

SOCIAL JUSTICE CENTER

INDEPENDENT AUDITORS' REPORT

2022



SOCIAL JUSTICE CENTER

The Financial Statements
for the Year Ended 31 December 2022
and
Independent Auditors' Report

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STATEMENT OF MANAGEMENT'S RESPONSIBILITIES

The management of the Social Justice Center (referred to as "the Organization") is responsible for the preparation of the financial statements.

This responsibility includes:

- preparation of financial statements in accordance with Financial Standard for Non-entrepreneurial (non-profit) Legal Entities approved under the order (June 26, 2018) of the head of the Service for Accounting, Reporting and Auditing Supervision Subdivision of the Ministry of Finance of Georgia;
- selection of suitable accounting policies and their consistent application.
- making judgments and estimates which are reasonable and prudent.

Management is also responsible for:

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

The present financial statement for the year ended December 31, 2022, is approved by the management and signed on its behalf:



Tamta Mikeladze

Director

Social Justice Center



Medea Zhghenti

Financial Manager

Social Justice Center

STATEMENT OF MANAGEMENT’S RESPONSIBILITIES

The management of the Social Justice Center (referred to as “the Organization”) is responsible for the preparation of the financial statements.


This responsibility includes:

- preparation of financial statements in accordance with Financial Standard for Non-entrepreneurial (non-profit) Legal Entities approved under the order (June 26, 2018) of the head of the Service for Accounting, Reporting and Auditing Supervision Subdivision of the Ministry of Finance of Georgia;
- selection of suitable accounting policies and their consistent application.
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- creation, implementation and maintaining effective internal control system;
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- prevention and detection of fraud and other irregularities.


The present financial statement for the year ended December 31, 2022, is approved by the management and signed on its behalf:



Tamta Mikeladze

Director

Social Justice Center



Medea Zhghenti

Financial Manager

Social Justice Center

INDEPENDENT AUDITORS' REPORT

Social Justice Center
I. Abashidze St. #12 a
Tbilisi, Georgia

Opinion

We have audited the financial statements of Social Justice Center (the Organization), which comprise the statement of financial position, as at December 31, 2022, and the statements of activities, functional expenses and cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects the financial position of the Organization as at December 31, 2022, and of its financial performance and its cash flows for the year then ended in accordance with the Financial Standard for non-entrepreneurial (non-profit) legal entities approved under the order (June 26, 2018) of the head of the Service for Accounting, Reporting and Auditing Supervision Subdivision of the Ministry of Finance of Georgia.

Basis for our Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Organization in accordance with the ethical requirements that are relevant to our audit of the financial 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.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Financial Standard for non-entrepreneurial (non-profit) legal entities approved under the order (June 26, 2018) of the head of the Service for Accounting, Reporting and Auditing Supervision Subdivision of the Ministry of Finance of Georgia, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditors' Responsibility for the Audit of the Financial Statements

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

INDEPENDENT AUDITORS' REPORT (*Continued*)

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

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

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

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

Mikheil Abaiadze / Certified Auditor / Partner

Audit firm registration number: SARAS-F-320544

Auditor's registration number: SARAS-A-865011

November 20, 2023

Tbilisi, Georgia

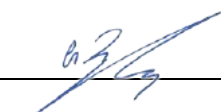


**SOCIAL JUSTICE CENTER
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022**

STATEMENT OF FINANCIAL POSITION

| | Notes | 31-Dec-2022 | Restated 31-Dec-2021 | 31-Dec-2020 |
|---|-------|------------------|-------------------------|------------------|
| Current assets | | | | |
| Cash and bank | 3 | 557,943 | 843,182 | 369,858 |
| Grants receivable | 4 | 2,782,147 | 2,162,616 | 1,190,400 |
| Tax assets | | - | 2,672 | 6,031 |
| Grants paid in advance | | 73,492 | 19,823 | - |
| Inventory | | - | - | 19,239 |
| Total current assets | | 3,413,582 | 3,028,293 | 1,585,528 |
| Fixed assets | | | | |
| Fixed assets | 5 | 71,584 | 58,980 | 38,407 |
| Intangible assets | | 8,410 | 8,412 | 10,515 |
| Total non current assets | | 79,994 | 67,392 | 48,922 |
| TOTAL ASSETS | | 3,493,576 | 3,095,685 | 1,634,450 |
| LIABILITIES AND NET ASSETS | | | | |
| Current liabilities | | | | |
| Accounts payable | | 8,565 | 8,189 | 1,165 |
| Payable to donor | | 369 | 1,842 | 1,843 |
| Deferred grant income | 6,7 | 3,321,543 | 3,014,323 | 1,518,803 |
| Taxes payable | | 2,266 | - | - |
| Total current liabilities | | 3,332,743 | 3,024,354 | 1,521,811 |
| Unrestricted net assets | | 498,045 | 243,186 | 190,776 |
| Temporarily Restricted Net assets | | (337,212) | (171,855) | (78,137) |
| Total net assets | | 160,833 | 71,331 | 112,639 |
| TOTAL LIABILITIES AND NET ASSETS | | 3,493,576 | 3,095,685 | 1,634,450 |

The financial statements including the notes were approved and signed on November 20, 2023, by:



Tamta Mikeladze

Director

Social Justice Center



Medea Zhghenti

Financial Manager


Social Justice Center

**SOCIAL JUSTICE CENTER
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022**

STATEMENT OF FINANCIAL POSITION

| | | | Restated | |
|---|-------|------------------|------------------|------------------|
| | Notes | 31-Dec-2022 | 31-Dec-2021 | 31-Dec-2020 |
| Current assets | | | | |
| Cash and bank | 3 | 557,943 | 843,182 | 369,858 |
| Grants receivable | 4 | 2,782,147 | 2,162,616 | 1,190,400 |
| Tax assets | | - | 2,672 | 6,031 |
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Director

Social Justice Center



Medea Zhghenti

Financial Manager

Social Justice Center

**SOCIAL JUSTICE CENTER
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022**

STATEMENT OF ACTIVITIES

| | Unrestricted Net Assets | Temporarily Restricted Net Assets | Year 2022 | Restated Year 2021 | Year 2020 |
|--|----------------------------|---|--------------------|-----------------------|--------------------|
| Changes in Temporarily Restricted net assets: | | | | | |
| Revenues | | | | | |
| EU751 | | 485,190 | 485,190 | - | - |
| RFSU2019 | | 291,977 | 291,977 | 463,390 | 313,200 |
| SWISS_2022 | | 183,803 | 183,803 | - | - |
| EU043 | | 159,024 | 159,024 | - | - |
| DUTCH 2021 | | 146,227 | 146,227 | 97,706 | - |
| OSGF_21335 | | 91,551 | 91,551 | - | - |
| OSGF21245 | | 89,341 | 89,341 | 46,073 | - |
| KVINNA | | 83,927 | 83,927 | - | - |
| BOELL002 | | 78,734 | 78,734 | 75,809 | - |
| BOELL_SP_030 | | 54,528 | 54,528 | - | - |
| EF_G03049 | | 47,176 | 47,176 | - | - |
| PROLoG_2039 | | 38,718 | 38,718 | - | - |
| PROLoG_2045 | | 37,741 | 37,741 | - | - |
| GDI | | 32,815 | 32,815 | 24,372 | - |
| OSGF21274 | | 31,400 | 31,400 | 22,122 | - |
| UNDP_00113905 | | 27,661 | 27,661 | - | - |
| UNFA_2022 | | 22,556 | 22,556 | - | - |
| CSEP | | 16,602 | 16,602 | - | - |
| IWPR 662.06 | | 19,893 | 19,893 | - | - |
| SWISS | | 18,489 | 18,489 | 256,791 | 200,752 |
| UNDP_2022_30 | | 12,730 | 12,730 | - | - |
| OSF_45437 | | 11,588 | 11,588 | 66,936 | 358,251 |
| OSGF - 21391 | | 10,156 | 10,156 | - | - |
| OSGF - LDD/33/20-21140 | | - | - | 196,405 | 27,027 |
| UNW | | - | - | 156,441 | - |
| OSGF20961 | | - | - | 83,336 | 193,894 |
| BOELL009 | | - | - | 58,683 | - |
| PROLOG1830 | | - | - | 55,981 | - |
| PROLoG1696 | | - | - | 53,215 | 69,832 |
| OSGF21064 | | - | - | 48,945 | 62,609 |
| PROLoG1736 | | - | - | 42,362 | 45,435 |
| IPHR | | - | - | 41,112 | - |
| IDFI | | - | - | 32,595 | - |
| EFG03049 | | - | - | 31,850 | - |
| CTC | | - | - | 24,459 | - |
| PROLOG1909 | | - | - | 13,838 | - |
| OSGF20905 | | - | - | - | 109,013 |
| GYLA | | - | - | - | 48,590 |
| NDI | | - | - | - | 14,488 |
| EU- ENI/2018/395-919 | | - | - | - | 218,957 |
| BOELL CC:12421005 | | - | - | - | 105,891 |
| DUTCH - AVT16BZ120646B | | - | - | - | 67,183 |
| IDFI - 202000701-02 | | - | - | - | 24,351 |
| OSGF21056 | | - | - | - | 46,852 |
| UNDP - 00095571 | | - | - | - | 29,692 |
| CTC_Platt_020_002 | | - | - | - | 15,014 |
| BOELL CC:12425017 | | - | - | - | 12,971 |
| IPHR OR2020-74791 | | - | - | - | 1,876 |
| Income from donations | 254,859 | - | 254,859 | 52,410 | 92,141 |
| Total revenues | 254,859 | 1,991,827 | 2,246,686 | 1,944,831 | 2,058,019 |
| Expenses | | | | | |
| Administrative and operational expenses | - | (2,128,465) | (2,128,465) | (1,936,504) | (1,944,564) |
| Net result from foreign exchange difference | - | (28,719) | (28,719) | (49,634) | (64,160) |
| Total expenses | - | (2,157,184) | (2,157,184) | (1,986,138) | (2,008,724) |
| (Increase) / decrease in net assets | 254,859 | (165,357) | 89,502 | (41,308) | 49,295 |
| Net assets at the beginning of the year | 243,186 | (171,855) | 71,331 | 112,639 | 63,344 |
| Net assets at the end of the year | 498,045 | (337,212) | 160,833 | 71,331 | 112,639 |
| Temporarily restricted net assets | - | (337,212) | (337,212) | (171,855) | (78,137) |
| Unrestricted net assets | 498,045 | - | 498,045 | 243,186 | 190,776 |
| Total net assets | 498,045 | (337,212) | 160,833 | 71,331 | 112,639 |

