 GEL**.

Above-mentioned amounts represent the amount charged to the Ministry by the Supreme Court Within the framework of the agreement №09-112/2 of “Funday Entertainment” LLC, dated 14.09.17. **The service card №1129648 of the Legal Department, dated September 21, 2022, provides for the judgment of the Supreme Court, according to which the obligation of payment of a total of 30,262.00 GEL was imposed to the Ministry** in favor of “Entertainment” LLC Within the framework of the agreement №09-112/2, dated 14.09.17, in particular:

- 24,800 GEL for services provided by “Entertainment” LLC;
- 4,580 GEL – the penalty imposed to “Entertainment” LLC;
- Payment of 882 GEL as the state duty.

Note S17: Within the framework of the program, the actual expenditure of 2023 amounts to 428,276.91 GEL, in particular:

- Costs of goods and services - 37,097.27 GEL;
- Grants issued in monetary form - 214,786.80 GEL (actual expenditure of funds transferred as an advance to the organizations);
- Capital grants issued in monetary form – 3,280.00 GEL (actual expenditure of funds transferred as an advance to the organizations);
- Grants in kind - 143,478.90 GEL (books transferred to the universities and the National Library);
- Cost of depreciation of intangible assets - 625.00 GEL;
- Expenses from internal current transfers - 786.98 GEL (funds repaid to the Budget by the organizations);
- Current transfers not classified elsewhere - 28,221.96 GEL (stocks transferred to the events).

46. Promotion of Inclusive Education - disposal by the Ministry of Education and Science of Georgia - Program code 32 06 01 01

32 06 01	Promotion of inclusive education	
00	Total	2,253,941.75
2	Expenses	2,223,041.75
31	Increase of non-financial assets	30,900.00
32 06 01 01	Promotion of inclusive education - disposal by Ministry of Education and Science of Georgia	
00	Total	2,250,241.75
2	Expenses	2,219,341.75
31	Increase of non-financial assets	30,900.00
32 06 01 02	Inclusive Learning Promotion Program - College of Media and Television Arts of LEPL - Ivane Javakhishvili Tbilisi State University	Recorded in the program code 32 03 01
00	Total	3,700.00
2	Expenses	3,700.00

The program is approved: **“Promotion of Inclusive Education”** is approved by the Order №1670262 of the Deputy Minister of Education and Science of Georgia, dated December 28, 2022 (last amendment №1780972, 12.29.2023).

Ministry of Education and Science of Georgia allocated **2,252,509.00 GEL** to the organization code 32 06 01 01 as of December 31, 2023, according to the revised plan of the State Budget of Georgia. Cash expenditure for 2023 amounted to **2,250,241.75 GEL**, including:

- Goods and services – 1,422,361.21 GEL;
- Subsidies – 764,054.22 GEL;
- Grants – 3,934 GEL;
- Social assistance – 28,992.32 GEL;
- Increase of non-financial assets – 30,900.00 GEL.

Account S2A: Account №1-13-4600 - Short-term (current) receivables for other fines, sanctions and penalties - in the reporting period of 2023, based on violation of the terms and conditions of the agreement, penalty was charged in the amount of **1,551.05 GEL** (including “UGT” LLC - 126.00 GEL and N(N)LE - Educational Policy and Research Association - 315.05 GEL), which are repaid to the State Budget in accordance with the receipts presented by the organizations in 2023, are written off from the financial statements and not recorded as accounts receivable.

Account №1-13-7500 - Short-term (current) receivables for business trips within the country - in the accounting period of 2023, the expenses for business trips within the country in the amount of **5,313.50 GEL** were transferred in advance (advance payment) based on relevant orders. According to the documentation of the actual expenses presented by the program employees, 5,313.50 GEL was written off from the financial statement and no accounts receivable are credited.

Note S3: Account №1-14-1410 - Low-value assets - Low-value assets worth 2,810.86 GEL were recorded as the opening balance of 2023. As a result of the non-financial inventory of 2022, 1 black-and-white laser printer with a value of 493.93 GEL was identified, which was not subject to use and by the Order №873325, dated 12.07.2023 and the act of acceptance signed between the parties on 17.10.2023, it was handed over to the Agency. The mentioned asset is written off from the financial statements under the article - Depreciation of tangible stocks (Account №5-92-0000). In addition, 1 laminating machine was handed over to a member of the multidisciplinary team and transferred to the reference №04 - Inventory and low-value assets delivered in operation and recorded in expenses account. During 2023, the account 1-14-1410 has been reduced by 563.93 GEL, and as of December 31, 2023, the balance in the financial statement of the program amounted to 2,246.93 GEL.

Account № 1-14-1420 - Other materials and supplies - Materials and supplies worth 71,461.53 GEL were recorded as the opening balance of 2023. In the reporting period of 2023, 62,690.42 GEL of supplies were purchased within the framework of the program, including stationery and development resources.

- During 2023, a total of 5,233.33 GEL of inventories were written off and recognized as expenses under the article - Goods and services. From the aforementioned written-off inventories, 5,233.33 GEL of reference №04 - Inventory and low-value assets delivered in operation and recorded in expenses were transferred to the account of the inventories transferred to the responsible persons in the amount of 2009 GEL.
- The textbooks worth 41,861.00 GEL were transferred to the schools in 2023 under the acts of acceptance signed between the Ministry and the educational resource centers, which were transferred and written off from the financial statements in the account of commodity grants №5-32-1310 issued to the state entities of the same level.
- As a result of the non-financial inventory of 2022, printed material was identified, which was not subject to future use, as it had both physical and biological damage. According to the Appendix №2 of the Order № 566764 the Minister of Education and Science of Georgia, dated 31.05.2022 (amendment of the order №748169, dated 22.06.2023), on the basis of the Protocol №2 on the Inventory Commission, dated November 02, 2022, on write-off the materials/books, the Commission made the decision of write-off and based on the Order №1612348, dated November 28, 2023, 108 units of 17 denominations of various printed materials, including guidelines, books and collections of developmental exercises worth 22,451.31 GEL, were written off from the financial statement of the program. Above-mentioned printed material is written off from the financial statements under the article of depreciation of tangible stocks (account №5-92-0000). The mentioned printed material was evaluated as waste paper by "Kompaudi" LLC (order №1727973, 18.12.2023), which will be transferred to LEPL - National Agency of State Property (order №1715820, 14.12.2023) (note: waste paper is recorded in the financial statement of the machine in total).

As of December 31, 2023, the Account №1-14-1420 - Rest of other materials and supplies is credited with supplies worth GEL 64,605.82.

Note S4: Account №1-15-1300 - Other short-term (current) receivables with prepaid payables - A total of GEL 6,237.76 was credited as the opening balance of 2023. In 2023, 37.76 GEL was repaid to the budget from the above-mentioned amounts (including Tbilisi №41 School - 8.26 GEL, Kobuleti №5 School - 29.50 GEL), while 6200 GEL (Village Shaumiani №2 School of Marneuli) was considered as an actual expense in 2023 (under the article - Subsidy).

In the reporting period of 2023, a total of 767,988.22 GEL was transferred to 31 public schools in advance for implementation of the sub-programs. In 2023, based on the financial documents submitted by the schools and the acts of acceptance signed between the parties, the actual expenses amounted to 764,209.50 GEL, and 357 GEL was returned to the budget account (income treasury code 302009921 - on the account of unknowns and spent under the article 5-52-0000- internal transfer expense);

As of December 31, 2023, in the financial statement of the program, according to **the Account №1-15-1300 - Other short-term (current) receivables with prepaid taxes accounts - 3,421.72 GEL** is credited on the account, in particular:

N	Organization	Amount (GEL)	Date of origin	Basis of origin	Classification article	Note
1	LEPL - Tbilisi №72 Public School	461.90	2023	Agreement №16; date: 16/01/2023	2.5.3	Repaid to the Budget in 2024
2	LEPL - Tbilisi №61 Public School	226.10	2023	Agreement №01; date: 16/01/2023	2.5.3	Repaid to the Budget in 2024

3	LEPL - Tbilisi №55 Public School	500.20	2023	Agreement № 03; date: 16/01/2023	2.5.3	Repaid to the Budget in 2024
4	LEPL – Mikhail Grushevsky Tbilisi №41 Public School	1,063.63	2023	Agreement № 08; date: 16/01/2023	2.5.3	Repaid to the Budget in 2024
5	LEPL - Tbilisi №132 Public School	260.72	2023	Agreement № 13; date: 16/01/2023	2.5.3	Repaid to the Budget in 2024
6	LEPL - Kutaisi №17 Public School	373.17	2023	Agreement № 06; date: 16/01/2023	2.5.3	Repaid to the Budget in 2024
7	LEPL – Ozurgeti №1 Public School	36.00	2023	Agreement № 27; date: 25/01/2023	2.5.3	Repaid to the Budget in 2024
8	LEPL – Kobuleti №5 Public School	97.00	2023	Agreement № 29; date: 25/01/2023	2.5.3	Repaid to the Budget in 2024
9	LEPL – Naruji Public School of Ozurgeti Municipality	36.00	2023	Agreement № 36; date: 26/01/2023	2.5.3	Repaid to the Budget in 2024
10	LEPL - Tbilisi №72 Public School	367.00	2023	Agreement № 16; date: 16/01/2023, Agreement № 1715928; date: 14.12.2023	2.6.3.1.1.2	Repaid to the Budget in 2024
Total		3,421.72				

Note S6: Account №1-22-2210 – Information and communication technology equipment - 16 units of portable computers with the opening balance value of **22,448.00 GEL** were recorded as the opening balance of 2023. In 2023, 20 units of portable computers with the value of **30,900.00 GEL** were purchased “UGT” LLC within the framework of the Agreement №12-94/1-23, dated 30.12.2022.

As of December 31, 2023, a total of 36 units of portable computers with an opening balance value of **53,348.00 GEL** and a residual value of 38,188.80 GEL are included in the financial statements of the program. Depreciation in 2023 amounted to **10,669.00 GEL**.

Note S8: Account №1-24-1310 - Software - In 2023, the intangible asset “Development of software” purchased in 2019 with an initial cost of **21,600 GEL** and with accumulated depreciation of **8,640.00 GEL** is recorded as the opening balance of 2023. According to the information provided by the Service card №1571218 of the International Relations and Strategic Development Department, dated 17/11/2023, the above-mentioned intangible asset is **active** in the current period and subject to future use. The amortization expense for 2023 amounted to **2,160.00 GEL**.

As of December 31, 2023, the residual value of the intangible asset amounted to 10,800.00 GEL.

Account №1-24-1500 - Other intellectual property products - 20 intangible assets purchased in 2014, 2018 and 2019 with initial historical value of **84,309 GEL** and accumulated depreciation - **41,034.50 GEL** were credited as the opening balance of 2023. The aforementioned intangible assets are **active** in the current period and are subject to future use. In addition, the information is additionally provided by the above-mentioned Service card №1612367 of the International Relations and Strategic Development Department, dated 28.11.2023, on additional extension of the useful service term of the intangible asset - web page “inclusion.ge” by 3 years, and based on the summary protocol of the Non-financial Inventory Commission of January 29, 2024, the term of the said asset was extended by 3 years. Depreciation expense for 2023 amounted to **8079.00 GEL**.

As of December 31, 2023, the residual value of intangible assets amounted to 35,196.00 GEL.

Note S13: Account № 2-13-2000 - Payable short-term (current) accounts payable arising from taxes - Turnover of 2023 amounted to **225,325.5 GEL**, which represents the income tax withheld from the salaries of freelancers;

Account 2-13-3000 - Payables and scholarships related to employees – The turnover of 2023 amounted to **1,225,356.64 GEL**, which represents the remuneration of freelancers, travel expenses within the country, short-term (current) accounts payable accrued from social assistance (from remuneration of freelancers to pension tax) and accrued short-term (current) accounts payable accrued with social assistance (medical report);

Account №2-13-4100 - Short-term (current) accounts payable arising from provision of goods and services within the budget year – The turnover of 2023 amounted to **252,989.75 GEL**, which includes the purchase of goods and services;

Account №2-13-6000 - Short-term (current) accounts payable arising from provision of long-term non-financial assets - the turnover of 2023 amounted to **GEL 30,900**, which represents the purchase of portable computers;

Account №2-13-9000 - Other short-term (current) payables – The turnover of 2023 amounted to **1,945.81 GEL**, which represents funds returned to the Budget by the organizations.

Note S14: Account №4-44-0000 - Incomes from sanctions, fines and penalties - In the reporting period of 2023, based on the violation of the terms and conditions of the agreement, the amounts of the penalty of 1,551.05 GEL were charged and recognized as income (including “UGT” LLC - 126.00 GEL and N(N)LE - Association of Educational Policy and Research - 315.05 GEL), which in 2023, according to the receipts provided by the organizations, are returned to the state budget and written off from the financial statements.

