



FINANCIAL STATEMENTS  
&  
INDEPENDENT AUDITORS' REPORT  
For period ended December 31, 2019

NNLE GEORGIAN CENTER FOR STRATEGY  
AND DEVELOPMENT

AG International Consulting  
Member of Prime Global  
Audit & Business Advisory Services

**AGIC**

*certified member*

 **PrimeGlobal**





TO THE MEMBERS OF BOARD OF NNLE GEORGIAN CENTER FOR STRATEGY AND DEVELOPMENT

Regarding the responsibility of the management of financial statements prepared for the period ended on December 31, 2019.

Management of the audited entity is responsible for the preparation and fair presentation of these financial statements, which fairly reflects the Organization's financial performance as at 31 December, 2019, and of its operations, cash flows and changes in net assets for the period then ended with International Financial Reporting Standards ("IFRS").

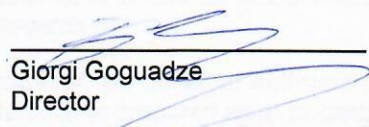
In preparing the financial statements, management is responsible for:

- Selecting suitable accounting principles and applying them consistently;
- Making judgements and estimates that are reasonable and prudent;
- Stating whether IFRS have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Preparing the financial statements on a going concern basis, unless it is inappropriate to presume that the Organization will continue in business for the foreseeable future.


Management is also responsible for:

- Designing, implementing and maintaining an effective and sound system of internal controls;
- Maintaining proper accounting records that disclose, with reasonable accuracy at any time, the financial position of the Organization, and which enable them to ensure that the financial statements of the Organization comply with IFRS;
- Maintaining accounting records in compliance with legislation;
- Taking such steps as are reasonably available to them to safeguard the assets of the Organization; and
- Detecting and preventing fraud and other irregularities.

The financial statements for the period ended December 31, 2019 were authorized for issue on July 02, 2020.

  
Giorgi Gogvadze  
Director

July 02, 2020  
Tbilisi, Georgia

  
Ketevan Imerlishvili  
Financial Manager

July 02, 2020  
Tbilisi, Georgia





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## INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF BOARD OF NNLE GEORGIAN CENTER FOR STRATEGY AND DEVELOPMENT

### Opinion

We have audited the financial statements of NNLE Georgian Center for Strategy and Development (hereinafter "Organization"), which comprise the statement of financial position as at December 31, 2019, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statement present fairly, in all material respects, the financial position of the Organization as at December 31, 2019, and ist financial performance and its cash flow for the year then ended in accordance with International Financial Reporting Stadards (IFRSs).

### Basis for Opinion

We conduct our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the audit of the financial statements* Section of our report. We are independent of the Organization in accordance with the ethical requirements that are relevant t our audit of the inancial statements in Georgia, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Responsibility of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

### Other Matters

The audit of previous year period was nod conducted, relevantly we don't express opinion whether financial statements ended as at December 31, 2018 were prepared in accordance with International Financial Reporting Stadards (IFRSs).

However, we obtained sufficient and appropriate assurance at those opening balances which reflect at financial statements prepared as at December 31, 2019.

### Auditor's Responsibility for the Audit of the Financial Information

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





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

- Identify and assess the risks of material misstatement of the financial information, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Organization's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial information or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Organization to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial information, including the disclosures, and whether the financial information represent the underlying transactions and events in a manner that achieves fair presentation.

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

The engagement partner on the audit resulting in this independent auditor's report is:

AG International Consulting

G. Mikabadze

T. Chagelishvili

Giorgi Mikabadze  
 Director

Tamila Chagelishvili  
 Registered Auditor

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 Tbilisi, Georgia  
 Date: July 02, 2020 year