The financial statements including the notes were approved and signed on November 20, 2023 by:


Tamta Mikeladze

Director
Social Justice Center


Medea Zhghenti

Financial Manager
Social Justice Center

**SOCIAL JUSTICE CENTER
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022**

STATEMENT OF ACTIVITIES

| | Unrestricted Net Assets | Temporarily Restricted Net Assets | Year 2022 | Restated Year 2021 | Year 2020 |
|--|----------------------------|---|--------------------|-----------------------|--------------------|
| Changes in Temporarily Restricted net assets: | | | | | |
| Revenues | | | | | |
| EU751 | | 485,190 | 485,190 | - | - |
| RFSU2019 | | 291,977 | 291,977 | 463,390 | 313,200 |
| SWISS_2022 | | 183,803 | 183,803 | - | - |
| EU043 | | 159,024 | 159,024 | - | - |
| DUTCH 2021 | | 146,227 | 146,227 | 97,706 | - |
| OSGF_21335 | | 91,551 | 91,551 | - | - |
| OSGF21245 | | 89,341 | 89,341 | 46,073 | - |
| KVINNA | | 83,927 | 83,927 | - | - |
| BOELL002 | | 78,734 | 78,734 | 75,809 | - |
| BOELL_SP_030 | | 54,528 | 54,528 | - | - |
| EF_G03049 | | 47,176 | 47,176 | - | - |
| PROLoG_2039 | | 38,718 | 38,718 | - | - |
| PROLoG_2045 | | 37,741 | 37,741 | - | - |
| GDI | | 32,815 | 32,815 | 24,372 | - |
| OSGF21274 | | 31,400 | 31,400 | 22,122 | - |
| UNDP_00113905 | | 27,661 | 27,661 | - | - |
| UNFA_2022 | | 22,556 | 22,556 | - | - |
| CSEP | | 16,602 | 16,602 | - | - |
| IWPR 662.06 | | 19,893 | 19,893 | - | - |
| SWISS | | 18,489 | 18,489 | 256,791 | 200,752 |
| UNDP_2022_30 | | 12,730 | 12,730 | - | - |
| OSF_45437 | | 11,588 | 11,588 | 66,936 | 358,251 |
| OSGF - 21391 | | 10,156 | 10,156 | - | - |
| OSGF - LDD/33/20-21140 | | - | - | 196,405 | 27,027 |
| UNW | | - | - | 156,441 | - |
| OSGF20961 | | - | - | 83,336 | 193,894 |
| BOELL009 | | - | - | 58,683 | - |
| PROLOG1830 | | - | - | 55,981 | - |
| PROLoG1696 | | - | - | 53,215 | 69,832 |
| OSGF21064 | | - | - | 48,945 | 62,609 |
| PROLoG1736 | | - | - | 42,362 | 45,435 |
| IPHR | | - | - | 41,112 | - |
| IDFI | | - | - | 32,595 | - |
| EFG03049 | | - | - | 31,850 | - |
| CTC | | - | - | 24,459 | - |
| PROLOG1909 | | - | - | 13,838 | - |
| OSGF20905 | | - | - | - | 109,013 |
| GYLA | | - | - | - | 48,590 |
| NDI | | - | - | - | 14,488 |
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| BOELL CC:12421005 | | - | - | - | 105,891 |
| DUTCH - AVT16BZ120646B | | - | - | - | 67,183 |
| IDFI - 202000701-02 | | - | - | - | 24,351 |
| OSGF21056 | | - | - | - | 46,852 |
| UNDP - 00095571 | | - | - | - | 29,692 |
| CTC_Platt_020_002 | | - | - | - | 15,014 |
| BOELL CC:12425017 | | - | - | - | 12,971 |
| IPHR OR2020-74791 | | - | - | - | 1,876 |
| Income from donations | 254,859 | - | 254,859 | 52,410 | 92,141 |
| Total revenues | 254,859 | 1,991,827 | 2,246,686 | 1,944,831 | 2,058,019 |
| Expenses | | | | | |
| Administrative and operational expenses | - | (2,128,465) | (2,128,465) | (1,936,504) | (1,944,564) |
| Net result from foreign exchange difference | - | (28,719) | (28,719) | (49,634) | (64,160) |
| Total expenses | - | (2,157,184) | (2,157,184) | (1,986,138) | (2,008,724) |
| (Increase) / decrease in net assets | 254,859 | (165,357) | 89,502 | (41,308) | 49,295 |
| Net assets at the beginning of the year | 243,186 | (171,855) | 71,331 | 112,639 | 63,344 |
| Net assets at the end of the year | 498,045 | (337,212) | 160,833 | 71,331 | 112,639 |
| Temporarily restricted net assets | - | (337,212) | (337,212) | (171,855) | (78,137) |
| Unrestricted net assets | 498,045 | - | 498,045 | 243,186 | 190,776 |
| Total net assets | 498,045 | (337,212) | 160,833 | 71,331 | 112,639 |

The financial statements including the notes were approved and signed on November 20, 2023 by:



Tamta Mikeladze

Director
Social Justice Center



Medea Zhghenti

Financial Manager
Social Justice Center

**SOCIAL JUSTICE CENTER
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022**

STATEMENT OF CHANGES IN NET ASSETS

| | Unrestricted net assets | Temporarily restricted net assets | Total net assets |
|---|--------------------------------|--|-------------------------|
| Balance as at 31-Dec-2020 | 190,776 | (78,137) | 112,639 |
| Grants | - | 1,892,422 | 1,892,422 |
| Donations | 52,409 | - | 52,409 |
| Financing of expenses | - | (1,986,139) | (1,986,139) |
| Balance as at 31-Dec-2021 (Restated) | 243,185 | (171,854) | 71,331 |
| Grants | - | 1,991,827 | 1,991,827 |
| Donations | 254,859 | - | 254,859 |
| Financing of expenses | - | (2,157,184) | (2,157,184) |
| Balance as at 31-Dec-2022 | 498,044 | (337,211) | 160,833 |

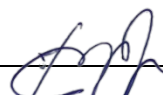
The financial statements including the notes were approved and signed on November 20, 2023 by:



Tamta Mikeladze

Director

Social Justice Center



Medea Zhghenti

Financial Manager

Social Justice Center

**SOCIAL JUSTICE CENTER
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022**

STATEMENT OF CHANGES IN NET ASSETS

| | Unrestricted net assets | Temporarily restricted net assets | Total net assets |
|---|--------------------------------|--|-------------------------|
| Balance as at 31-Dec-2020 | 190,776 | (78,137) | 112,639 |
| Grants | - | 1,892,422 | 1,892,422 |
| Donations | 52,409 | - | 52,409 |
| Financing of expenses | - | (1,986,139) | (1,986,139) |
| Balance as at 31-Dec-2021 (Restated) | 243,185 | (171,854) | 71,331 |
| Grants | - | 1,991,827 | 1,991,827 |
| Donations | 254,859 | - | 254,859 |
| Financing of expenses | - | (2,157,184) | (2,157,184) |
| Balance as at 31-Dec-2022 | 498,044 | (337,211) | 160,833 |