Note S16: Account 5-92-0000 - Expenses for reduction of value of the inventories - a total of 22,945.00 GEL is recorded, including:

- On the basis of the Order №1612348, dated November 28, 2023, 5108 units of various printed materials of 17 denominations, worth 22,451.31 GEL, including guidebooks, books and collections of developmental exercises, were written off from the financial statements of the program. Aforementioned printed material was evaluated as waste paper by “Kompaudi” LLC (Order №1727973, 18.12.2023), which will be transferred to LEPL - National Agency of State Property (Order №1715820, 14.12.2023) (note: waste paper is recorded in the financial statement of the machine in total).
- By the Order №873325, dated 12.07.2023 and the act of acceptance signed between the parties on 17.10.2023, 1 black-and-white laser printer with a value of **493.93 GEL**, which was not subject to use, was written off and handed over to the Agency.

Note S17: In 2023, the actual expenditure amounted to a total of **2,229,091.25 GEL**, including:

- **Costs of goods and services** – 1,364,973.89 GEL (remuneration of freelancers, business trip inside the country, office costs, educational event expenses);
- **Current grants issued in monetary form to the state entities of the same level** - 3,567 GEL (funding expenses of 3 schools in 2023, transferred to the treasury program);
- **Current grants in kind issued to the state entities of the same level** - 41,861.73 GEL, which represents the textbooks given to the resource centers for the purpose of transferring them to schools;
- **Subsidies issued to other sectors** - 766,842.50 GEL, represents the actual cost of 2023 from the funds transferred in advance for schools according to the financial reports presented by the schools;
- **Depreciation expense of fixed assets** - 10,669.60 GEL;
- **Amortization expenses of intangible assets** - 10,120.9 GEL;
- **Expenses with internal current transfers** - 1'945.81 GEL, which represents the funds returned to the budget by schools.

Reference reports:

Account №04 – Tangible stocks and low-value assets reflected in the costs put into operation - at the beginning of 2023, the tangible stocks worth 39,241.75 GEL were recorded. In 2023, aforementioned account increased by 2,079.00 GEL. Such increase is due to the write-off in expenses from the accounts 1-14-1410 and 1-14-1420, by transferring of assets to reference account 04;

In addition, 10 units of printers with a total value of 3,460.00 GEL (unit value 346 GEL) were added and recorded in the reference account №04 during the reporting period, which were removed from the balance due to a technical error within the last period, although the above-mentioned assets were described and counted in the inventory every year.

As of December 31, 2023, the supplies worth 44,781.15 GEL put into operation are credited to the reference account №04.

Account №08 – Amortized fixed assets - 50 portable computers, notebooks purchased in 2010 and 2016 with a total value of 55,680.00 GEL are recorded as the opening balance of 2023.

As a result of the non-financial inventory of 2022, 7 portable computers with the initial balance value – 7,746.00 GEL were identified, which were not subject to use and by the Order №873325, 12.07.2023 and the act of acceptance signed between the parties on 17.10.2023, it was handed over to the Agency. The above-mentioned notebooks have been removed from the reference account №08.

Also, 9 units of projectors with a total value of 6,385.50 GEL (unit value of 709.50 GEL) were added and recorded in the reference account №08 during the reporting period, which were removed from the balance due to a technical error revealed within the last period, although the above-mentioned assets were described and quantified within the inventory every year.

As of December 31, 2023, depreciated notebooks worth 54,320.00 GEL are credited to the reference account 08.

47. Program for promotion of special institutions for children with special educational needs - Program code 32 06 02

32 06 02	Program for promotion of special institutions for children with special educational needs	Recorded in 32 02 01
00	Total	3149388.15
2	Expenses	3144388.15
2.5	Subsidies	3144388.15
31	Increase of non-financial assets	5000
32 06 02 01	LEPL - Tbilisi №200 Public School	
00	Total	756023
2	Expenses	756023
2.5	Subsidies	756023
32 06 02 02	LEPL - Akhaltsikhe №7 Public School	
00	Total	304730.36
2	Expenses	304730.36
2.5	Subsidies	304730.36
32 06 02 03	LEPL - Tchiatura №12 Public School	
00	Total	312413.39
2	Expenses	307413.39
2.5	Subsidies	307413.39
31	Increase of non-financial assets	5000
32 06 02 04	LEPL - Tbilisi №202 Public School	
00	Total	349454.02
2	Expenses	349454.02
2.5	Subsidies	349454.02
32 06 02 05	LEPL – Tbilisi №203 Public School	
00	Total	687479.48
2	Expenses	687479.48
2.5	Subsidies	687479.48
32 06 02 06	LEPL - Kutaisi №45 Public School	
00	Total	337300
2	Expenses	337300
2.5	Subsidies	337300
32 06 02 07	LEPL – Tbilisi №198 Public School	
00	Total	401987.9
2	Expenses	401987.9
2.5	Subsidies	401987.9

48. Promotion of teaching of students with special educational needs – program code 32 06 03

32 06 03	Promotion of teaching of students with special educational needs – program code	
00	Total	39,374,283.12
2	Expenses	39,374,283.12

39,378,585.00 GEL was allocated to the organizational code 32 06 03 of the Ministry of Education and Science of Georgia as of December 31, 2023, according to the revised plan of the State Budget of Georgia. Cash expenditure in 2023 amounted to 39,374,283.12 GEL, and actual expenditure amounted to 39,374,283.12 GEL.

The budget of the program is approved by the Law on State Budget, which provides for the monthly financing of special teachers and pupils of general educational institutions (public schools).

As of December 31, 2023, accounts receivable and payable are not included in the financial statements of the program.

49. Development of human resources to support inclusive education - 32 06 04

32 06 04	Development of human resources to support inclusive education	Recorded in 32 02 02
00	Total	612,482.00
2	Expenses	612,482.00
2.2	Goods and services	612,482.00

50. Development of the infrastructure of general educational institutions - 32 07 01

32 07 01	Development of the infrastructure of general educational institutions	Recorded in 32 01 05
00	Total	232,002,992.91
2	Expenses	19,874,189.81
31	Increase of non-financial assets	212,128,803.10

51. Development of the infrastructure of vocational educational institutions - 32 07 02

32 07 02	Development of the infrastructure of vocational educational institutions	Recorded in 32 01 05
00	Total	16,660,098.44
2	Expenses	1,545,166.16
31	Increase of non-financial assets	15,114,932.28

52. Development of the infrastructure of the Ministry and the legal entities of public law and territorial bodies included in its system - 32 07 03

32 07 03	Development of the infrastructure of the Ministry and the legal entities of public law and territorial bodies included in its system	Recorded in 32 01 05
00	Total	2,203,084.66
2	Expenses	261,206.00
31	Increase of non-financial assets	1,941,878.66

53. Development of the infrastructure of higher educational and scientific institutions - 32 07 04

32 07 04	Development of the infrastructure of higher educational and scientific institutions	Recorded in 32 01 05
00	Total	8,298,897.64
2	Expenses	4,384,345.53
31	Increase of non-financial assets	3,914,552.11

54. Development of the system of operation and maintenance of public schools - 32 07 05

32 07 05	Development of the system of operation and maintenance of public schools	Recorded in 32 01 05
00	Total	9,118,139.55
2	Expenses	7,047,456.39
31	Increase of non-financial assets	2,070,683.16

55. Innovation, Inclusivity and Quality Project - Georgia I2Q (WB) – 32 08

32 08	Innovation, Inclusivity and Quality Project - Georgia I2Q (WB)	
00	Total	12,490,111.26
2	Expenses	12,395,556.68
31	Increase of non-financial assets	94,554.58

The loan agreement № 8955-GE signed by and between Georgia and the International Bank for Reconstruction and Development on June 18, 2019. Project “Innovation, Inclusion and Quality Project - Georgia I2Q (WB)”, implemented by the Ministry of Education, Science and Youth of Georgia. Program code 32 08, currency code - 202258581.

Within the framework of the project, the cash expenditure in the period of 2023 amounted to a total of 12,490,111.26 GEL (please see the Form E6), including:

- Payments made through the Treasury total 11,396,387.45 GEL;
- Within the framework of the project, direct payments are made through the World Bank platform, which are then recorded in the cash expenditure by the Treasury. Direct payments in 2023 totaled 1,093,723.81 GEL (390,403.94 EUR, exchange rate - 2.8015, as of 14.06.2023).

As of January 1, 2023, the balance on the currency code amounted to 415,461.14 EUR, which according to the exchange rate of January 1 was 1,198,356.11 GEL.

Transfers were made during the year:

- 804,000.00 EUR – 2,216,145.60 GEL (21.03.2023 – exchange rate - 2.7564)
- 2,100,000.00 EUR – 5,936,700.00 GEL (07.07.2023 - exchange rate - 2.8270)
- 1,080,000.00 EUR – 3,035,772.00 GEL (13.09.2023 - exchange rate - 2.8109)

In total, the amount deposited in the period of 2023, including direct payment, amounted to 4,374,403,994 EUR.

As of December 31, 2023, the amount credited to the currency code was 374,656.73 EUR, which was 1,114,716.73 GEL as of December 31, 2023, according to the exchange rate of 2.9753. The profit obtained as a result of recalculation of the mentioned amount at the exchange rate of December 31 was 124,129.90 GEL.

On August 11, 2023, in accordance with the agreement №GE-MESCS-381431-GO-RFQ signed with “MBS” LLC, a act of acceptance was signed for the delivered goods with a total value of GEL 12,800.00. Due to the delivery deadlines, the organization was charged a fine of 51.20 GEL, which was deducted from the amount to be paid, and the amount paid amounted to 12,748.80 GEL.

Within the framework of the agreement № GE-MESCS-212361-CS-CQS, dated May 2, 2022, the company had to develop an electronic training course. Within the framework of the mentioned agreement, in the period of 2022, 31,753.51 GEL was gradually transferred to the company under the act of acceptance, since the course was not completed at the mentioned stage, in the period of 2022 it was reflected as “assets, the title on which have not yet been obtained”. Account 1-27-4200. In the period of 2023, the company completed the preparation of the course with the third and fourth stages, the amount paid in the period of 2023 amounted to 58,970.78 GEL, and the total value of the received intangible asset amounted to 90,724.30 GEL, which was reflected in the Note №8 - Intangible assets and accordingly in the Note №11- “Other non-financial long-term Assets”.

In the period of 2023, grant funding with a total value of 4,923,926.00 GEL was issued to 7 different public universities in accordance with 13 different agreements (the total grant value of the agreements is 5,471,034.70 GEL).

56. Vocational Education I (KfW) – 32 09

32 09	Vocational Education I (KfW)	Recorded in 32 01 05
00	Total	4,449,211.37
2	Expenses	2,490,273.03
31	Increase of non-financial assets	1,958,938.34

57. The Modern Skills for Better Jobs Sector Development Program - Project (ADB) – 32 10

32 10	The Modern Skills for Better Jobs Sector Development Program - Project (ADB)	
00	Total	2,462,341.99
2	Expenses	2,395,764.99
31	Increase of non-financial assets	66,577.00

“Modern Skills for Better Employment Sector Development Program - Project (ADB)” (hereinafter - the Program) is implemented by the Ministry of Education and Science of Georgia (hereinafter - the Ministry) with **the support of the Asian Development Bank**.

The program contributes to increasing the productivity of the labor force in Georgia and strengthening the competitiveness of the country's economy through improvement of the availability of vocational education in the seven priority economic sectors that are in line with the requirements of the modern labor market.

Implementation of the program is planned for 2021-2027.

The program is based on an **international loan agreement signed by and between the Government of Georgia and the Asian Development Bank (ADB) (loan number - 4034-GEO) on December 9, 2020**. The loan agreement was ratified by the Parliament on February 17, 2021 and the loan became effective on March 3, 2021. The Project Administration Manual (PAM) has been developed by the Asian Development Bank and has been approved by the Asian Development Bank to guide the project management. According to the loan agreement, the total cost of the project is 20,000,000 USD, taking into account the adjustment 19,592,000 USD), and the contribution of the State to implementation of the program is 16,000,000 USD.

Purpose

- ❖ Expansion of the professional education network, which will contribute to raising qualifications and developing skills;
- ❖ Improvement of the quality, importance and availability of vocational education, promotion of economic growth and job creation;
- ❖ Increasing the role of the private sector in planning and financing the professional education;
- ❖ Development of inclusive and gender equality skills and improvement of the image of vocational education.

Expected final results

- ❖ Possibility of implementation of formal vocational training/retraining and/or vocational education programs has been created in 20 public schools across the country and 2 innovative hubs have been established in Telavi and Kutaisi;
- ❖ At least 65% of vocational education program participants, of which at least 50% are women, are employed or self-employed 6 months after the end of the course;
- ❖ At least 80% of employers are satisfied with the job performance of program graduates 6 months after completion of the course.

A brief description of the measures implemented in the reporting period of 2023

- ❖ An analysis of the strategy of vocational education was carried out in terms of gender;
- ❖ An environmental safety action plan was developed;
- ❖ An initiative group of “Duo” was created in the energy, healthcare and personal services, construction and engineering, tourism, furniture production and ICT sectors;
- ❖ A diversified orientation service of career management adapted to persons with disabilities and special educational needs was developed;
- ❖ A detailed guide for implementation of the orientation service for educational institutions was developed;
- ❖ With the involvement of a technical support consultant, technical description of the electronic platform and test-demonstration versions supporting the orientation service was developed;
- ❖ An institutional implementation model of the link responsible for inclusive development was developed in professional educational institutions;
- ❖ Recommendations were developed for the purpose of perfecting the gender statistics in order to create appropriate fields in the Education Management Information System and also, the gender statistics of the colleges were processed.

Budget Disposition and Program Financial Management: The Project Implementation Unit (hereinafter referred to as “PIU”) is the budget disposing unit. It is accountable to the head of the program and, in turn, is responsible for compliance of its actions with the budget and program objectives. Within the framework of the program, the project financial manager is accountable to the project manager and is directly involved in preparation of the project financial statements.

Within the framework of the financial management of the program, a monthly/quarterly report on expenses and cash flows will be prepared, where the relationship with the budgeted parameters for the reporting period will be provided, and in case of omissions, the reasons and their expected impact on achievement of the planned goals will be explained.

In accordance with the goals and objectives of the program, the budget is prepared with the direct involvement of the program head, project manager, procurement manager, managers of financial direction and other directions.

Control of the program effectiveness and budget indicators will be carried out by the responsible managers and the financial department, within their competence. In case of possible failure of fulfillment of the budget indicators and program goals, the reasons will be identified and analyzed immediately.

On the other hand, the Asian Development Bank will be involved in financial management of the program, will check the quarterly or annual reports of the program, internal control mechanisms and cost targeting.

Effectiveness of controlling the fulfillment of obligations related to spending: Payments are processed through the electronic system of the Treasury, within the framework of the approved budget and imposed credit obligations (Asian Development Bank credit), and their payment is made from the treasury account. The payment procedures in the electronic system of the treasury are defined by the order №424 of the Minister of Finance of Georgia “On approval of the instructions on the manner of making payments by the organizations serving the state treasury”, dated December 31, 2014. A liability management control mechanism is used for all payments made from a single treasury account. The annual plan with a quarterly statement is reflected in the treasury system from the budget planning and allocations management module. Expenditures will be made within the framework of approved budget allocations, imposed commitments and resources.

Adherence to payment rules and procedures: In order to make payments through the electronic system of the treasury, first the agreement is registered, then the accounting of obligations is carried out, and then the payment is made. There is a three-step authentication mechanism in the system, which includes the following steps:

- I) Creation of a document;
- II) Document verification/validation;
- III) Sending the document to the treasury;

The system also provides a secure mechanism for authentication and signature verification that prevents unauthorized access to the database.

Procurement monitoring: Information about the complete procurement cycle is stored in the database of the Ge-GP system and also on the portal dedicated to this project of the Asian Development Bank: <https://www.adb.org/projects/52339-001/main#project-tenders>. Information in the Ge-GP system is transparent and available to any interested person. In particular, the following information can be obtained: procurement type, application number, procurement status, procurement organization, procurement application date, tender start and end date and time, procurement accounting value, classifier code and specific procurement object, procurement quantity or value, delivery date, offer date, successful bidder.

In addition, all procurement procedures are conducted under the supervision of the Asian Development Bank, all purchases provided for in the procurement plan are subject to the prior approval of the bank (Prior review), which is required during announcement of procurement, evaluation of technical and financial proposals, awarding the contract to the successful participant, confirming the form and content of the agreement, etc.

Procurement procedures: To ensure the procurement process within the project, a tender commission was established by the Ministry on the basis of an order. The tender commission consists of the head of the program (who is determined as the chairman of the tender commission), the director of the program (who is determined as the co-chairman of the tender commission), the employees of the Ministry, the employees of “PIU” and the employees of the N(N)LE Professional Skills Agency, a total of 7 members. Depending on the topic of procurement, the commission also invites expert(s) with the right of deliberative vote.

The tender commission shall make a decision by majority of the members of the tender commission who have the right to vote. In case of equal distribution of votes, the vote of the chairman of the tender commission shall be decisive. The decision is considered to have been made only after signing the minutes by all present members of the tender commission. The minutes of meeting of the tender commission are also signed by the secretary of the tender commission, who is involved in implementation of specific procurement procedures.

Basics of preparation of the financial statements: The financial statements are prepared in accordance with the requirements of International Public Sector Accounting Standards (IPSAS). The following normative acts were used for preparation of financial statements:

1. Order №24 of the Minister of Finance of Georgia, dated February 4, 2021 (on approval of the instruction “On preparation and submission of financial statements of budgetary organizations”).
2. Order №289 of the Minister of Finance of Georgia, dated December 2, 2020 (on approval of the instruction on accounting for depreciation/amortization and reflecting it in financial statements by the budgetary organizations).
3. Order №108 of the Minister of Finance of Georgia, dated May 5, 2020 on approval of the instruction “On production of financial accounting and reporting based on the standards (IPSASs)”.

Financial (accounting) statement and statement components

The complete financial statement package includes:

- ❖ Financial statement
- ❖ Statement of financial results
- ❖ Statement of changes in net assets/equity
- ❖ Statement of comparison of budget and actual amounts
- ❖ Notes to financial statements

Basis of valuation: Initial (historical) value is used in preparation of financial statements.

Reporting date: The financial reporting date is December 31, 2023. The reporting period is the calendar year, the period from January 1, 2023 to December 31, 2023.

Reporting currency: The financial statements were prepared in national currency - GEL, which is the reporting currency.

Transactions in foreign currency: Transactions in a currency different from the reporting currency are considered as transactions in foreign currency, subject to the requirements of IPSAS 4 – “Consequences of Changes in Foreign Exchange Rates”. As of the reporting date, the monetary items denominated in foreign currency, the essential feature of which is the right to receive or obligation to pay a fixed or determined amount of a currency unit, in accordance with the official exchange rate defined by the National Bank at the end of the reporting period, are subject to recalculation.

Accounting policies and explanatory notes: Assets and liabilities in the financial statements are provided as long-term and short-term items and are structured in descending order of liquidity. Assets and liabilities are valued at cost.

Fixed assets: Fixed assets in the statement of financial position are shown at the initial (historical) cost, which is reduced by the amount of depreciation. The initial cost includes the purchase price of fixed assets, as well as all costs associated with acquisition, ownership and commissioning.

Fixed assets are subject to depreciation in accordance with the Order № 289 of the Minister of Finance of Georgia, dated December 2, 2020 (Approval of the instruction on accounting for depreciation/amortization by the budgetary organizations and reflecting it in the financial statements). In the year of bringing the asset into working condition, depreciation was charged in proportion to the period of the asset being in working condition during the year, and in the year of derecognition - in proportion to the period of being in the unit during the year. Accordingly, the method of rounding up the depreciation proportionally by months was applied, therefore, the assets that were purchased during the year and were not put into working order were not charged for depreciation.

Maintenance and repair costs of the fixed assets, which do not increase the value of fixed assets, are considered as expenses, and substantial improvement of existing assets - renovation, reconstruction or expansion, which significantly increases the capacity, quality or prolongs the useful life of existing fixed assets, is considered as inflow of fixed assets.

Liabilities: Liabilities provided as financial liabilities in the statement of financial position generally correspond to the budgetary classification and GFS-2001 methodology, however, at the same time, they are divided into short-term and long-term financial liabilities.

Revenues, allocation and use of resources: Sources of financing for the project are as follows: the state budget and credit from the Asian Development Bank. Expenses were incurred in accordance with legal and contractual requirements. The budget is implemented using the cash method. Revenues include funding allocated from the budget within the allocations stipulated by law.

Expenses: The structure of expenses is provided as operational (current) expenses and is classified by the budget funds of the budget classification. Expenses are recorded according to the budget classification based on GFSM 2014 data. According to this classification, expenses are divided into the following groups: Goods and services, Consumption of fixed capital, Interest, Subsidies and Other expenses.

Goods and services include the expenses of purchasing goods and services for the purposes of project implementation. Goods and services include compensation of freelancers, business trips, office, fuel, transport operation and maintenance expenses, as well as other goods and service expenses.

Construction expenses / construction in progress: In order to determine construction expenses and the expenses of an unfinished site, the account - Construction in progress (Construction in progress 1-27-4100) is applied, the debit of which reflects the incurred expenses, including project expenses and the amount paid for the evaluation report / conclusion of the topological and geodetic maps of construction sites. After completion of construction, the total amount of expenses is credited to the account - Construction in progress and the amount representing the expenses of the finished site is transferred to the debit of the specific fixed asset.

In case if the construction agreement covers multiple assets, the construction of each asset is treated as a separate construction agreement so that the costs of each asset can be identified.

Loan recognition and interest accrual: Considering that according to the loan agreement, the Ministry of Finance of Georgia shall be responsible for repayment of the loan, therefore the Ministry of Education and Science of Georgia should not recognize the said loan on its own balance sheet. Along with this, since the Ministry of Education and Science of Georgia is not obligated to pay the interest on the loan, therefore the Ministry should not charge interest on the loan mentioned in the financial statement.

Advance account: Within the framework of the aforementioned loan agreement, the bank transfers the amount from the loan to the specially opened advance account in the National Bank (foreign currency account in USD). Settlements with the third parties are carried out from the above-mentioned account within the project, in particular, the purchase of goods, assets and services.

The amount credited to the advance account by ADB is recognized in the accounting records at the officially published exchange rate on the day of receipt of the amount to the following accounts:

- i) **Debit - 1-13-1240** – Short-term (current) accounts receivable of the budgetary organizations to the Treasury;
- ii) **Credit - 2-16-1000** - Liabilities with deposits in the Treasury.

During 2023, the following amounts were debited by ADB bank

Date of receipt of funds	Amount in USD	Official exchange rate	Amount in GEL
27/06/2023	549,985.00	2.6284	1,445,580.58
01/08/2023	301,398.89	2.6322	793,342.16
22/11/2023	232,440.80	2.7037	628,450.20
Total	1,083,824.69		2,867,372.94

The cash expenditure incurred within the scope of the project is recognized in the income, and at the same time the liabilities with deposits in the Treasury (2-16-1000) in the same amount are reduced by the following transactions:

- i) **Debit 2-16-1000** - Liabilities with temporarily subscribed funds in the treasury;

Credit 4-52 -2000 - Income from internal current transfers.

While purchasing the fixed assets, the following transactions are made:

- ii) **Debit 2-16-1000** - Liabilities with temporarily subscribed funds in the treasury;

Credit 4-51 -2000 - Income from domestic capital transfers

During payment of the amount to the supplier, the recognized liability with the supplier is reduced and the same amount is credited/reduced to the **account 1-13-1240**.

Given that both of the accounting accounts mentioned above are financial instruments, the balances on these accounts at the end of the period are subject to revaluation according to the official exchange rate at the end of the reporting period.

Opening balance	1,326,185
Income	2,867,373
Payment	1,970,105
Closing balance	2,223,453

At the end of the year, **827,500.44 USD** was credited to currency account. The officially published exchange rate was 1 USD = 2.6894 GEL, accordingly, the amount in the advance account was recalculated to 2,225,479 GEL.

Calculation of the difference between the exchange rates 2,225,479 -2,223,453 =2,026 (GEL).

Note: 2,225,489.00 GEL given in the financial statement also includes 9 GEL in the conversion account.

Introduction of the advance account in the financial statement in the described manner took place for the first time in the financial statement of 2022, before that it was not recognized in the financial statement.

In exactly the same manner and approach, the balance in the **2-16-1000** - Liabilities with temporarily subscribed funds in treasury account was revalued, which also amounted to **827,500.44 USD**.

The balance in these two accounts should always be the same both in GEL and in USD.

Difference received between the revalued amount and the pre-revaluation balances available in Oris as of December 31, 2023, both on the account **1-13-1240** and the account 2-16-1000 – was recognized in these accounts as profit and/or loss received from holding as a result of the recalculation of the foreign currency balances.

Taking into account that the balance on the account **1-13-1240** (active account) increased by 2026 GEL, therefore we have a profit, which was recorded in the accounting system with the following transaction.

Debit 1-13-1240 – short-term (current) credits receivable of the budgetary organizations to the Treasury, with budget funds in foreign currency.

Credit 4-81-1200 – profit from holding as a result of recalculation of foreign currency balances on the accounts.

And the increase of the balance on the account 2-16-1000 (passive account) by 2026 GEL caused a loss, which was recorded in the accounting system with the following transactions.

Debit 5-81-2200 – loss arising from holding as a result of recalculation of credits, loans and other liabilities received in foreign currency;

Credit 4-81-1200 – profit from holding as a result of recalculation of foreign currency balances on the accounts.

IPSAS 5 – Borrowing costs: As the loan should not be recognized on the balance sheet of the spending entity, nor should the spending entity charge interest expense in its accounting records, therefore the interest on the loan should not be recognized as part of the carrying amount of the fixed asset even though it may comply with IPSAS 5 – Borrowing costs criteria. In addition, at this stage, according to the recommendation of International Monetary Fund (IMF), the interest capitalization method is not applied during the transition period of the reform.