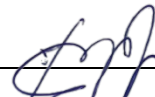
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Tamta Mikeladze

Director

Social Justice Center



Medea Zhghenti

Financial Manager

Social Justice Center

**SOCIAL JUSTICE CENTER
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022**

STATEMENT OF FUNCTIONAL EXPENSES

| Description | RFSU_4401 | DUTCH_2021 | OSGF_21245 | SWISS | BOELL_SP_002 | BOELL_SP_030 | EF_G03049 | GDI_21241 | EU751 | EU043 | OSGF_21274 | OSGF_21335 | UNDP_00113905 | SWISS_2022 | UNDP_2022_30 | PROLoG_2039 | PROLoG_2045 | UNFA_2022 | KVINNA | CSEP | IWPR_662.06 | OSGF_21391 | OSF_45437 | Own Funds | Total expenses 2022 | Total expenses 2021 | Total expenses 2020 | |
|---|----------------|----------------|---------------|---------------|---------------|---------------|---------------|---------------|----------------|----------------|---------------|---------------|---------------|----------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|--------------|---------------|----------------|---------------------|---------------------|---------------------|---------|
| Payroll | 135,446 | 97,449 | 59,420 | 6,442 | 42,509 | 24,839 | 17,851 | 23,652 | 156,304 | 69,398 | - | 60,421 | 6,011 | 61,502 | - | 27,172 | 21,822 | 16,342 | 27,695 | 14,584 | 3,311 | 8,191 | - | 95,632 | 975,993 | 951,469 | 1,005,861 | |
| Pension | 4,124 | 2,421 | 1,172 | 248 | 1,157 | 773 | 816 | 524 | 3,201 | 1,953 | 137 | 1,331 | 321 | 1,960 | 103 | 625 | 639 | 254 | 946 | 275 | 241 | 164 | - | 2,098 | 25,482 | 27,826 | 27,857 | |
| Office rent | 15,134 | 6,178 | 2,130 | - | 12,600 | - | 1,648 | - | 12,842 | 9,058 | - | 4,019 | - | 1,905 | - | 1,645 | 1,634 | 2,232 | 1,568 | - | - | 756 | - | - | 73,350 | 71,838 | 91,317 | |
| Communication expenses | 10,339 | 3,515 | 2,500 | - | 1,013 | 550 | 399 | - | 6,187 | 5,437 | - | 3,312 | - | 4,262 | - | 1,217 | 803 | 830 | 4,359 | 548 | 581 | 339 | - | 6,606 | 52,797 | 46,435 | 65,391 | |
| Utility expenses | 1,848 | 560 | 797 | - | - | 1,559 | 313 | - | 1,489 | 1,366 | - | 307 | - | 345 | - | 110 | 20 | 773 | 602 | 105 | 304 | - | - | - | 10,497 | 6,062 | - | |
| Computer expenses | 5,636 | - | 265 | - | - | - | 147 | 163 | 170 | 85 | - | 994 | - | 775 | - | 112 | 25 | - | 2,200 | 50 | 24 | 138 | - | 666 | 11,450 | 6,601 | - | |
| Insurance expense | 10,640 | 5,083 | 1,159 | - | 2,213 | 995 | 726 | 214 | 3,159 | 707 | - | 1,700 | - | 1,440 | - | 717 | 395 | 429 | 108 | 326 | - | - | - | 203 | 30,214 | 29,725 | 25,903 | |
| Transportation | 16,008 | 1,433 | 450 | 255 | 4,308 | 2,421 | 859 | 2,729 | 2,983 | 2,421 | 2,765 | 1,950 | 565 | 15,218 | 228 | 1,927 | 405 | 1,046 | 1,585 | 163 | 815 | 175 | - | 3,833 | 64,542 | 57,414 | 28,137 | |
| Stationary | 2,597 | - | - | - | - | - | 184 | 379 | 311 | 196 | - | - | - | 735 | - | 129 | 1,251 | 82 | - | 31 | - | - | - | - | - | 5,894 | 3,551 | 5,379 |
| Office expenses | 2,038 | 150 | 411 | - | - | - | - | - | 566 | 408 | 1,110 | 365 | - | 2,248 | - | 525 | 75 | 117 | 375 | 121 | - | - | - | - | 2,877 | 11,385 | 7,255 | 5,629 |
| Hotel service expenses | 16,516 | 240 | 240 | - | 2,748 | 557 | 204 | 948 | 3,210 | 3,210 | 19,279 | 4,095 | - | 9,969 | - | 1,607 | - | - | 3,205 | - | 2,617 | - | - | - | 720 | 69,365 | 54,483 | - |
| Conference and training | 6,517 | 4,462 | 980 | 2,758 | - | 3,609 | - | - | - | - | 1,325 | 2,642 | 1,535 | 10,457 | 2,037 | - | - | - | 3,351 | - | - | - | - | - | 2,171 | 41,845 | 57,323 | 39,368 |
| Business trip | 2,857 | - | 122 | - | 1,025 | 405 | 324 | 608 | 252 | 164 | 324 | 887 | 41 | 3,185 | - | 371 | - | 43 | - | - | 43 | - | - | - | 1,963 | 12,613 | 7,312 | 22,603 |
| Services rendered and goods purchased | 35,533 | 1,910 | 4,373 | 6,067 | 4,150 | 9,618 | 20,435 | 688 | - | 9,421 | 4,477 | 2,993 | 13,681 | 28,556 | 7,103 | 1,276 | 4,314 | - | 17,419 | - | 6,180 | - | - | - | 16,985 | 195,179 | 335,037 | 358,976 |
| Translation | 13,996 | 7,591 | 4,602 | 2,340 | 3,188 | 7,998 | 1,981 | 976 | 158 | 1,678 | 1,585 | 41 | 5,104 | 6,997 | 695 | 681 | 5,944 | - | 12,430 | - | - | - | - | - | 1,881 | 79,865 | 93,312 | 36,666 |
| Legal expenses | 1,517 | - | 28 | - | - | - | - | - | 570 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 40 | 2,155 | 1,692 | - |
| Research cost | - | 11,667 | - | - | 2,934 | 383 | - | - | 11,533 | 41,256 | - | 3,189 | - | - | - | - | - | - | 4,464 | - | - | - | - | - | 6,470 | 81,895 | 23,342 | 61,102 |
| Treasure expenses | 700 | 2,250 | 303 | - | - | - | 343 | - | - | 10 | 10 | 900 | - | - | - | 168 | - | - | 250 | - | - | - | - | - | 2,283 | 7,217 | 5,418 | - |
| Other expenses | 9,852 | - | 5,461 | - | 400 | 270 | 518 | 1,535 | - | - | - | 1,943 | - | 32,349 | 2,000 | - | - | - | - | 15 | - | 21 | 11,225 | 6,123 | 71,711 | 67,343 | 131,007 | |
| Marketing expenses | - | 856 | - | - | - | - | - | - | - | 84 | - | - | - | 242 | 73 | - | - | - | - | - | - | - | - | - | 5,688 | 6,943 | 7,683 | - |
| Bank fees | 318 | 98 | 69 | 17 | 126 | 189 | 66 | 38 | 426 | 133 | 24 | 99 | 40 | 229 | 127 | 73 | 51 | 43 | 56 | 21 | 20 | 10 | - | 700 | 2,974 | 2,471 | 2,774 | |
| Depreciation and amortisation | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 16,957 | 16,957 | 19,738 | 13,310 |
| Goods transferred within the project | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 2,656 | - |
| Write-off of Inventory | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 20,841 | - |
| Publication expense | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 23,284 |
| Expenses related to implementing partners | - | - | - | - | - | - | - | - | 272,743 | - | - | - | - | - | - | - | - | - | - | - | 5,394 | - | - | - | - | 278,137 | 29,676 | - |
| Total | 291,616 | 145,863 | 84,482 | 18,127 | 78,371 | 54,166 | 46,814 | 32,454 | 476,104 | 146,985 | 31,036 | 91,188 | 27,298 | 182,374 | 12,366 | 38,355 | 37,378 | 22,191 | 80,613 | 16,239 | 19,530 | 9,794 | 11,225 | 173,896 | 2,128,465 | 1,936,504 | 1,944,564 | |

The financial statements including the notes were approved and signed on November 20, 2023 by:


Tamta Mikeladze
 Director
 Social Justice Center


Medea Zhghenti
 Financial Manager
 Social Justice Center

**SOCIAL JUSTICE CENTER
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022**

STATEMENT OF FUNCTIONAL EXPENSES

| Description | RFSU_4401 | DUTCH_2021 | OSGF_21245 | SWISS | BOELL_SP_002 | BOELL_SP_030 | EF_G03049 | GDI - 21241 | EU751 | EU043 | OSGF_21274 | OSGF_21335 | UNDP_00113905 | SWISS_2022 | UNDP_2022_30 | PROLoG_2039 | PROLoG_2045 | UNFA_2022 | KVINNA | CSEP | IWPR_662.06 | OSGF - 21391 | OSF_45437 | Own Funds | Total expenses 2022 | Total expenses 2021 | Total expenses 2020 | |
|--|----------------|----------------|---------------|---------------|---------------|---------------|---------------|---------------|----------------|----------------|---------------|---------------|---------------|----------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|--------------|---------------|----------------|---------------------|---------------------|---------------------|---------|
| Payroll | 135,446 | 97,449 | 59,420 | 6,442 | 42,509 | 24,839 | 17,851 | 23,652 | 156,304 | 69,398 | - | 60,421 | 6,011 | 61,502 | - | 27,172 | 21,822 | 16,342 | 27,695 | 14,584 | 3,311 | 8,191 | - | 95,632 | 975,993 | 951,469 | 1,005,861 | |
| Pension | 4,124 | 2,421 | 1,172 | 248 | 1,157 | 773 | 816 | 524 | 3,201 | 1,953 | 137 | 1,331 | 321 | 1,960 | 103 | 625 | 639 | 254 | 946 | 275 | 241 | 164 | - | 2,098 | 25,482 | 27,826 | 27,857 | |
| Office rent | 15,134 | 6,178 | 2,130 | - | 12,600 | - | 1,648 | - | 12,842 | 9,058 | - | 4,019 | - | 1,905 | - | 1,645 | 1,634 | 2,232 | 1,568 | - | - | 756 | - | - | 73,350 | 71,838 | 91,317 | |
| Communication expenses | 10,339 | 3,515 | 2,500 | - | 1,013 | 550 | 399 | - | 6,187 | 5,437 | - | 3,312 | - | 4,262 | - | 1,217 | 803 | 830 | 4,359 | 548 | 581 | 339 | - | 6,606 | 52,797 | 46,435 | 65,391 | |
| Utility expenses | 1,848 | 560 | 797 | - | - | 1,559 | 313 | - | 1,489 | 1,366 | - | 307 | - | 345 | - | 110 | 20 | 773 | 602 | 105 | 304 | - | - | - | 10,497 | 6,062 | - | |
| Computer expenses | 5,636 | - | 265 | - | - | - | 147 | 163 | 170 | 85 | - | 994 | - | 775 | - | 112 | 25 | - | 2,200 | 50 | 24 | 138 | - | 666 | 11,450 | 6,601 | - | |
| Insurance expense | 10,640 | 5,083 | 1,159 | - | 2,213 | 995 | 726 | 214 | 3,159 | 707 | - | 1,700 | - | 1,440 | - | 717 | 395 | 429 | 108 | 326 | - | - | - | 203 | 30,214 | 29,725 | 25,903 | |
| Transportation | 16,008 | 1,433 | 450 | 255 | 4,308 | 2,421 | 859 | 2,729 | 2,983 | 2,421 | 2,765 | 1,950 | 565 | 15,218 | 228 | 1,927 | 405 | 1,046 | 1,585 | 163 | 815 | 175 | - | 3,833 | 64,542 | 57,414 | 28,137 | |
| Stationary | 2,597 | - | - | - | - | - | 184 | 379 | 311 | 196 | - | - | - | 735 | - | 129 | 1,251 | 82 | - | 31 | - | - | - | - | - | 5,894 | 3,551 | 5,379 |
| Office expenses | 2,038 | 150 | 411 | - | - | - | - | - | 566 | 408 | 1,110 | 365 | - | 2,248 | - | 525 | 75 | 117 | 375 | 121 | - | - | - | - | 2,877 | 11,385 | 7,255 | 5,629 |
| Hotel service expenses | 16,516 | 240 | 240 | - | 2,748 | 557 | 204 | 948 | 3,210 | 3,210 | 19,279 | 4,095 | - | 9,969 | - | 1,607 | - | - | 3,205 | - | 2,617 | - | - | - | 720 | 69,365 | 54,483 | - |
| Conference and training | 6,517 | 4,462 | 980 | 2,758 | - | 3,609 | - | - | - | - | 1,325 | 2,642 | 1,535 | 10,457 | 2,037 | - | - | - | 3,351 | - | - | - | - | - | 2,171 | 41,845 | 57,323 | 39,368 |
| Business trip | 2,857 | - | 122 | - | 1,025 | 405 | 324 | 608 | 252 | 164 | 324 | 887 | 41 | 3,185 | - | 371 | - | 43 | - | - | 43 | - | - | - | 1,963 | 12,613 | 7,312 | 22,603 |
| Services rendered and goods purchased | 35,533 | 1,910 | 4,373 | 6,067 | 4,150 | 9,618 | 20,435 | 688 | - | 9,421 | 4,477 | 2,993 | 13,681 | 28,556 | 7,103 | 1,276 | 4,314 | - | 17,419 | - | 6,180 | - | - | - | 16,985 | 195,179 | 335,037 | 358,976 |
| Translation | 13,996 | 7,591 | 4,602 | 2,340 | 3,188 | 7,998 | 1,981 | 976 | 158 | 1,678 | 1,585 | 41 | 5,104 | 6,997 | 695 | 681 | 5,944 | - | 12,430 | - | - | - | - | - | 1,881 | 79,865 | 93,312 | 36,666 |
| Legal expenses | 1,517 | - | 28 | - | - | - | - | - | 570 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 40 | 2,155 | 1,692 | - |
| Research cost | - | 11,667 | - | - | 2,934 | 383 | - | - | 11,533 | 41,256 | - | 3,189 | - | - | - | - | - | - | 4,464 | - | - | - | - | - | 6,470 | 81,895 | 23,342 | 61,102 |
| Treasure expenses | 700 | 2,250 | 303 | - | - | - | 343 | - | - | 10 | 10 | 900 | - | - | - | 168 | - | - | 250 | - | - | - | - | - | 2,283 | 7,217 | 5,418 | - |
| Other expenses | 9,852 | - | 5,461 | - | 400 | 270 | 518 | 1,535 | - | - | - | 1,943 | - | 32,349 | 2,000 | - | - | - | - | 15 | - | 21 | 11,225 | 6,123 | 71,711 | 67,343 | 131,007 | |
| Marketing expenses | - | 856 | - | - | - | - | - | - | - | 84 | - | - | - | 242 | 73 | - | - | - | - | - | - | - | - | - | 5,688 | 6,943 | 7,683 | - |
| Bank fees | 318 | 98 | 69 | 17 | 126 | 189 | 66 | 38 | 426 | 133 | 24 | 99 | 40 | 229 | 127 | 73 | 51 | 43 | 56 | 21 | 20 | 10 | - | - | 700 | 2,974 | 2,471 | 2,774 |
| Depreciation and amortisation | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 16,957 | 16,957 | 19,738 | 13,310 |
| Goods transferred within the project | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 2,656 | - |
| Write-off of Inventory | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 20,841 | - |
| Publication expense | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 23,284 |
| Expenses related to implementing partners | - | - | - | - | - | - | - | - | 272,743 | - | - | - | - | - | - | - | - | - | - | - | - | 5,394 | - | - | - | 278,137 | 29,676 | - |
| Total | 291,616 | 145,863 | 84,482 | 18,127 | 78,371 | 54,166 | 46,814 | 32,454 | 476,104 | 146,985 | 31,036 | 91,188 | 27,298 | 182,374 | 12,366 | 38,355 | 37,378 | 22,191 | 80,613 | 16,239 | 19,530 | 9,794 | 11,225 | 173,896 | 2,128,465 | 1,936,504 | 1,944,564 | |

The financial statements including the notes were approved and signed on November 20, 2023 by:

Tamta Mikeladze
Director
Social Justice Center

Medea Zhgheni
Financial Manager
Social Justice Center

**SOCIAL JUSTICE CENTER
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022**

STATEMENT OF CASH FLOWS

| | Year 2022 | Year 2021 | Year 2020 |
|---|------------------|-----------------|------------------|
| Cash flows from operating activities | | | |
| Cash received from grants | 1,726,858 | 2,353,299 | 1,416,530 |
| Cash received from donations | 254,864 | 52,405 | 92,141 |
| Cash paid to co-implementing partners | (343,029) | - | - |
| Advances to sub-contractors | - | (3,211) | (49,981) |
| Cash paid for salaries of employees | (807,861) | (827,551) | (864,439) |
| Cash paid for services rendered and goods purchased | (286,642) | (323,985) | (318,408) |
| Taxes paid | (282,440) | (298,215) | (296,489) |
| Cash paid for Presentation, conferences and trainings | (32,700) | (38,476) | (27,116) |
| Cash paid for rent expenses | (58,680) | (57,135) | (71,501) |
| Cash paid for office expenses | (82,776) | (74,481) | (110,073) |
| Cash paid for transportation | (48,577) | (54,161) | (20,422) |
| Cash paid for books and publication | (10,679) | (23,385) | (26,565) |
| Cash paid for business trips | (63,277) | (55,342) | (32,009) |
| Cash paid for pension | (50,183) | (55,253) | (55,909) |
| Cash paid for honorarium | (33,003) | (1,972) | (1,990) |
| Cash paid for Lectures | - | - | - |
| Bank expenses | (2,962) | (2,470) | (2,773) |
| Other expenses | (31,371) | (64,714) | (63,400) |
| Net cash provided by operating activities | (152,458) | 525,353 | (432,403) |
| Cash flows from investing activities | | | |
| Acquisition of property, plant and equipment | (26,412) | (30,256) | (11,326) |
| Net cash used in investing activities | (26,412) | (30,256) | (11,326) |
| Net increase/(decrease) in cash and cash equivalents | (178,870) | 495,097 | (443,730) |
| Gain/Loss from exchange rate changes | (106,369) | (21,773) | 26,255 |
| Cash and cash equivalents at the beginning of the year | 843,182 | 369,858 | 787,333 |
| Cash and cash equivalents at the end of the year | 557,943 | 843,182 | 369,858 |

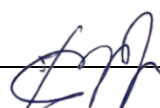
The financial statements including the notes were approved and signed on November 20 , 2023, by:



Tamta Mikeladze

Director

Social Justice Center



Medea Zhghenti

Financial Manager

Social Justice Center

**SOCIAL JUSTICE CENTER
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022**

STATEMENT OF CASH FLOWS

| | Year 2022 | Year 2021 | Year 2020 |
|---|------------------|-----------------|------------------|
| Cash flows from operating activities | | | |
| Cash received from grants | 1,726,858 | 2,353,299 | 1,416,530 |
| Cash received from donations | 254,864 | 52,405 | 92,141 |
| Cash paid to co-implementing partners | (343,029) | - | - |
| Advances to sub-contractors | - | (3,211) | (49,981) |
| Cash paid for salaries of employees | (807,861) | (827,551) | (864,439) |
| Cash paid for services rendered and goods purchased | (286,642) | (323,985) | (318,408) |
| Taxes paid | (282,440) | (298,215) | (296,489) |
| Cash paid for Presentation, conferences and trainings | (32,700) | (38,476) | (27,116) |
| Cash paid for rent expenses | (58,680) | (57,135) | (71,501) |
| Cash paid for office expenses | (82,776) | (74,481) | (110,073) |
| Cash paid for transportation | (48,577) | (54,161) | (20,422) |
| Cash paid for books and publication | (10,679) | (23,385) | (26,565) |
| Cash paid for business trips | (63,277) | (55,342) | (32,009) |
| Cash paid for pension | (50,183) | (55,253) | (55,909) |
| Cash paid for honorarium | (33,003) | (1,972) | (1,990) |
| Cash paid for Lectures | - | - | - |
| Bank expenses | (2,962) | (2,470) | (2,773) |
| Other expenses | (31,371) | (64,714) | (63,400) |
| Net cash provided by operating activities | (152,458) | 525,353 | (432,403) |
| Cash flows from investing activities | | | |
| Acquisition of property, plant and equipment | (26,412) | (30,256) | (11,326) |
| Net cash used in investing activities | (26,412) | (30,256) | (11,326) |
| Net increase/(decrease) in cash and cash equivalents | (178,870) | 495,097 | (443,730) |
| Gain/Loss from exchange rate changes | (106,369) | (21,773) | 26,255 |
| Cash and cash equivalents at the beginning of the year | 843,182 | 369,858 | 787,333 |
| Cash and cash equivalents at the end of the year | 557,943 | 843,182 | 369,858 |

The financial statements including the notes were approved and signed on November 20 , 2023, by:



Tamta Mikeladze

Director

Social Justice Center



Medea Zhghenti

Financial Manager

Social Justice Center

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1: BACKGROUND

Social Justice Center (former „Human Rights Education and Monitoring Center“, the Organization changed its brand name to „Social Justice Center“ from January 01,2021) (the „Organization“) Non-entrepreneurial (non-commercial) legal entity (I/C 404432565) is a membership-based organization, which unites human rights and civil activists with different professional backgrounds. It represents an open platform of civil and human rights activists; everyone who shares the declared values of Social Justice Center has a possibility to use this sort of resource.

Since its establishment on 28 November 2012, Social Justice Center works in human rights field *inter alia* on the protection of rights of socially vulnerable, marginalized and discriminated groups, systemic reform of the law enforcement bodies, the institutionalized violence and social oppression. The key beneficiaries of the organization are socially vulnerable homeless persons, employees working in poor conditions, persons with disabilities, LGBT and religious groups. In its activities, Social Justice Center uses research, monitoring, advocacy and raising awareness.

Social Justice Center work encompasses four main directions implemented by:

- Equality Policy Program;
- Judiciary and Democracy Program;
- Social Policy Program.

Social Justice Center has a horizontal structure managed by three program directors jointly, with direct and active involvement of the staff members. Essential issues of the organization are decided by Social Justice Center team by consensus.

In addition, one of the prioritized directions of Social Justice Center's activity is the support of young civic activists' platform, which aims to create alternative thinking space and to support the organized civic activists and students' groups.

Nowadays, Social Justice Center brings together an average of 31 people with backgrounds in law, sociology, journalism and gender, as well as several contributors of various professions. Their joint work is addressed to the achievement of Social Justice Center's declared goals.

On November 18, 2021, grant agreement was signed between "European Union", "CRRG Georgia", "Georgian Young Lawyers' Association (GYLA)" and Social Justice Center for the implementation of the project "Supporting accountable and human rights-oriented security sector through research, advocacy and inclusive dialogue". The period of the project is from January 1, 2022, to January 1, 2025. The overall budget of the project is 625,000 EUR. (The EU finances 80%). **(ENI/2021/428-751) (EU751)**

On January 1, 2018 "Swedish Association of Sexuality Education (RFSU)" awarded Social Justice Center the grant for the project "Strengthening the human rights situation of LGBT persons, advocacy on SRHR issues and support to queer activism". The period of the project's is from January 01, 2018 to December 31, 2022. The total amount of the grant is 3,500,000 SEK. Based on the amendment signed on March 26, 2020 the budget was increased by an additional 430,000 SEK. Amendment #2 regulates two additional funding streams. The first corresponds to additional funding of 990,000 SEK provided by RFSU as a result of amendment #6 between SIDA and RFSU for additional activities in Georgia, financed by the Swedish Embassy in Georgia for the period from January 1, 2021 to December 31, 2022. Secondly, RFSU grants SJC an additional 100,000 SEK for 2022 to finance activities under the main agreement **(RFSU-4401-040301-1801)**.

On April 1, 2022, grant agreement was signed between "Swiss Federal Department of Foreign Affairs (FDFA)" and Social Justice Center for the implementation of the project "Promoting equality, solidarity and social peace in Georgia". The period of the project is from April 1, 2022, to March 31, 2024. The overall budget of the project is 191,392.57 EUR (80% of the total project budget). **(SWISS 2022; N81073465)**

On November 30, 2021, grant agreement was signed between "European Union", "Open Society Georgia Foundation (OSGF)", "Alternative Georgia", "Association Public Union Bemoni", Union "Step to Future", "Young Psychologists and Doctors Association XENON", "Georgian Family Medicine Association" and Social Justice Center for the implementation of the project "Empowering civil society and professional organizations to ensure safe, secure and accountable society in Georgia". The period of the project is from November 30, 2022, to November 30, 2024. The overall budget of the project is 1,786,000.00 EUR. (The EU finances 75.59%). **(ENI/2021/429-043; EU043)**

On August 21, 2018 partnership agreement was signed between The State of the Netherlands and Social Justice Center for the implementation of the project "Supporting Protection of the Rights of Non-dominant religious Groups through Research". Duration of the project is from September 01, 2018 to April 01, 2020. The amount of Social Justice Center's grant is 342,900 GEL **(DUTCH-AVT16/BZ/120646B)**.