General notes on presentation of information and documentation related to financial statements

- i) As of December 31, 2023, there are no credits receivable and/or credits payable recorded on the project balance sheet, therefore there was no need to prepare the acts of comparison;
- ii) During the reporting period of 2023, no assets were received/transferred from another organization/legal entity free of charge;
- iii) In 2023, there were no transactions with the entities subject to the Ministry with respect to the organizations under the control of the Ministry;
- iv) During 2023, we did not lease real estate;
- v) We do not represent independently registered taxpayer in www.rs.ge;
- vi) We have not deposited money in commercial banks;
- vii) Considering that the financial statement of 2023 of the project is in progress and has not yet been completed, we will send you the audited financial statement in a separate letter as soon as it is completed.

Notwithstanding the above, we hereby send you the tables requested by aforementioned letter.

58. Promotion of higher educational institutions – disposal by Ministry of Education and Science of Georgia - 32 04 05 01

32 04 05 01	Promotion of higher educational institutions – disposal by Ministry of Education and Science of Georgia	
00	Total	4,905,095.64
2	Expenses	4,905,095.64

The program “Promotion of higher educational institutions” was approved by the Order N1683940 of the Deputy Minister of Education and Science of Georgia dated December 30, 2022 (last amendment N1769317, 12.27.2023)

Accounts receivable are included in the financial statement of the aforementioned program.

Note S4: Account № 1-15-1300 - Other short-term (current) receivables with prepaid taxes – at the beginning of 2023, accounts receivable of Giorgi Mtatsmindeli Higher School of Chant and N(N)LE - Batumi St. John the Divine’s Theologian Seminary Of Georgian Patriarcha amount to **28,582.26 GEL**, of which **3,603.26 GEL** have been repaid to the Budget by the organizations (Giorgi Mtatsmindeli Higher School of Chant – 3,582.26 GEL and Batumi Theologian Seminary - 21 GEL), **24,979.00 GEL** is recognized as an actual expense and written off from the financial statement of the program.

Within the framework of 2023, 3 institutions of the Patriarchate were financed by advance transfer in the amount of **2,652,863.64 GEL**, of which the actual expenditure of 2023 amounted to **2,543,750.14 GEL**, and as of December 31, 2023, the accounts receivable amount to **109,113.50 GEL**, including:

N	Title	Amount (GEL)	Year	Agreement N, date	Article	Note
1	N(N)LE - Orthodox Divinity Higher Educational Institution – Giorgi Mtatsmindeli Higher School of Chant	6'810.70	2023	N149, 10.11.2021	2.5.3 - 821,84 GEL 2.8.2.2 – 5,988.86 GEL	Unspent amount was repaid to the Budget on 16.01.2024
2	N(N)LE - Holy Apostle St Andrew the First-Called Georgian University of Georgian Patriarchate	1'760.00	2023	N71, 13.11.2023	2.5.3	Unspent amount was repaid to the Budget on 30.01.2024
3	N(N)LE - Tbilisi Theological Academy and Seminary of Apostolic Autocephalous Orthodox Church of Georgia	38'000.00	2023	N54, 20.04.23	2.5.3	38,000 GEL was spent in 2024; debts are not accrued as of 26.01.2024
4	N(N)LE - Tbilisi Theological Academy and Seminary of Apostolic Autocephalous Orthodox Church of Georgia	62'542.80	2023	N70, 18.03.23	2.5.3	Unspent amount - 217 was repaid to the Budget on 26.02.2024 and the part of it was subject to inclusion in expenses in 2024
Total:		109'113.50				

- 6,810,710 GEL - was credited as accounts receivable as of 31.12.2023, unspent amount Within the framework of the agreement №149, dated 21.11.2021, was repaid to the Budget on January 16, 2024 by N(N)LE - Orthodox Divinity Higher Educational Institution – Giorgi Mtatsmindeli Higher School of Chant.
- 1,760.00 GEL - was credited as accounts receivable as of 31.12.2023, unspent amount Within the framework of the agreement №71, dated 13.10.2023, was repaid to the Budget on January 30, 2024, by N(N)LE - Holy Apostle St Andrew the First-Called Georgian University of Georgian Patriarchate.
- 38,000.00 GEL - was credited as accounts receivable as of 31.12.2023, the actual expenditure is recognized in 2024 within the framework of the agreement №54 of N(N)LE - Tbilisi Theological Academy and Seminary of Apostolic Autocephalous Orthodox Church of Georgia, dated 20.04.2023.
- 62,542.80 GEL – was credited as accounts receivable as of 31.12.2023, unspent amount – 217.80 GEL Within the framework of the agreement №70, dated 20.10.2023, was repaid to the Budget on January 30, 2024 by N(N)LE - Tbilisi Theological Academy and Seminary of Apostolic Autocephalous Orthodox Church of Georgia, while 62,325.00 GEL was not subject to recognition as an expense Within the framework of the aforementioned agreement, since the condition of the agreement was (a new agreement will be signed on the basis of Government Decree №397 of 18.03.2024, and recognized at the expense of 2024).

Note S13: Within the program, 2,250,000.00 GEL (budget funds - 1,250,000.00 GEL, government reserve fund - 1,000,000.00 GEL) was transferred to private higher education institutions from the article - Other expenses in 2023. Aforementioned amount represents the tuition fee arrears to be paid as of August 1, 2023 for the status- suspended students in the amount of 19%, and for the status-suspended students due to financial debt in the amount of 20% (service cards №1769934, 27.12.2023 and №1778092, 28.12.2023).

In addition, Within the framework of the program, procurement of buffet services Within the framework of the conference is reimbursed in 2023 - in the amount of 2,232.00 GEL.

Note S17: Actual expenses within the program amounted to 4,824,564.40 GEL, namely:

Goods and services - 2,232 GEL is procurement of buffet services within the framework of the conference of “LLG Enterprise” LLC, agreement dated 02.03.2023);

Subsidy cost: 2,496,168.00 GEL (cost of financing the organizations);

Internal transfer expense - 3,603.26 GEL (repayment of the unspent amount of 2022 to the Budget);

Current transfers not classified elsewhere - 2,250,000 GEL, which is the tuition fee arrears to be paid as of August 01, 2023 for the purpose of promotion of studies of the status-suspended students (according to the Government Decree №378, 03.10.2023).

Capital transfers, not classified elsewhere - 72,561.14 GEL (capital financing expense of Giorgi Mtatsmindeli Higher School of Chant, agreement №149, dated 11.11.2021).

59. Promotion of Vocational Education Development - 32 03 01 01

32 03 01	Promotion of Vocational Education Development	
00	Total	85,961,350.70
2	Expenses	85,725,908.47
31	Increase of non-financial assets	235,442.23

Order №1720882 on approval of the program “Promotion of Vocational Education Development”, dated 15.12.2023

As of January 1, 2023, 29,885.66 GEL of credits receivable was recorded on the balance sheet of the program “Promotion of Vocational Education Development”, which was repaid in 2023, including: actual expense of 15,133.22 GEL (N(N)LE New Vocational College), unspent funds in the amount of 14,752.44 GEL were repaid to the State Budget in 2023.

Agreement N	Agreement date	Organization	Amount
55	28/03/2021	N(N)LE - Saint King Tamar Vocational College of Georgian Patriarchate	11'490.48
55	18/05/2021	N(N)LE - College “Prestige”	30.00
58	29/03/2023	N(N)LE – New Vocational College	15'482.89
54	28/03/2022	N(N)LE – Youth House	2'084.97
69	12/04/2022	N(N)LE – Vocational Training and Retraining Center - Farmer School	797.32
			29'885.66

Within the framework of the program, on the basis of the agreement №91, dated June 03, 2022, Caucasus University LLC was funded with 392,674.50 GEL (135,000 EUR) to cover the costs of investment and consulting services of the Basque Culinary Center in 2023. Regarding the expenses of the above-mentioned funding, the University submitted the financial documentation in the letter №04-CU-02, dated January 9, 2024 (registered in the Ministry with №12147, 10.01.2024) and the letter №59-CU-02, dated January 24, 2024 (registered in the Ministry with N70162, 25.01.2024), accordingly transferred the amount as an advance was recognized as an expense, and as of January 1, 2024, the University had no debt to the Ministry (act of acceptance №2-91, dated 26.01.2024).

As of January 1, 2024, **1,858,581.00 GEL** of the credits receivable was credited to the balance of the program “Promotion of Vocational Education Development”, which is the financing of N(N)LE - Construction College “Construct2” for the rehabilitation of the real estate of the college, based on the agreement N119, dated December 27, 2023. Accounts receivable will be written off in accordance with the financial statement submitted by the college.

Voucher financing for 2023 totals 63,603,997.38 GEL, including:

N	Organization	Amount
1	25 state colleges	26'322'367.73
2	8 higher educational institutions	12'555'010.98
3	1 public school	113'558.78
4	1 state college (subordinate to the Ministry of Culture)	11'589.56
5	39 private schools	24'601'470.33
	Total voucher financing	63'603'997.38

Elimination: Credits receivables in the amount of **1,858,581.00 GEL** to N(N)LE - Construction College “Construct2” are subject to elimination.

60. Targeted grant education - 32 01 01-c

As of December 31, 2023, the following are included in the financial statement within the “Targeted Grant Program of the Ministry of Education and Science of Georgia”:

Note S2a - Account №1-11-2120 - Deposits in the Treasury in national currency - within the reporting period, a total of **11,326.70 GEL** was credited to the deposit account 302007700 of the Ministry of Education and Science of Georgia, **11,326.70 GEL** was withdrawn from the account.

In addition, an unspecified amount, totaling **5082.10 GEL**, was debited to the deposit account of the Ministry - **subcode 7799**, which represents the amounts incorrectly recorded by LEPL - Ilia State University, in particular:

- **202.10 GEL**, depositor code 124359, [REDACTED], personal number: [REDACTED];
- **220.00 GEL**, depositor code 125222, [REDACTED], personal number: [REDACTED];
- **4110.00 GEL**, depositor code 125950, [REDACTED] - Tuition Fees;
- **550.00 GEL**, depositor code 125960, [REDACTED]

In relation to aforementioned, the letters №1623054, dated 30.11.2023, №138984, dated 07.02.2023, №591130, dated 29.05.2023, were sent to LEPL - Treasury Service of the Ministry of Finance. After that, the mentioned funds were transferred to the deposit subcode of **Ilia State University**.

The balance was not credited to the account as of 31.12.2023.

Note S3 - Account №1-14-1410 - Low-value assets. As of 01.01.2023, the inventories in the amount of 1,787.79 GEL were credited to the account.

During the reporting period, the inventories worth **150.00 GEL** were given to LEPL - Tbilisi N100 Public School, in particular, chairs with a metal frame (Order №779413, dated 28.06.2023, Service card №799411 (dated 30.06.2023)), which is recorded in Note №3 in the outflows with grants.

Based on the results of the non-financial inventory of 2022, on the basis of the order N811052, dated 03.07.2023, unusable, unused assets, namely 2 units of metal chairs, with a total value of **50.00 GEL**, were written off from the financial statements of the program, which is reflected in the various expenses of the Note №S3 and the account 5-92-0000 of the Note №S16 – “Expenses for reduction of value of the inventories”.

N	Number and date of order	Account	Name of account	Number	Balance value
1	Order N873325, dated 12.07.2023 – delivered to the Agency	Account №1-14-1410	Inventories	1	25.00
2	Service card N864694, dated 11.07.2023, separable (scrap, destruction)	Account №1-14-1410	Inventories	1	25.00
	Total			2	50.00

As of 31.12.2023, the inventories worth **1,587.79 GEL** are credited.

Account №1-14-1420 - Other materials and supplies - Inventories of **115,210.66 GEL** were credited to the account as of 01.01.2023. Other inventories worth **14,360.66 GEL** were written off from the above-mentioned account during the year, **in particular:**

14,360.66 GEL – 2,629 pieces of printed material with a total value of **14,360.66 GEL** were written off from the financial statement of the program due to damage and content obsolescence, based on the order N1612348, dated November 28, 2023, which is reflected in the various expenses of the Note №S3 and in the account 5-92-0000 of the Note №S16 – “Expenses for reduction of value of the inventories”.

On the basis of the audit report N 457 of “Kompaudi” LLC, dated December 6, 2023, the printed material was evaluated as waste paper, which should be transferred to LEPL - National Agency of State Property (Order №1715820, 14.12.2023).

Inventories worth **100,850.00 GEL** are credited to the account as of 31.12.2023.

Note S6 – Account №1-22-2210 - Information and communication technology equipment - 1 unit of projector with historical value of **810.00 GEL**, accumulated depreciation - **648.00 GEL**, residual value - **162.00 GEL** is credited to the account.

Note S8 - Account №1-24-1500 - Other intellectual property products - Intangible assets with initial historical value of **46,121.00 GEL**, accumulated depreciation – **43,814.95 GEL**, residual value - **2306.05 GEL** are credited to the account as of 01.01.2023.

Based on the summary protocol of non-financial inventory of January 29, 2024, the intangible asset of 1 denomination was written off from the financial statement of the program, with a total balance value of **1,121.00 GEL**, accumulated depreciation – **1,064.95 GEL**, residual value - **56.05 GEL** and was recorded as intangible asset impairment expense in the **Account №5-95-0000**.

Within the framework of the program, 1 unit of intangible asset is credited to the account 1-24-1500, to which the last part of the depreciation amount was credited at the end of 2023, based on the fact that the said intangible asset is used by various departments and is subject to future use, which is confirmed in accordance with the filed service card (N1557230, 15.11.2023) and allows receiving economic benefits/services, based on the summary protocol of non-financial inventory, dated January 29, 2024, the useful life of the asset was extended by 3 years.

N	Title	Year of commissioning	Quantity	Unit value	Balance value	Residual value
1	Computer games depicting natural and man-made disasters for elementary school pupils	2016	1	45000.00	45000.00	1687.50
	Total		1	45000.00	45000.00	1687.50

As of 31.12.2023, 1 unit of intangible asset with a historical value of **45,000.00 GEL**, accumulated depreciation - **43,312.50 GEL**, residual value - **1,687.50 GEL** is recorded.

Note S13: In the reporting period, within the framework of the program, a total of **72,032.10 GEL** of accounts payable were credited to “Timeservice” LLC, in particular:

- **Account № 2-13-4100** - 67,730.19 GEL represents the principal amount;
- **Account № 2-13-9900** - 4,301.91 GEL, including 2,000.00 GEL represents the expenses incurred for the representative’s services, and 2,301.91 GEL - the state customs fee.

According to the information provided by the letter NA23052109-004/001 of LEPL - National Bureau of Enforcement, dated March 21, 2023 (registration N319740, 21.03.2023), LEPL - National Bureau of Enforcement is processing the enforcement case A23052109, payment identifier 2310794273, regarding the forced enforcement 2/34500-17 issued by the Tbilisi City Court on 13.03.2023, according to which the Ministry of Education and Science of Georgia was ordered to pay a total of **72,032.10 GEL** in favor of “Timeservice” LLC (204570357).

Above-mentioned accounts payable originated in previous years Within the framework of the agreements N 01-13/2, N 01-14/2, N 01-15/2 and N 01-16/2 signed by the Ministry with “Timeservice” LLC on January 14, 2015.

Repayment of the accounts payable was carried out on November 8, 2023, by means of forced execution, through debt collection, which is recorded in the account 4-45-1000 of the Note №S14 – “Incomes from current external transfers not classified elsewhere”.

Form F1 – Reference Account №03 - Debt written off from insolvent debtors - As of 01.01.2023, 893.91 GEL of insolvent debtors’ written-off debts were credited to the account, in particular:

N	Organization	Agreement, date	Accounts payable 01.10.2021	Service card sent to the Department of Legal Assurance	Case identifier	Result as of 31.12.2022
1	“Service +” LLC	02-27/2	86.19	N1489278, 13.12.16	1731651886	Since March 12, 2020, the case has been assigned a “ Passive ” status, the debt has not been repaid.
2	“Service +” LLC	04.02.16	807.72	N130602, 03.02.17		
	Total		893.91			

Proceedings of “Service +” LLC are being conducted at LEPL - National Bureau of Enforcement. The case has been assigned a passive status since March 12, 2020. As of December 31, 2023, the amount has not been repaid (identifier 1731651886).

Reference Account №04 - Inventory and low-value assets delivered in operation and recorded in expenses – as of 01.01.2023, inventory and low-value assets in the amount of **5,821.39 GEL**, delivered in operation and recorded in expenses were credited to the account, from which 18 units of assets (printed materials/books) with a total value of **1604.00 GEL** were written off from the reference article 04 and removed from the financial statements based on the Order N1612348 of the Minister of Education and Science of Georgia, dated 28.11.2023.

In addition, based on the order №873324 of the Minister, dated 12.07.2023, an unsuitable, unused asset was written off from the financial statement of the program, in particular: 2 wireless mice, worth **50.00 GEL**.

N	Number and date of the order	Account	Name of the account	Quantity	Balance value
1	Order №873324, 12.07.2023 - Destroyed	Account №04	Inventory and low-value assets delivered in operation and recorded in expenses	2	50.00
	Total			2	50.00

As of 31.12.2023, material assets worth **4,167.39 GEL** are credited to the account.

Reference Account №05 - Contingent assets – as of 01.01.2023, contingent assets of **52,049.04 GEL** were credited to the account, according to the protocol N1 of financial inventory, dated November 30, 2023, old and non-essential debt in the amount of **10.84 GEL** to “Delta Development Group” LLC was removed from the contingent asset account of the reference account 05 of the program. The debt as of 31.12.2023 amounted to **52,038.20 GEL**. In particular:

N	Organization	Agreement	Debit debt 31.12.23	N. of the letter sent to the company	Legal Assurance Department	Case Identifier	Result as of 01.10.2023
1	“MK” LLC	12-22/3, 5.12.08	72.29	N52126, 22.01.16	N796851, 29.06.16	1907527643	Money has not been repaid
2	“Tophouse Georgia” LLC	01/01/2002 05.01.2015	3'496.00	N44726, 26.01.15 N168966, 06.03.15 N168967, 06.03.15	N444397, 01.06.15	1626992069	Money has not been repaid
3	“Alzira” LLC	01/02/2001 16.01.2016	224.25	N936622, 04.08.16	N1064708, 14.09.16	1702873054	Money has not been repaid
4	“Da Vinci” LLC	01/02/2001 16.01.2016	1'250.00	N295153, 28.03.17	N700184, 21.06.17	1804219990	Money has not been repaid
5	“Mariam” LLC	09.06.2015	17'231.60	N515398, 17.05.16	N788422, 28.06.16 N1512956, 11.12.17 N1512956, 11.12.17	1940121182	Money has not been repaid
6	“Timeservice” LLC	09-100/2 11.09.2015	9'962.00		N551565, 02.07.20		A lawsuit has been submitted, a default decision has been made, which has not been submitted to the Ministry
		09-112/2, 14.09.2016	19'802.24				A lawsuit has been submitted
		Total	52'038.20				

1. **“MK” LLC** – Accounts receivable of 72.29 GEL are accrued. With the service card №1675234, dated December 09, 2019, the Legal Department informed us that the writ of execution with the payment identifier 1907527643 has been submitted to LEPL - Tbilisi Bureau of Enforcement. As of December 31, 2023, according to the information posted on the website of LEPL - National Bureau of Enforcement, the organization has not repaid the debt.
2. **“Top House Georgia” LLC** - The claim of the Ministry was satisfied by the default judgment of Tbilisi City Court, dated February 19, 2016, in case №2/12673-15, **“Top House Georgia” LLC** was ordered to pay **3,496.00 GEL** in favor of the Ministry. The writ of execution has been submitted to LEPL - Tbilisi National Bureau of Enforcement for enforcement, enforcement process has begun, payment identifier: 1626992069. As of December 31, 2023, according to the information posted on the website of LEPL - National Bureau of Enforcement, the organization still has debt.
3. **“Alzira” LLC** – The credit receivables of **224.25 GEL** are accrued. The case was submitted to the Tbilisi Bureau of Enforcement to enforce the judgment of Tbilisi City Court, dated October 24, 2016, by which “Alzira” LLC was ordered to pay **224.25 GEL** in favor of the Ministry, with payment identifier: 1702873054. As of December 31, 2023, no changes were made and the organization did not return the debt.
4. **“Da Vinci” LLC** - According to the default judgment of Tbilisi City Court of October 27, 2017, the lawsuit of the Ministry was satisfied for the demand of **1,249.96 GEL**. The case payment identifier: 1804219990. According to the information posted on the website of LEPL - National Bureau of Enforcement, as of December 31, 2023, the organization still has debts.
5. **“Mariam 2010” LLC** - On December 9, 2019, a service card N1675234 was received from the Legal Department, on the basis of which, on October 16, 2018, the claim of the Ministry was partially satisfied by Tbilisi City Court, in particular, the organization was charged in favor of the Ministry with payment of rent in the amount of **16,731.60 GEL** and penalty – in the amount of **500 GEL**, total - **17,231.60 GEL**. A writ of execution with payment identifier: **1940121182** is filed in LEPL - Tbilisi Enforcement Bureau. According to the information posted on the website of LEPL - National Bureau of

Enforcement, on June 22, 2022, the enforcement bureau sent a letter to the debtor on the voluntary submission of seized property. As of December 31, 2023, the organization has no returned debt.

6. **“Timeservice” LLC** - Fines accrued in different years against the company “Timeservice” LLC, in total - **49,893.34 GEL**, Within the framework of the program “Provision of public-school pupils with transport”. As of December 31, 2023, debts in the amount of **29,764.06 GEL** are charged to “Timeservice” LLC Within the framework of 4 agreements. In particular:

- **9,962.00 GEL** – According to the service card №171313 of the Legal Department, dated February 16, 2024, regarding the debt accrued Within the framework of the agreement N 09-100/2, dated 11.09.2015, a lawsuit was filed by the Ministry in Mtskheta District Court against “Timeservice” LLC with a request for repayment of **9,962.00 GEL**. According to the judgment of Mtskheta District Court on November 16, 2023, the claim of the Ministry was partially satisfied, namely, “Timeservice” LLC was ordered to pay 3,320 GEL in favor of the Ministry. The said judgment has been appealed by the Ministry in the Tbilisi Court of Appeal; however, there is no trial scheduled at this stage.
- **19,802.24 GEL** – According to the service card N171313 of the Legal Department, dated February 16, 2024, regarding the debt accrued Within the framework of the agreement №09-112/2, dated 14.09.2016, a lawsuit has been filed in Mtskheta District Court with a request for repayment of **19,802.24 GEL**, there is no trial scheduled at this stage.

Reference articles Account №08 – Depreciated fixed assets account. Depreciated assets of 12,654.50 GEL were recorded as of 01.01.2023. According to the order N 873325, dated July 12, 2023, 6 assets with a total value of 6,965.5 GEL were written off from the corresponding account of the financial statement.

N	Number and date of the order	Account	Name of the account	Quantity	Balance value
1	Order N873325, 12.07.2023 – Delivered to the Agency	Account №08	Depreciated fixed assets	6	6965.50
		Total		6	6965.50

The depreciated fixed assets were transferred to LEPL - National Agency of State Property under the act of acceptance of October 12, 2023 for further disposal of the National Property Agency (service card №1367111, 13.10.2023, official card N1391039, 17.10.2023) and was removed from the reference article **№10** of the financial statements.

In addition, based on the summary protocol of the non-financial inventory, dated January 29, 2024, the depreciated intangible asset of 1 denomination was written off from the reference article **№08** of the financial statements of the program, with a total balance value of **1,190.00 GEL**.

As of 31.12.2023, 5 units of deprecated fixed assets worth **4,499.00 GEL** are credited to the account.

61. Humanitarian

Within the office (humanitarian) of the Ministry of Education and Science of Georgia

Note №3

Account №1-14-1420 - Other materials and supplies. 601 units of textbooks with a total value of **5,936.06 GEL** were credited to the account as the opening balance. During 2023, the Ministry received the printed materials worth **137,935.00 GEL** free of charge, of which printed materials worth **142,708 GEL** were distributed to resource centers and schools, in particular:

- On September 12, 2023, Azerbaijani-language school textbooks with a total value of 74,599.92 GEL were received from the Ministry of Education of the Republic of Azerbaijan free of charge as humanitarian cargo (service card N1143099, 13.09.2023; service card N1319730, 06.10.2023);
- On August 25, 2023, Armenian-language school textbooks with a total value of 63,334.54 GEL were received from the Ministry of Education of Armenia free of charge as a humanitarian cargo (service card N1042771, 29.08.2023; service card 1255475, 28.09.2023). Received textbooks are transferred to public schools and educational resource centers free of charge.

According to the order №873324 of the Deputy Minister of Education and Science of Georgia, dated July 12, 2024, 4 units of assets unused for further exploitation with a balance value of 55.20 GEL were written off and destroyed (service card 1783572, 29.12.2023). The mentioned amount is written off from the financial statement of the program under the article of cost of reduction of value of the inventories.

In addition, according to the order №1612348 of November 28, 2023, 31 units of printed materials with a total value of **357.46 GEL** were written off, which were assessed as waste based on the audit report of “Kompaudi” LLC, dated December 06, 2023 (service card №1315707, 18.10.2 022). After signing the act of acceptance, the said waste paper will be transferred to LEPL - National Agency of State Property (order №1715820, 14.12.2023). (Note: due to the fact that the waste paper is estimated in total and is not broken down according to the programs, the waste paper evaluated by “Kompaudi” LLC is recorded in the financial statements of the machine as a total).

As of December 31, 2023, in the financial statements of the program, Account №1-14-1420 - Other materials and supplies, school kits worth 750 GEL are credited to the account.

Elimination:

Low-value assets with a total value of 142,707.81 GEL transferred under the article - Grant from the account 1-14-1420 are subject to elimination, including:

Educational resource centers - 141,247.58 GEL;

Schools - 1,460.23 GEL.