NOTES TO THE FINANCIAL STATEMENTS (continued)

NOTE 1: BACKGROUND (continued)

On April 27, 2022, grant agreement was signed between “Open Society Foundation of Georgia” and Social Justice Center for the implementation of the project “Advocating for Fair Remuneration and Affordable housing”. The period of the project is from April 27, 2022, to April 27, 2023. The overall budget of the project is 50,000 USD. **(LDD/02/22 – 21335; OSGF 21335)**

On July 20, 2021 Open Society Georgia and Social Justice Center signed the grant contract for the project “Support for Humane Drug Policy and Law Enforcement in Georgia”. The period of the grant is from July 20, 2021 to April 20, 2022. The total amount of the grant is USD 43,000 **(Med/06/21 – 21)**.

On September 20, 2022, grant agreement was signed between “The Kvinna till Kvinna” and Social Justice Center for the implementation of the project “Promote conflict transformation by critical rethinking of conflict-related history and reinforcing women’s perspectives”. The period of the project is from August 1, 2022, to December 31, 2022. The overall budget of the project is 346,747 SEK. **(Kvinna)**

On February 1, 2021 Heinrich-Boll-Stiftung and Social Justice Center signed the grant contract for the project “Human Rights Dimension of the Environmental Issues” for the period from February 3, 2021 to December 25, 2022. The total amount of the project costs funded by the Heinrich-Boll-Stiftung is GEL 158,578, which equates to the sum of 41,700 in Euros **(12571002; BOELL002)**.

On December 21, 2021, grant agreement was signed between “Heinrich-Boll-Stiftung e. V. South Caucasus Regional Office” and Social Justice Center for the implementation of the project “Research and advocate mechanisms and frameworks to support peacebuilding and conflict transformation process”. The period of the project is from January 15, 2022, to December 15, 2022. The overall budget of the project is 13,900 EUR. **(CC:12572030; BOELL SP 030)**

On July 07, 2021, a grant agreement was signed between “Europe Foundation” and Social Justice Center for the implementation of the project “Collusion, corruption and conflict of interest cases surrounding Namakhvani HPP Cascade project”. The period of the project is from July 07, 2021, to August 08, 2022. The overall budget of the project is 87,027.00 GEL. As a result of the changes made in the budget on February 2, 2022, the amount saved in D.4 was distributed to D.1 and D.2. **(#G03049; EF_G03049)**

On July 1, 2022 grant agreement was signed between “United States Agency for International Development (USAID)” and Social Justice Center for the implementation of the project “Improving Access to Justice for Georgia’s Ethnic and Religious Minorities”. The period of the project is from July 1, 2022 to February 29, 2024. The overall budget of the project is 89,500.40 USD **(PROLoG_2039)**.

On July 11, 2022 grant agreement was signed between “United States Agency for International Development (USAID)” and Social Justice Center for the implementation of the project “Supporting Comprehensive Reforms of Georgian Judiciary”. The period of the project is from July 11, 2022 to January 10, 2024. The overall budget of the project is 27,198.64 USD **(PROLoG_2045)**.

On July 08, 2021, grant agreement was signed between “Democratic initiative of Georgia” and Social Justice Center for the implementation of the project “Legal Aid Network for Activists”. The period of the project is from July 08, 2021, to May 08, 2022. The overall budget of the project is 23,210.50 USD. The tranche will be implemented in two stages: 1) 12,410.25 USD to cover the expenses from July 8, 2021, until December 8, 2021; 2) 10,800.25 USD to cover the expenses from December 8, 2021, until May 8, 2022 **(N/151/21; GDI)**

On August 12, 2021, grant agreement was signed between “Open Society Foundation of Georgia” and Social Justice Center for the implementation of the project “Promoting ethnic minority integration and through research, education, advocacy and confidence building activities”. The period of the project is from August 12, 2021, to April 12, 2022. The overall budget of the project is 25,000 USD. **(NINT/05/21-21274; OSGF 21274)**

On April 12, 2022 grant agreement was signed between “United Nations Development Program (UNDP)” and Social Justice Center for the implementation of the project “Peace and development program in south Caucasus - project enhancing peacebuilding communication and dialogue through digital innovations”. The period of the project is from April 1, 2022 to October 31, 2022. The overall budget of the project is 9,744 USD **(UNDP_00113905)**.

On September 15, 2022 grant agreement was signed between “United Nations Association of Georgia” and Social Justice Center for the implementation of the project “Unity in Diversity”. The period of the project is from September 1, 2022 to September 30, 2023. The overall budget of the project is 58,382 USD **(UNFA_2022)**.

On October 21, 2022 grant agreement was signed between “United States Agency for International Development” and Social Justice Center for the implementation of the project “Analysis of Georgia’s Targeted Social Assistance”. The period of the project is from September 26, 2022 to July 26, 2024. The overall budget of the project is 99,500 USD **(CSEP)**.

NOTES TO THE FINANCIAL STATEMENTS (continued)

NOTE 1: BACKGROUND (continued)

On October 6, 2022 grant agreement was signed between "Institute of war & Peace Reporting in UK" and Social Justice Center for the implementation of the project "Building Resilience in the Eastern Neighborhood". The period of the project is from September 26, 2022 to February 28, 2023. The overall budget of the project is 99,500 USD (**IWPR**).

On September 20, 2019 grant agreement was signed between "Swiss Federal Department of Foreign Affairs (FDFA)" and Social Justice Center for the implementation of the project "Strengthening ethnic minority integration and human rights protection in Georgia". The period of the project is from October 01, 2019 to September 30, 2021. The overall budget of the project is 184,191.80 EUR, but FDFA finances up to 146,060 EUR. Based on the first amendment signed on February 22, 2021 FDFA contribution reduced to 142,958.19 EUR. Second amendment was signed on October 27, 2021, FDFA contribution was reduced from 142,958.19 EUR to 130,078 EUR and duration of contract was extended from September 30, 2021 to March 31, 2022 (**SWISS**).

On April 12, 2022, grant agreement was signed between "United Nations Development Program (UNDP)" and Social Justice Center for the implementation of the project "Peace and development program in south Caucasus - project enhancing peacebuilding communication and dialogue through digital innovations". The period of the project is from April 1, 2022, to October 31, 2022. The overall budget of the project is 9,744 USD. (**#00113905; UNDP 2022 30**)

On November 9, 2022 grant agreement was signed between "Open Society Foundation of Georgia" and Social Justice Center for the implementation of the project "Promoting protection of labor rights and evaluation of employment promotion programs in Georgia". The period of the project is from November 9, 2022 to November 9, 2023. The overall budget of the project is 60,000 USD (**OSGF21391**).

On December 22, 2022 grant agreement was signed between "Open Society Foundation of Georgia" and Social Justice Center for the implementation of the project "Faced by non-dominant ethnic groups in the education system of Georgia reducing inequalities by creating and advocating positive practices". The period of the project is from December 22, 2022 to October 22, 2023. The overall budget of the project is 25,000 USD (**OSGF21339**).

On September 14, 2021 the grant agreement was signed between United States Agency for International Development and Social Justice Center for the project "Supporting Comprehensive Reforms of Georgian Judiciary". The period of the project is from September 15, 2021 to December 14, 2021. The total estimated amount is USD 6,914.39 (**G-1909-21-211-3024-20**).

On January 1, 2021 the grant agreement was signed between Heinrich-Boll-Stiftung and Social Justice Center for the project "Supporting positive transformation of peace politics through research and advocacy". The period of the project is from February 1, 2021 to December 25, 2021. The total amount of the project costs funded by the Heinrich-Boll-Stiftung is GEL 59,648, which equates to the sum of 15,700 in Euros (**12572009**).

On February 15, 2021 the grant agreement was signed between the United Nations Entity for Gender Equality and the Empowerment of Women and Social Justice Center for the project "Support the removal of barriers preventing Women's Equal Participation in the Labor Market". The period of the grant is from February 15, 2021 to December 15, 2021. The total amount of the contribution of UN Women's is a maximum of GEL 160,656.36. Based on the amendment signed November 4, 2021 the end date of the agreement is extended to December 31, 2021 (**PA001563ECA**).

On February 12, 2021 United States Agency for International Development and Social Justice Center signed the grant agreement for the project "Investigation System Reform Advocacy Project" for the period from February 15, 2021 to July 31, 2021. The total estimated amount of the project is USD 17,821.50 (**G-1830-21-211-3024-20**).

On July 8, 2021 the grant agreement was signed between Georgian Democracy Initiative and Social Justice Center for the implementation of the project "Legal Aid Network for Activists". The period of the grant is from July 8, 2021 to May 8, 2022. The total amount of the grant is USD 23,210.50 (**HR/07/21 – 21241**).

On July 6, 2021 the grant agreement was signed between "Europe Foundation (EF)" and Social Justice Center for the implementation of the project "Collusion corruption and conflict of interest cases surrounding Namakhvani HPP Cascade project". The period of the project is from July 7, 2021 to August 8, 2022. The total amount of the grant is 87,027 GEL (**GO3049**).