Note №4, Note №6

As of January 1, 2023, the assets worth 1,680.21 GEL were credited to the **Account № 1-15-5000 - Short-term (current) non-monetary receivables with a deficit of non-financial assets**. Regarding the offset of the actual number of assets credited to the deficit account in previous years by the working group of the Inventory Commission, created by the order N1243138 of the Acting Minister of Education and Science of Georgia, dated 26.09.2023, and searched by the current Inventory Commission group, actually searched assets and listed on the deficit account were offset based on the summary protocol of the Non-Financial Inventory Commission, dated January 29, 2024, 2 units of assets of 2 denominations with a total balance value of **2880 GEL**, residual value of **576.00 GEL** and accumulated depreciation of **2,304.00 GEL** were removed from the deficit account. The said assets have been transferred to the Account №1-22-2210. In addition, the names in the accounting program “Oris Manager” were adjusted. Above-mentioned assets are not used for future exploitation and will be written off in accordance with the rules prescribed by the legislation.

Account №	Accounting/deficit denomination	Actual name	Inventory number	Year of commissioning /acquisition / handover	Quantity (units)	Value		
						Unit value (GEL)	Opening (historical) balance value	Residual value (GEL)
1-15-5000	Computer CELERON 1700	Computer CELERON 1700, Monitor Techway	010100027	2004	1	890.00	890.00	178.00
1-15-5000	Computer P4 monit.17	Computer P4, Monitor 17"	010100010	2004	1	1990.00	1990.00	398.00
					2	2880	2880	576

As of December 31, 2023, small-value inventory worth 1,104.21 GEL was credited to the Account № 1-15-5000 - Short-term (current) non-monetary receivables with a deficit of non-financial assets accounts, in particular:

Title	Year of commissioning	Quantity	value	Balance value	Residual value
Low-value					
Small-sized basketball ball	2004	48	6.5862	316.1376	316.1376
Handball ball (artificial leather)	2004	60	11.7837	707.022	707.022
Professional volleyball ball	2004	2	9.0264	18.0528	18.0528
Basketball ball	2004	6	6.42	38.52	38.52
Basketball shield and net	2004	1	24.485	24.485	24.485
				1'104.21	1'104.21

In connection with the above-mentioned deficits, according to the summary protocol of the Non-Financial Inventory Commission of 2023, dated January 29, 2024, a resolution was issued: "Inventories received in 2004, total of 5 denominations, 117 units, with a total value of 1,104.21 GEL, are credited to the deficit account Within the framework of the program, which were transferred free of charge at the time. 19 years have passed since the date of entry of these assets into operation, as of today, the materially responsible person is unknown and cannot be determined, since the corresponding identifying primary documents could not be found in the archives of the Ministry, as a result of the actual annual census, it was not possible to search/research and determine the location of the assets and on the basis of the article 13(2)(e) of the Order N364 of the Minister of Finance concerning approval of the instruction "On conducting the inventory of assets and liabilities by the budgetary organization and recording of inventory results in accounting and reporting on the basis of International Public Sector Accounting Standards (IPSAs)", dated 31.12.2021, the probability of removal of which is very small, the statute of limitations has also passed in accordance with the Article 128(3) of the Chapter Two of the Civil Code of Georgia, according to which the total statute of limitations is ten years, it will be written off by an individual administrative-legal act (order) of the Head. Accordingly, based on the above - it should be written off from the financial statements by the order of the Head with the expense of write-off".

Note №14

- On September 12, 2023, Azerbaijani-language school textbooks with a total value of 74,599.92 GEL were received from the Ministry of Education of the Republic of Azerbaijan free of charge as humanitarian cargo.
- On August 25, 2023, Armenian-language school textbooks with a total value of 63,334.54 GEL were received from the Ministry of Education of Armenia free of charge as humanitarian cargo. The received textbooks are transferred free of charge to public schools and educational resource centers.

The actual expenses of 2023 totaled 143,696.48 GEL, in particular:

Note №16

Expenses for reduction of value of the inventories 5-92-0000 - 412.00 GEL. According to the Order №873324 of the Deputy Minister of Education and Science of Georgia, dated July 12, 2024, 4 units of assets unused for further operation with a balance value of 55.20 GEL were written off and destroyed. In addition, according to the Order №1612348 of November 28, 2023, 31 units of printed materials with a total value of 357.46 GEL were written off from the financial statements and based on the audit report N457 of "Kompaudi" LLC, dated December 06, 2023, they were assessed as waste paper (Service card №1315707, 18.10.2022).

Note №17

- Depreciation expense 5-41-0000 – 576 GEL;
- Issued to the state entities of the same level, 5-32-1310 – 142,708.00 GEL, which represents the free transfer of printed materials received by the Republic of Azerbaijan and Armenia for resource centers and public schools.

Form №1

Reference №04 - Inventories written off in costs in operation. Inventories worth 164 GEL were credited to the account as opening balance, of which the inventory worth 104 GEL was unused for further operation, and was handed over to the Agency by the Order N873325 of the Deputy Minister of Education and Science of Georgia, dated 12.07.2023, accordingly, the mentioned account was reduced by 104 GEL. As of December 31, 2023, Account №04 - Inventory and low-value assets delivered in operation and recorded in expenses - one unit of asset worth 60.00 GEL (dagger) is recorded.

Reference N08 - Fully depreciated/amortized assets in service was recorded as the initial balance of amortized fixed assets with the initial balance value of 15,719.00 GEL, from which 2 assets with the initial balance value of 7,987.30 GEL represent the deficit of the past period.

Title	Year of commissioning	Quantity	value	Balance value	Residual value
Main					
CCTV camera	2001	1	6120.50	6120.50	0.00
Computer XW4200.2.8GHz 512MB 80GB SATA EU	2004	1	1866.8	1866.8	0.00
				7987.30	0.00

In addition, on the basis of the summary protocol of the Non-Financial Inventory Commission, dated January 29, 2024, in connection with offsetting of the actual number of assets credited to the deficit account of previous year by the inventory

commission working group - created by the Order N1243138 of the Acting Minister of Education and Science of Georgia dated 26.09.2023, and searched by the current inventory commission group in the 2023, actually searched 1 asset – video tape recorder credited to the 08 reference (deficit of the past period) account was offset, with a balance value of 1,933.32 GEL. Also, the name adjustment was made in the accounting program “Oris Manager”. The said asset is not used for further operation and will be written off in accordance with the rules prescribed by the legislation.

Account	Accounting / deficit denomination	Actual name	Inventory number	Year of commissioning /acquisition / handover	Quantity (units)	Value		
						Unit value (GEL)	Initial (historical) balance value (GEL)	Residual value (GEL)
08	Video tape recorder	Video tape recorder Shivaki	2220000593	2001	1	1933.32	1933.32	
	Total				1	1933.32	1933.32	

Full compliance was revealed in the current period as a result of the inventory of the fixed assets and inventories (on the balance sheet and the reference articles (on the off-balance sheet accounts)), recorded in the financial statements as of October 01, 2022, of the programs fulfilled by the Order №1243138 of the Acting Minister of Education and Science of Georgia, dated 26.09.2023, and carried out by the Office of the Ministry of Education and Science of Georgia and the programs implemented by the Ministry). (Appendix №2-11, S.U.).

62. Consolidated explanatory notes of liquidated programs of the past period, including an explanatory card:

- Iakob Gogebashvili - rehabilitation of public schools in Georgia,
- Child care,
- Let's relax and study together.

Note S3: Report №1-14-1410 - Low-value assets - At the beginning of 2023, the inventories worth 4,612 GEL were recorded, which completely represent the balance of the “Child Care” program. In the reporting period of 2023, the aforementioned account of the child care program has increased by 1800 GEL, in particular:

- In connection with offsetting of the actual number of assets credited to the account of deficit of the previous years by the working group of the Non-Financial Inventory Commission of 2023 and researched by the current Inventory Commission, on the basis of the Article 3(11)(o) of the Order №364 of the Minister of Finance of Georgia concerning approval of the instruction “On conducting the inventory of assets and liabilities by the budgetary organization and recording of inventory results in accounting and reporting on the basis of International Public Sector Accounting Standards (IPSASs)”, dated 31.12.2021, the offset was carried out, 5 units of assets of 5 denomination were removed from the deficit account with the total value of **1800 GEL** and were transferred to the appropriate account №1-14-1410 – Low-value assets account, the denomination was adjusted in the accounting program “Oris Manager”. Therefore, the account of deficit of the program “Child care” is reduced by 1800 GEL and the account 1-14-1410 – Low-value assets – is increased.

In the reporting period of 2023, the **account №1-14-1410 - Low-value assets was reduced by 4,492.00 GEL**. Reduction of the account was completely carried out within the framework of the program “Child Care”. In 2023, the property identified as part of the inventory of 2022, which was not subject to future use, was written off from the program. Accordingly, the above-mentioned assets were written off from the financial statements of the program in accordance with the legislation by the relevant orders of the Deputy Minister of 2023, in particular:

N	Number and date of the order	Account	Name of the account	Quantity	Balance value
1	Order №873324, 12.07.2023 - destroyed	Account №1-14-1410	Inventories	15	2334.92
2	Order №873325, 12.07.2023 – transferred to the agency	Account №1-14-1410	Inventories	7	1050.89
3	Service card №864694, 11.07.2023 – to be separated (scrap, destruction)	Account №1-14-1410	Inventories	12	1106.30
		Total		34	4'492.11

As of December 31, 2023, the Account №1-14-1410 - Low-value assets - is credited with the inventories worth 1,920 GEL, which is entirely credited within the framework of the program “Child Care”.

Account №1-14-1420 - Other materials and supplies - 2049 GEL of supplies were recorded as the opening balance of 2023, which represents:

- 492.48 GEL - the balance of the program “Child Care”;
- 1,557.13 GEL - the balance of the program - “Iakob Gogebashvili – Rehabilitation of Public Schools of Georgia”.

In the accounting period of 2023, a total of 923 GEL of stocks were written off from the account - Rest of other materials and supplies, in particular:

- Within the framework of the program “Iakob Gogebashvili - Rehabilitation of Public Schools of Georgia”, a total of **430.63 GEL** was written off according to the Order №873324, dated 12.07.2023, including six sketches (girl’s school uniform) worth **232.98 GEL** and five sketches (boy’s school uniform) worth **197.65 GEL**. The above-mentioned assets were destroyed by “Tbilservice Group” LLC on December 25, 2023 (Service card №1783572, 29.12.2023);
- Within the framework of the “Child care” program, 5 unusable optical disc recorders with a total value of **492.48 GEL** were written off on the basis of the order №873324, dated 12.07.2023. It was destroyed on the basis of the act of acceptance №12-63/2 signed between the Ministry of Education and Science of Georgia and “Tbilservice Group” LLC on 27.12.2023. As of December 31, 2023, within the framework of the above-mentioned program, no balance is credited to the account №1-14-1420 - Other materials and supplies.

As of December 31, 2023, the supplies worth 1,226.5 GEL are credited to the account №1-14-1420 - Other materials and supplies, which are fully credited within the framework of the program “Iakob Gogebashvili - Rehabilitation of Public Schools of Georgia”.

Note S4: Account №1-15-1100 - Advance payments for goods and services - 101,185.00 GEL was credited as the opening balance of 2023, which is entirely the balance of the program “Iakob Gogebashvili - Rehabilitation of Public Schools of Georgia”. In 2023, the above-mentioned account was increased by 73,401 GEL and decreased by 174,586 GEL, the changes were made within the framework of the program “Iakob Gogebashvili - Rehabilitation of Public Schools of Georgia”, in particular:

In 2023, a total of 73,401.49 GEL was returned to the budget by “Amirani” LLC and “Davit” LLC to the account №05 - Contingent assets, the above-mentioned amounts are recorded in the **account №4-91-0000 – Other short-term (current) receivables with pre-paid payables of the income generated by chargeback reduction of doubtful debts provisions, are written-off from the same account and spent with internal transfer expenses, in particular:**

- **“Amirani” LLC** (ID code: 208153996) - According to the decision of the Tbilisi Court of Appeal, “Amirani” LLC was ordered to pay **1,739.24 GEL** in favor of the Ministry. The enforcement process is pending at the LEPL - National Bureau of Enforcement. Payment identifier: **№1712620567**. As of December 31, 2023, **1,446.20 GEL** has been paid (including 226.23 GEL on 26.07.2023, 224.77 GEL on 16.06.2023. Letter №1060734, 01.09.2023). Remaining enforcement debt as of December 31, 2023, amounts to 293.04 GEL, which is transferred to the conditional reference account №05.
- At the beginning of the year, “Davit” LLC (ID code: 211343802) had a debt of **71,955.29 GEL**. Payment identifiers are: №1200378520 - the amount of **9,899.98 GEL** and penalty - **1,643.49 GEL**; №1200381952 - amount **60,411.82 GEL**. In total: **71,955.29 GEL**. The company has accrued the accounts receivable in the amount of **71,955.29 GEL** arising from the agreements №06-64/3 and №06-65/3, dated June 22, 2007. “Davit” LLC has fully covered the debt on June 19, 2023 in the amount of **11,543.47 GEL** and on June 23 in the amount of **60,411.82 GEL**. Payment receipts №1060734, 01.09.2023 and №1182912, 19.09.2023 are submitted by the National Bureau of Enforcement. “Davit” LLC no longer owes any debt to the Ministry.

101,184.65 GEL – Above-mentioned amount represents the accounts receivable owed to “Vlaz” LLC in 2015. On April 30, 2015, the Economic Department prepared and sent the letters to the relevant schools to submit the acts of acceptance signed with “Vlaz” LLC regarding transfer of materials, however, according to the information provided, the schools could not submit the document confirming the transfer of the materials received free of charge from the Ministry with the acts of acceptance to the school. The said accounts receivable were reported to the Department of Legal Assurance with the Service card № MES 5 16 00381151, dated 15.04.2016. In addition, all the documents related to “Vlaz” LLC available to us and retrieved from the relevant schools were provided as hardcopy to the Department of Legal Assurance. According to the Service card №MES 8 17 00081219 of the Department of Legal Assurance, dated January 31, 2017, it is clear that the supplied documentation about “Vlaz” LLC is not complete and there is a possibility that the court will not accept the claim, however if accepted, it will not be satisfied due to unfoundedness. Since, the Accounting Department searched for all the documents within the scope of possibility and provided them to the Department of Legal Assurance, as well as the Legal Department additionally requested the agreements (signed between “Vlaz” LLC and the schools, including LEPL - Tbilisi №165 №54, №151, №57, №156, №25, №118, №119, №175, №186

Public Schools), was traced by the Accounting Department of the Economic Division and was searched in accordance with the request of the Legal Department in the archive of the Administration of the Ministry and also in the relevant public schools, although the requested information could not be found. Accordingly, the request of the Legal Department could not be satisfied. Since the accounts receivable credited against the aforementioned company do not meet the criteria for recognition as an asset, the said debt has been transferred to the conditional assets account №05 of the reference account based on the Protocol of the Inventory Commission, dated the January 30, 2023, created by Order №1243135 of September 26, 2023.

Account №1-15-5000 - Short-term (current) non-monetary receivables with a deficit of non-financial assets - 41,800 GEL was credited as the opening balance of 2023. The aforementioned deficit represents the balances of the programs, in particular:

- 4,319.60 GEL - the balance of the program “Child Care”;
- 3,645 GEL - the balance of 205 public schools within the framework of the program “Child Care”;
- 33,834.62 GEL - the balance of the program “Iakob Gogebashvili - Rehabilitation of Public Schools of Georgia”.

In the reporting period of 2023, the deficit account was reduced by 2431 GEL, aforementioned change was implemented within the framework of “Child Care” program, in particular:

In connection with offsetting of the actual number of assets credited to the account of deficit of the previous years by the working group of the Non-Financial Inventory Commission of 2023 and researched by the current Inventory Commission, on the basis of the Article 3(11)(o) of the Order №364 of the Minister of Finance of Georgia concerning approval of the instruction “On conducting the inventory of assets and liabilities by the budgetary organization and recording of inventory results in accounting and reporting on the basis of International Public Sector Accounting Standards (IPSASs)”, dated 31.12.2021, as well as the summary protocol of the Non-Financial Inventory Commission, dated January 29, 2024, the offset was carried out and following was removed from the deficit account:

- 5 units of assets of 5 denominations with a total balance value of 1800 GEL were transferred to the corresponding **account № 1-14-1410 - Low-value assets account**;
- 1 asset of 1 denomination with a total balance value of 631.21 GEL was transferred to the corresponding account №1-22-2210 - Information and communication technology equipment.

As of December 31, 2023, total balance of 39,369 GEL was credited to the account №1-15-5000 - Short-term (current) non-monetary receivables with a deficit of non-financial assets, in particular:

- ❖ 1,888.60 GEL - the balance of the program “Child Care”;
- ❖ 3,645 GEL – the balance of 205 public schools within the program “Child Care”;
- ❖ 33,834.62 GEL - the balance of the program “Iakob Gogebashvili – Rehabilitation of Public Schools of Georgia”;

Detailed information regarding the balance of 33,834.62 GEL within the framework of the program “Iakob Gogebashvili – Rehabilitation of Public Schools of Georgia”

- Basis for transferring the deficit of GEL 22,667.52 to the account is the summary protocol of May 20, 2019 of the Inventory Commission, regarding non-financial assets (fixed assets), low-value assets, inventories and valuables credited to the balance of the Ministry of Education, Science, Culture and Sports of Georgia, created by the Order №325 of the Minister of Education, Science, Culture and Sports of Georgia, dated 16.10.2018.
- The basis for transferring the deficit in the amount of 11,167.10 GEL to the account is the summary protocol of March 20, 2020 of the Inventory Commission, created by the Order №1427 of the Minister of Education, Science, Culture and Sports of Georgia dated 12.11.2019. 12,777.10 GEL is included in the cost of heating radiators taken and assembled by construction companies from the Ministry of Education and Science of Georgia in public schools of different regions. Materials of various denominations were stolen from the above-mentioned schools, including:
 - ❖ Kutaisi №13 Public School - 3 pcs heating radiator;
 - ❖ Kutaisi №26 Public School - 92 pcs heating radiator;
 - ❖ Kutaisi №35 Public School - 21 pcs heating radiator;
 - ❖ The warehouse belonging to the Ministry of Education and Science of Georgia, located at №4, Mukhadze street, Tbilisi - 1 pc. - 10 m² “Ruberoid” - Linochrome; 300 pieces of heating shaped part, so-called “Amerikanka”.

Title	Unit	Price (GEL)	Quantity	Total price
Radiator 1200	Pcs	80.5	116	9338

“Amerikanka”	Pcs	5.99	300	1,797.00
Linochrome	m ²	3.21	10	32.10
Total			446	11'167.10

With the letter №1474655 of the Economic Department, dated November 1, 2023, updated information was requested from the Kutaisi City Division of Imereti, Racha-Lechkhumi and Kvemo Svaneti Police Department, the about the progress of the case. In response to the above, by the letter №MIA 2 23 03288830, of November 9, 2023 (registered in the Ministry with №1539788 on 13.11.2023), according to the submitted information, an investigation is underway on various materials stolen from the above-mentioned schools.

Note №S6: In the reporting period of 2023, Account №1-22-2210 – Information, computer, telecommunication and other devices, furniture and equipment - Account has increased by 631 GEL. The aforementioned change was implemented within the framework of the program “Child Care”, in particular:

Based on the summary protocol of Non-Financial Inventory Commission, dated January 29, 2024, 1 asset - printer was removed from the deficit account and restored to the account1-22-2210, the said asset was charged with depreciation in the amount of 126.00 GEL at the end of 2023.

Note №S16: Account № 4-91-0000 - Revenue generated by reversal of provision for bad debts - 73,401 GEL represents the amounts returned to the budget - 1,446.20 GEL registered in the reference account №05 by “Amirani” LLC within the framework of the program “Iakob Gogebashvili – Rehabilitation of Public Schools of Georgia” and 71,955.29 GEL - by “Davit” LLC, which were recognized as income and also written off by the article – Expenses with internal transfers;

Account №5-91-0000 - Expenses of doubtful/bad debts – 101,185 GEL - It represents the write-off of bad debts of “Vlaz” LLC within the framework of the program “Iakob Gogebashvili - Rehabilitation of Public Schools of Georgia” and transferring them to the conditional account reference №05 based on the summary protocol of the Non-Financial Inventory Commission.

Account №5-92-0000 - Expenses for reduction of value of the inventories – 5,415.00 GEL represents the assets written off by the relevant orders of the Minister within the framework of the programs, which were not subject to future use, in particular:

- **923.00 GEL** - supplies written off within the program “Iakob Gogebashvili - Rehabilitation of Public Schools of Georgia”;
- **4,492.00 GEL** - supplies written off within the program “Child Care”;

Note S17: Depreciation expense - 126 GEL; Expenses with internal current transfers - 73,401 GEL (represents the funds returned to the budget by “Amirani” LLC and “Davit” LLC).

Reference accounts

Account №03 – “Written off debts of insolvent debtors” – accounts receivable in the amount of 1,516,369.69 GEL are credited, which represent the balances of the program “Iakob Gogebashvili – Rehabilitation of Public Schools of Georgia”, which, according to the information posted on the website of the National Bureau of Enforcement, was assigned a **“Passive status”** and as of December 31, 2023, no changes were made, including:

N	Organization	Payment Identifier	Amount	Total amount
1	JSC “Hydro of West Georgia” (ID code: 248387357) “Pylon 2005” LLC (ID code: 205089740) “Pyramid 2002” LLC (ID code: 216395728)	№1026681216	37'864.00	141'687
		№1026682486	63'362.00	
		№1026680886	40'461.00	
2	“TransService Construction” LLC (ID code: 202201090)	№1027395067	13'255.11	13'255.11
3	“Vlaz” LLC (ID code: 206223781)	№1036654769	39'449.74	39'449.74
4	“Firma 89” LLC (ID code: 208147138)	№1119835271	35'032.00	35'032.00
5	JSC Construction Company “Tbilisi” (ID code: 211752272) “Msheninterservice” LLC (ID code: 205127940)	№1121163997	33'079.61	75'329.61
		№111189584	42'250.00	
6	JSC “Tbilisi” (ID code: 211752272)	№1026714899	291'843.45	291'843.45
7	“Imeretmsheni” LLC (ID code: 212864159)	№1113503897	19'754.96	19'754.96
8	“Tbilisi 1” LLC (ID code: 205077021)	№1205653284	15'000.00	15'000.00
9	“Victoria 2003” LLC (ID code: 205003501)	№1204011718	57'758.02	57'758.02
10	“Engineering 2005” LLC (ID code: 205224327)	№1200339482	21'869.49	21'869.49
11	“Uta” LLC (ID code: 206117968)	№1113585201	15'954.40	15'954.40
12	“Goni” LLC (ID code: 204419423) “Transservice Construction” LLC (ID code: 202201090)	№1027396001	127'933.40	128'930.66
		№1027396001	997.26	

13	JSC "Hydro of West Georgia" (ID code: 248387357) JSC "Hydro of West Georgia" (ID code: 248387357)	№1223793437	292'106.25 37'800.00	329'906.25
14	"Pylon 2005" LLC (ID code: 205089740)	№1606183067.	4'401.97	4'401.97
15	"Pyramid 2002" LLC (ID code: 216395728)	№1630481588	9'919.13	9'919.13
16	"Transservice Construction" LLC (ID code: 202201090)	1702845754	73'761.26	73'761.26
17	"Vlaz" LLC " (ID code: 206223781)	№1026682486 №1026680886 №1121149018	148'049.77 73'628.60 20'839.00	242'517.00
	Total 03		1'516'369.69	

Reference №04 - Inventory in service written off in expenses – Inventory worth 61,861.00 GEL was credited to the account as the opening balance, from which 184 GEL was removed in the payment period of 2023, in particular:

N	Title of program	Balance as of 01.01.2023	Removed	Balance as of 31.12.2023	Note
1	Program "Iakob Gogebashvili – Rehabilitation of Public Schools of Georgia"	100	100	0	
2	Program "Child Care" (disposal by the Ministry)	472.50	84	388.50	
3	Kutaisi Gumati №2 Public School (liquidated)	71		71	Recorded in the consolidated financial statements of child care
4	Kaspi Boarding School for Disabled Children (liquidated)	61217		61217	Recorded in the consolidated financial statements of child care
	Total	61'860.50	184	61'676.50	

Within the framework of the **program "Iakob Gogebashvili - Rehabilitation of Public Schools of Georgia"** – Account №04 - Long-term low-value assets written off in operating expenses - At the beginning of 2023, a printer worth 100.00 GEL was recorded as a long-term low-value asset written off in operating expenses. Based on the order №873325, dated July 12, 2023, it was removed from the reference account №04 and transferred to LEPL - National Agency of State Property (Service card №367111, 13.10.2023). As of December 31, 2023, no balance is credited to the account **№04**.

Within the framework of the program "Child Care", Account №04 - Long-term low-value assets written off in operating costs - Assets of 9 denominations worth 472.50 GEL were recorded as the opening balance of 2023. In 2023, 3 office chairs with a total value of 84 GEL were removed from the account, in particular:

- On the basis of the Order №873324, dated 12.07.2023 and the act of acceptance, dated October 17, 2023, the Agency was given 1 black chair (inventory number №DT 071000037) with a unit value of 28 GEL;
- On the basis of the Order №1540525, dated 13.11.2023 and the act of acceptance, dated November 14, 2023 (service card № 1577110, 20.11.2023) - 2 chairs were given to Tbilisi №20 and №51 Public Schools.

As of December 31, 2023, 6 units of assets with a total value of 388.50 GEL were credited to the account 04.

As of December 31, 2023, Account №04 - Long-term low-value assets written off in operating costs – the stocks written off in expenses in the amount of 61,676.50 GEL are credited to the account.