On June 1, 2021 Embassy of the Netherlands and Social Justice Center signed the grant contract for the project "Support the independent and Fair Judiciary". The period of the grant is from July 1, 2021 to January 1, 2023. The total amount of the grant is 290,822 GEL (**AVT16/BZ120646B**).

NOTES TO THE FINANCIAL STATEMENTS (continued)

NOTE 1: BACKGROUND (continued)

On January 03,2020 the grant agreement was signed between Social Justice Center and Heinrich-Böll-Stiftung South Caucasus Regional Office for the implementation of the project “Mining industries and related social-ecological aspects”. The duration of the grant is from January 3,2020 to December 25,2020. Total amount of the grant is 34,000 EUR **(12421011)**.

On July 1,2020 grant agreement was signed between Social Justice Center and Institute for Development of Freedom of Information about the project” Supporting the Functioning of the State Inspector Service. Period of the grant is from June 24,2020 to May 30,2021. Total amount of the grant is 18,000 USD **(IDFI)**.

On November 24, 2020 the grant agreement was signed between the International Partnership for Human Rights and Social Justice Center for the project “Supporting The Right To Protest In Georgia” for the period from December 1, 2020 to November 30, 2021. The total amount of the contribution of IPHR is maximum USD 15,000 **(OR2020-74791)**.

On April 01,2020 grant agreement was signed between Social Justice Center and East West Management Institute for the implementation of the project “ Improving Human Rights Conditions for Marginalized Groups through Strategic Litigation ”. The period of the grant is from April 01,2020 to June 30,2021. Total amount of the grant is 38,163.82 USD **(PROLoG 1696)**.

On May 25,2020 grant agreement was signed between Social Justice Center and Open Society Georgia Foundation about the project “Strengthening and Supporting Community Life and Teachers in Kvemo Kartli as Agents of Social Change“. The period of the grant is from May 25,2020 to May 31,2021. Total amount of the grant is 35,000 USD **(NINT/04/20/-21064)**.

On May 15,2020 the grant agreement was signed between Social Justice Center and Open Society Georgia Foundation about the project ” Labor rights during a pandemic“. The period of this grant is from May 15,2020 to November 11, 2020. Total amount of the grant is 15,000 USD **(LDD/08/20-21056)**.

On May 25,2020 grant agreement was signed between Social Justice Center and East West Management Institute for the implementation of the project “Improving access to Justice”. The period of the grant is from May 25,2020 to June 24,2021. Total amount of the grant is 30,210.31 USD (**G-1736-20-211-3024-20**).

On June 1, 2020 grant agreement was signed between Social Justice Center and UNDP about the project “Self-employment and COVID-19”. The period of the grant is from June 1,2020 to August 31,2020. Total amount of the grant is 10,000 USD **(UNDP-00095571)**.

On November 13,2020 grant agreement was signed between Social Justice Center and Open Society Georgia Foundation about the project “ Improving the rights of employees in the formal and informal sectors“. Period of the grant is from November 13,2020 to November 13,2021. Total amount of the grant is 69,949.61 USD **(LDD/33/20-21140)**.

On March 16,2020 grant agreement was signed between Social Justice Center and Consultation and Training Center for the implementation of the project “Availability of opioid replacement therapy in the Georgian penitentiary system”. The period of the grant is from March 16,2020 to October 15,2020. The total amount of the grant is 40,984.53 GEL. On October 6,2020 the grant agreement was modified and the duration of the project was increased till April 30,2021 **(CTC_Platt_020_002)**.

On May 7, 2020 the grant agreement was signed between Open Society Georgia and Social Justice Center for the implementation of the project “Establishing a fair and humane criminal policy” for the period from May 7, 2020 to January 7, 2021. The total amount of the grant is USD 21,348 **(MED/14/19-20961)**.

On May 25, 2020 the grant agreement was signed between Open Society Georgia and Social Justice Center for the project “Strengthening and Supporting Community life and teachers in Kvemo Kartli as agents of social Change”. The period of the project is from May 25, 2020 to February 25, 2021. The total amount of the grant is USD 35,000 **(NINT/04/20-21064)**.

On September 21, 2020 the grant agreement was signed between Social Justice Center and Heinrich-Böll-Stiftung South Caucasus Regional Office for the implementation of the project “Supporting peaceful conflict transformation through strengthening human rights discourse concerning the conflicts in Georgia”. The duration of the grant is from September 21,2020 to December 05,2020. Total amount of the grant is 3,800 EUR **(BOELL CC:12425017)**.

NOTES TO THE FINANCIAL STATEMENTS (continued)

NOTE 1: BACKGROUND (continued)

On November 22, 2019 the grant agreement was signed between "Open Society - Georgia Foundation" and SOCIAL JUSTICE CENTER signed for the implementation of the project "Development of fair and human criminal law". The period of the project is from November 22, 2019 to November 22, 2020. The total amount of the grant is 70,000 USD (**OSGF-20961**).

On May 28, 2019 the grant agreement was signed between Social Justice Center and Open Society Georgia Foundation about the project "Supporting social rights in Georgia through research and advocacy". The duration of the grant is from May 28, 2019 to February 28, 2020. Total amount of the grant is 60,000 USD. On February 21, 2020 the project duration was modified until April 30, 2020 and on April 30, 2020 the grant agreement's duration was once again modified until August 31, 2020 with the unchanged budget (**LDD/05/19-20905**).

On September 25, 2019 the grant agreement was signed between "Georgian Young Lawyers Association" and Social Justice Center for the implementation of the project "Improvement of State's general education policy through equality and transparency". The period of the project is from August 02, 2019 to August 02, 2020. The total amount of the grant is 19,376 USD (**GYLA- EINT/06/19-20926**).

On October 10, 2019 grant agreement was signed between National Democratic Institute for International Affairs (NDI) and Social Justice Center for the implementation of the project "Supporting of elections and political processes in Georgia". The period of the project is from October 10, 2019 to March 31, 2020. The total amount of the grant is 26,958 GEL (**NDI - 72011419LA00001**).

On September 23, 2019 the grant agreement was signed between "The Swiss Confederation" represented by the Swiss Federal Department of Foreign Affairs and Social Justice Center for the project "Strengthening ethnic minority integration and human rights protection in Georgia". The period of the project is from October 1, 2019 to September 30, 2021. The contribution of FDFA is intended to cover at the maximum 79% of the total budget of the project, which equals to maximum EUR 146,036. Based on the amendment #1 signed on February 22, 2021 the amount of contribution of FDFA was decreased to EUR 142,958.19. Based on the amendment #2 signed on November 27, 2021 the contribution of FDFA was again decreased from EUR 142,958.19 to 130,078 (**81061987**).

On October 15, 2018 Open Society Policy Center and Social Justice center signed the grant contract for the project "To support policy advocacy and new practice on the right to the legal capacity for the persons with disabilities" for the period from October 1, 2018 to October 1, 2020. The total amount of the grant is USD 279,459 (**OR2018-45437**).

On April 30, 2018 the "European Union (EU)" and Social Justice Center signed the grant contract for the project "Facilitating Implementation of Reforms in the Judiciary (FAIR)". The period of the grant is from May 01, 2018 to May 01, 2020. The amount of the project represents 267,780.82 EUR (**EU- ENI/2018/395-919**).

NOTE 2: ACCOUNTING POLICIES

a. Basis of accounting

These financial statements have been prepared in accordance with Financial Standard for Non-entrepreneurial (non-profit) Legal Entities approved under the order (June 26, 2018) of the head of the Service for Accounting, Reporting and Auditing Supervision Subdivision of the Ministry of Finance of Georgia.

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

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

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

b. Use of estimates

The preparation of the financial statements requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities as at the date of the financial statements, and the reported amounts of revenues and expenses during the reported period. Although these estimates are based on management's best knowledge of current events and actions, actual results may ultimately differ from those estimates.

NOTE 2: ACCOUNTING POLICIES (Continued)

c. Reporting currency of the Organization's financial statements

The Georgian Lari (GEL) is the reporting and functional currency. Although some grants are awarded in EUR, SEK or USD and some financial reports sent to donors are prepared in EUR and USD, the books and records are maintained in GEL as well. Significant volume of operations, i.e. payments of salaries, operating expenses are made in Georgian Lari (GEL).

d. Foreign currency translation

Transactions denominated in foreign currency are recorded at the exchange rate ruling on the transaction date. Exchange differences resulting from the settlement of transactions denominated in foreign currency are included in the statement of activities using the exchange rate ruling on that date.