Reference article account №05 - Contingent assets account - within the framework of the program "Iakob Gogebashvili - Rehabilitation of Public Schools of Georgia", the contingent assets in the amount of 2,133,833.89 GEL were credited as initial balance, from which a total of 73,401.49 GEL was returned to the budget by "Davit" LLC and "Amirani" LLC during the year and was removed from the article - Conditional account. In addition, on the basis of the summary protocol of the Financial Inventory Commission of 2023, the debt in the amount of 101,184.65 GEL of "Vlaz" LLC was transferred from the account №1-15-1100, which did not meet the criteria for recognition as an asset. As of December 31, 2023, the balance within the mentioned program amounts to 2,161,617.05 GEL. In addition to the above, within **the framework of the program "Let's rest and learn together", penalty in the amount of 8,563.75 GEL was imposed on "MSG" LLC**. Above-mentioned case has been submitted to the Enforcement Bureau. The case identifier is №1834346384. The enforcement process is underway. As of December 31, 2023, 8,563.75 GEL of the penalty imposed to "MSG" LLC has not been repaid. Contingent assets of the program "Child Care" are also credited, in particular:

N	Title of program	Balance as of 01.01.2023	Write-off	Addition to the account	Balance as of 31.12.2023	Note
1	Program "Iakob Gogebashvili – Rehabilitation of Public Schools of Georgia"	2'133'833.89	73'401.49	101'184.65	2'161'617.05	The cases are in the National Bureau of Enforcement and in court. Please see the table for details.
2	Program "Let's Rest and Learn Together"	8'563.75			8'563.75	The case is in the National Bureau of Enforcement, as of 31.12.2023, the amount has not been repaid
3	205 Public School (liquidated)	4'312			4'312	Recorded in the consolidated financial statements of child care
4	Kutaisi Gumati №2 Public School (liquidated)	278			278	Recorded in the consolidated financial statements of child care
5	Kaspi Boarding School for Disabled Children (liquidated)	20'859			20'859	Recorded in the consolidated financial statements of child care
6	Kutaisi №43 Public School (liquidated)	131'622			131'622	Recorded in the consolidated financial statements of child care
7	Akhaldaba Public School (liquidated)	2'383			2'383	Recorded in the consolidated financial statements of child care
	Totl	2'301'851.64	73'401.49	101'184.65	2'329'634.75	

Detailed information of the reference account №05 of the program "Iakob Gogebashvili - Rehabilitation of Public Schools of Georgia":

N	Organization	Payment Identifier	Amount	Total amount	Note
1	"Amagleba 98" LLC (ID code: 209466549)	№1113585684	1'007'723.80	1'086'994.41	No change was carried out as of 31.12.2023
		№1731648252	79'270.45		
2	"GIC" LLC (ID code: 205171071)	№1714556120	101'995.64	116,581.5	No change was carried out as of 31.12.2023
		№1205650599	14'585.86		
3	"David" LLC (ID code: 211343802)	№1200378520	9'899.98	71'955.29	The debt was fully paid by "Davit" LLC on June 19, 2023 – 11,543.47 GEL and on June 23 – 60,411.82 GEL. The National Bureau of Enforcement submitted the payment receipts in the letters №1060734, 01.09.2023; №1182912, 19.09.2023.
		№1200378520	1'643.49		
		№1200381952	60'411.82		
4	"Ecotherm" LLC (ID code: 205009792)	№1113504546	10'516.81	10'516.81	No change was carried out as of 31.12.2023
5	"Intermesheni A&P" LLC (ID code: 209478607)	№1126027571	11'308.00	402'936.7	No change was carried out as of 31.12.2023
		№1126027571	183'841.00		
		№1210733297	32'190.20		
		№1210731431	175'597.50		
6	"Cityway" LLC (ID code: 216395274)	№1726823971	4'767.86	4'767.86	No change was carried out as of 31.12.2023
7	"Pako" LLC (ID code: 222724023)		42'971.25	42'971.25	Service card №171313 of the Legal Department, dated 16.02.2024, The case is pending in the Tbilisi City Court. No trial has been scheduled. Information as of 31.12.2023. Situation is unchanged.
8	"Oda" LLC (ID code: 231946730)	№1714558790	57'784.85	57'784.85	No change was carried out as of 31.12.2023
9	"Ama" LLC (ID code: 211381789)	№1936893043	124,384.96	124'384.96	No change was carried out as of 31.12.2023
10	"Western Georgia Hydro" LLC (ID code: 248387357)	№1731649756	9'516.09	9'516.09	No change was carried out as of 31.12.2023
11	"Mshenebeli" (ID code: 202944868)	№1808168439	17'223.39	17'223.39	No change was carried out as of 31.12.2023
12	"Pyramid 2002" LLC (ID code: 216395728)	№1726824052	8'717.20	8'717.20	No change was carried out as of 31.12.2023
13	"Tbilisi 2005" LLC (ID code: 212843440)	№1813797981	143'114.69	143'114.69	No change was carried out as of 31.12.2023
14	"Piloni 2005" LLC (ID code: 205089740)	№2321451239	26'510.00	26'510.00	No change was carried out as of 31.12.2023
15	"Dasi" LLC (ID code: 202204505)	№1611462065	8'121.30	8'121.30	No change was carried out as of 31.12.2023
16	"Amirani" LLC (ID code: 208153996)	№1712620567	293.04	293.04	As of December 31, 2023, 1,446.20 GEL has been paid by "Amirani" LLC.
17	"Vlaz" LLC (ID code: 206223781)		101'184.65	101'184.65	Based on the Protocol of the Financial Inventory Commission, dated 30.11.2023, bad asset has been transferred from account №1-15-1100.

			2'161'617.05		
	Total 05				

Reference №08 - Depreciated fixed assets account was credited with stocks worth 66,498.00 GEL as an opening balance, from which 16,289 GEL was withdrawn during the 2023 deposit period, and the balance of 50,208 GEL was credited as of 31.12.2023.

N	Title of the program	Balance as of 01.01.2023	Removed	Balance as of 31.12.2023	Note
1	Program "Iakob Gogebashvili – Rehabilitation of Public Schools of Georgia"	63'522.62	14'524.72	48'997.90	Unused assets are written-off
2	Program "Child Care"	2'974.72	1'764.72	1'210	Unused assets are written-off
	Total	66'497.34	16'289.44	50'207.90	

1. Account №08 of the program "Iakob Gogebashvili - Rehabilitation of Public Schools of Georgia" - Amortized fixed assets - at the beginning of the year, assets in the amount of 63,522.62 GEL were credited to the account, from which 14,524.72 GEL of amortized assets were removed during the year, in particular:

- Depreciated assets worth **13,424.72 GEL** were handed over to the **National Agency of State Property** (Service card №1367111, 13.10.2023, based on the Order №873325 of July 12, 2023. Act of acceptance, without number, dated 12.10.2023).
- Depreciated assets worth **530 GEL** were transferred to **LEPL - Education Management Information System** (Service card №1774108, 28.12.2023. Based on the Order №1752586 of December 22, 2023. Act of Acceptance №1752586, dated 27.12.2023).
- A locker worth 570 GEL was removed from the reference account (property to be destroyed) based on the Order №873324, dated 12.07.2023;
- On the basis of the summary protocol of the Non-Financial Inventory Commission of 2023, dated January 29, 2024, in connection with offsetting of the actual number of assets credited to the reference account №08 of the previous years (deficit) by the working group of the Non-Financial Inventory Commission and researched by the current Inventory Commission, on the basis of the Article 3(11)(o) of the Order №364 of the Minister of Finance of Georgia concerning approval of the instruction "On conducting the inventory of assets and liabilities by the budgetary organization and recording of inventory results in accounting and reporting on the basis of International Public Sector Accounting Standards (IPSASs)", dated 31.12.2021, the offset was carried out, for the 2 units of assets of 2 denominations with the total balance value of **3,681 GEL** and the denominations were adjusted in the accounting program "Oris Manager". **As of December 31, 2023, Account №08 - Amortized fixed assets has a balance of 48,997.90 GEL.**

2. Program "Child Care" - Account №08 - Fully depreciated/amortized assets in service - 11 units of assets with a total balance value of 2,974.72 GEL were credited to the account as the opening balance; from which a total of 6 assets with a total balance value of 1,764.72 GEL were removed in 2023, in particular:

- On the basis of the Order №873324, dated 12.07.2023 and the act of acceptance, dated October 17, 2023, 4 units of assets with a total balance value of 1334.72 GEL were transferred to the Agency (Service card №1367111, 13.10.2023);
- On the basis of the Order №873324, dated 12.07.2023, and the act of acceptance №12-63/2 signed with "Tbilservice Group" LLC on 27.12.2023, 2 assets with a total balance value of 430.00 GEL were destroyed and removed from the account. **As of December 31, 2023, 5 units of assets with a total value of 1210.00 were credited to account 08.**

Deputy Head of the Economic Department of the Ministry of Education, Science and Youth of Georgia

Nana Khmaladze

15.05.2024

Consolidated Units

Organization name	Code
Development of State Policy and Program Management in Education and Science Fields	32 01 01
Support for the Implementation of Ministry Policies in Education	32 01 02
Development and Management of Education Quality	32 01 03
Education Management Information System	32 01 04
LEPL – Educational and Scientific Infrastructure Development Agency	32 01 05
Support for International Relations	32 01 06
N(N)LE – European School of Eastern Partnership	32 01 07
National Center for Educational Research	32 01 08
Funding of General Educational Schools	32 02 01
Support for Professional Development of Teachers	32 02 02
Ensuring a Safe Educational Environment	32 02 03
Encouragement of Outstanding Students	32 02 04
Support for Particularly Gifted Students in Education and Accommodation	32 02 05
Provision of Textbooks for Students	32 02 06
Financial Assistance for Teachers and Administrative-Technical Staff in Occupied Regions	32 02 07
Accessibility to General Education for Accused and Convicted Individuals	32 02 08
Development and Promotion of the National Curriculum	32 02 09
Transportation Provision for Public School Students	32 02 10
Program "My First Computer"	32 02 11
Promotion of General Education	32 02 12
Support for General Education Reform – Ministry of Education and Science of Georgia Management	32 02 13 01
Provision of ICT Resources for Public Schools – LEPL Education Management Information System	32 02 13 02
Support for Early Childhood Education	32 02 13 03
Support for General Education Reform – LEPL National Center for Teacher Professional Development	32 02 13 04
Support for General Education Reform – LEPL Educational and Scientific Infrastructure Development Agency	32 02 13 07
Promotion of Professional Education Development	32 03 01
Development of Professional Skills	32 03 02
Professional Training of National Minorities	32 03 03
Organization of Examinations	32 04 01
State Study Grant	32 04 02 01
State Master's Study Grant	32 04 02 02
Financing of Education for Students from Villages near the Dividing Line	32 04 02 03
Promotion of Higher Education for Residents of Occupied Territories and Persons with Repatriate Status	32 04 02 04
One-Year Educational Program for Teacher Training	32 04 02 05
State Scholarships for Students	32 04 02 06
Program "Knowledge Gate"	32 04 02 07
Study in Georgia	32 04 02 08
Support for Higher Education – Ministry of Education and Science Management	32 04 03 01
Support for Overseas Education	32 04 04
Support for Higher Educational Institutions	32 04 05 02-12

Grants for Scientific Research and Support for Scientific Projects (Rustaveli Foundation)	32 05 01 01- 02
Promotion of Georgian Scientists' Participation in International Programs	32 05 01 03
Programs for Scientific Institutions	32 05 02
Support for the Georgian Academy of Agricultural Sciences	32 05 03
Promotion of Scientific Research	32 05 04
Popularization of Science	32 05 05
Support for Inclusive Education	32 06 01
Special Institutions for Children with Special Educational Needs	32 06 02
Support for Teaching Students with Special Educational Needs	32 06 03
Development of Human Resources for Inclusive Education	32 06 04
Development of Infrastructure for General Educational Institutions	32 07 01
Development of Infrastructure for Professional Educational Institutions	32 07 02
Development of Infrastructure for the Ministry and its LEPLs	32 07 03
Development of Infrastructure for Higher Educational and Scientific Institutions	32 07 04
Development of Maintenance and Operation Systems for Public Schools	32 07 05
Innovation, Inclusion, and Quality Project - Georgia I2Q (WB)	32 08
Professional Education I (KfW)	32 09
Modern Skills for Better Employment - Project (ADB)	32 10
Support for Higher Educational Institutions – Managed by the Ministry of Education and Science of Georgia	32 04 05 01
Support Program for the Development of Professional Education – Administrative unit	32 03 01 01
Targeted Grants in Education	32 01 01 - G
Humanitarian	32 01 01 - H
Liquidated	*
Elimination	

Appendix N1

2023, GEL

Budget Code	Description	The adjusted budget for the current year	Actual expenditures for budget code as a whole	Actual expenditures for current year Human capital program	Cumulative expenditure for the Human Capital program	Reference to DLR
32 01 03	Educational Quality Enhancement and Management	4,874,467.00	5,486,340.41	1,830,812.00	1,830,812.00	N2.1.1; N2.1.2; N2.1.6
32 02 13	Support for General Education Reform	34,735,285.00	34,806,732.13	15,569,815.14	15,569,815.14	N4.1; N2.1.1; N2.1.2
	Total	39,609,752.00	40,293,072.54	17,400,627.14	17,400,627.14	

Contact Information

Web Page and Social Media	https://www.sao.ge/
	https://aris.sao.ge/
	https://www.budgetmonitor.ge/ka
	http://www.blog.sao.ge/
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