Monetary assets and liabilities denominated in foreign currency are translated into Georgian Lari at the official exchange rate of the NBG (National Bank of Georgia) at the balance sheet date. As at December 31, 2022 the principal rate of exchange used for translating foreign currency balances was:

| | December 31, 2022 | December 31, 2021 | December 31, 2020 |
|--------------|--------------------------|--------------------------|--------------------------|
| GEL / 1 USD | 2.7020 | 3.0976 | 3.2766 |
| GEL / 1 EUR | 2.8844 | 3.5040 | 4.0233 |
| GEL / 10 SEK | 2.5920 | 3.4168 | 4.0068 |

e. Grant revenue and deferred grant

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

f. Cash and cash equivalents

Cash and cash equivalents are comprised of cash in bank.

g. Taxes

Social Justice Center, as non-governmental, non-commercial organization, pays the following taxes:

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

VAT (18%) - Mentioned tax will be paid on:

- a service delivered by a non-resident natural person or by a non-resident enterprise to a tax agent on the territory of Georgia;
- transfer of a collateral (goods) by a person to the possession of a creditor under a contractual obligation performance security measure (guarantee);
- delivery of services and/or supply of goods/products (project documents, technical documents, production flow charts, software, etc.) to a tax agent outside the territory of Georgia by the Internet or any other electronic communication means, if it does not cross the customs border of Georgia by means of a federated schema or other information carrier.
- foreign goods purchased from a person in a customs warehouse, in the case provided by Article 162(7) of Tax Code of Georgia, which are placed under an import customs procedure.

Pension scheme - On 21 June, 2018 Georgia established a new law about pension fund, which came into force from 1 January, 2019. Aggregated pension scheme takes into account 6% payment. In particular, employee will transfer 2% of his/her taxable salaries to individual pension account, employer will also transfer additional 2%, whereas from public finance will be transferred another 2%, the organization will transfer 2% as employer and these payments are not presented in the financial statement for the year ended 31 December, 2018.

NOTE 2: ACCOUNTING POLICIES (Continued)

h. Comparative information

During 2022 financial statement preparation, the organization identified an error in 2021 financial statements, that had an effect in regards with grants receivable and deferred income recognition within the appropriate period. As a result, the prior period balances were adjusted. The management believes that current presentation provides information that is accurate, more relevant and useful for the users of the financial statements. Summary of the adjustments made as a result of recalculations in the financial statements for the year ended December 31, 2021, are presented in the table below:

Statement of financial position

| December 31,2021 | Based on previous period | Adjustment | Restated |
|---|---------------------------------|-------------------|------------------|
| Grants receivable | 1,086,663 | 1,075,953 | 2,162,616 |
| Overall impact on total assets | 1,086,663 | 1,075,953 | 2,162,616 |
| Deferred grant income | 1,943,844 | 1,070,480 | 3,014,323 |
| Total net assets | 65,858 | 5,473 | 71,331 |
| Overall impact on total liabilities and equity | 2,009,702 | 1,075,953 | 3,085,654 |

Statement of activites

| Year 2021 | Based on previous period | Adjustment | Restated |
|--|---------------------------------|-------------------|-----------------|
| Net result from foreign exchange difference | (55,108) | (5,473) | (49,634) |
| Overall impact on statement of activities | (55,108) | (5,473) | (49,634) |

i. Fixed Assets and intangibles assets

Fixed assets and intangible assets are stated at cost less depreciation or amortization. Depreciation and amortization are calculated on the straight line method over the following estimated useful lives:

| Asset Group | Useful life |
|--------------------------|--------------------|
| Computers and techniques | 2 - 5 years |
| Other fixed assets | 2 - 5 years |
| Intangibles | 2 - 5 years |

When assets are retired, or otherwise disposed of, the cost and accumulated depreciation are removed from the accounts, and any resulting gain or loss is reflected in the statement of activities. The cost of maintenance and repair is charged to the statement of activities as incurred.

j. Net asset classification

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

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

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

Permanently restricted net assets - Net assets subject to donor-imposed or other legal restrictions requiring that the principle be maintained permanently by the organization. Generally, the donors permit the organization to use all or part of the income earned for either general or donor-specified purposes.

**SOCIAL JUSTICE CENTER
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022**

NOTE 2: ACCOUNTING POLICIES (Continued)

k. Revenue

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

NOTE 3: CASH AND BANK

Cash in bank by currency

| | 31-Dec-2022 | 31-Dec-2021 | 31-Dec-2020 |
|----------------------------|--------------------|--------------------|--------------------|
| Georgian Lari (GEL) | 281,965 | 105,982 | 246,480 |
| EURO (EUR) | 268,408 | 731,958 | 614 |
| US Dollars (USD) | 7,570 | 5,242 | 122,763 |
| Total cash and bank | 557,943 | 843,182 | 369,858 |

NOTE 4: GRANTS RECEIVABLE

| | 31-Dec-2022 | Restated 31-Dec-2021 | 31-Dec-2020 |
|--------------------------------|--------------------|---------------------------------|--------------------|
| EU751 | 839,671 | 1,020,042 | - |
| RFSU-4401-040301-1801 | 224,274 | 618,020 | 579,894 |
| SWISS_2022 | 426,642 | - | - |
| EU043 | 439,543 | - | - |
| CSEP | 241,829 | - | - |
| PROLoG_2039 | 185,090 | - | - |
| UNFA_2022 | 120,298 | - | - |
| OSGF - 21391 | 81,060 | - | - |
| IWPR 662.06 | 68,420 | - | - |
| OSGF 21339 | 66,615 | - | - |
| SWISS | 58,472 | 71,032 | - |
| EPD_918 | 11,340 | 50,169 | 354,699 |
| DUTCH_2021 | 6,643 | 90,822 | - |
| PROLoG1696 | 6,330 | 7,257 | - |
| CTC | 4,090 | 4,688 | - |
| OSGF_21064 | 1,070 | 1,070 | 42,506 |
| OSGF21140 | 760 | 871 | 107,079 |
| BOELL002 | - | 80,215 | - |
| EU- ENI/2018/395-919 | - | - | - |
| OSGF 21245 | - | 60,670 | - |
| EFG03049 | - | 59,769 | - |
| OSGF 21274 | - | 29,132 | - |
| UNW | - | 10,510 | - |
| BOELL_SP_030 | - | 55,911 | - |
| PROLoG - 1969 | - | 1,473 | 40,874 |
| BOELL009 | - | 965 | - |
| PROLoG - 1736 | - | - | 42,035 |
| AVT16/BZ120646B | - | - | 17,300 |
| CTC_Plattf_020_002 | - | - | 6,013 |
| Total grants receivable | 2,782,147 | 2,162,616 | 1,190,400 |

**SOCIAL JUSTICE CENTER
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022**

NOTE 5: FIXED ASSETS

Year 2022

| | Computers and Techniques | Other fixed assets | Total |
|------------------------------------|-------------------------------------|-------------------------------|----------------|
| Gross Book Value | | | |
| Balance at 31 December 2021 | 110,454 | 31,016 | 141,470 |
| Additions | 26,680 | 2,879 | 29,559 |
| Balance at 31 December 2022 | 137,134 | 33,895 | 171,029 |
| Accumulated Depreciation | | | |
| Balance at 31 December 2021 | 52,146 | 30,343 | 82,489 |
| Charge for the year | 13,682 | 3,274 | 16,956 |
| Balance at 31 December 2022 | 65,828 | 33,617 | 99,445 |
| Net Book Value | | | |
| Balance at 31 December 2021 | 58,308 | 673 | 58,980 |
| Balance at 31 December 2022 | 71,306 | 278 | 71,584 |

Year 2021

| | Computers and Techniques | Other fixed assets | Total |
|------------------------------------|-------------------------------------|-------------------------------|----------------|
| Gross Book Value | | | |
| Balance at 31 December 2020 | 72,246 | 31,016 | 103,262 |
| Additions | 38,208 | - | 38,208 |
| Balance at 31 December 2021 | 110,454 | 31,016 | 141,470 |
| Accumulated Depreciation | | | |
| Balance at 31 December 2020 | 36,852 | 28,002 | 64,854 |
| Charge for the year | 15,294 | 2,341 | 17,326 |
| Balance at 31 December 2021 | 52,146 | 30,343 | 82,489 |
| Net Book Value | | | |
| Balance at 31 December 2020 | 35,394 | 3,014 | 38,408 |
| Balance at 31 December 2021 | 58,308 | 673 | 58,980 |

**SOCIAL JUSTICE CENTER
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022**

NOTE 6: DEFERRED GRANT INCOME

| | 31-Dec-2022 | Restated 31-Dec-2021 | 31-Dec-2020 |
|------------------------------------|------------------|-------------------------|------------------|
| EU751 | 977,320 | 1,752,000 | - |
| SWISS_2022 | 505,050 | - | - |
| EU043 | 505,240 | - | - |
| CSEP | 252,720 | - | - |
| PROLoG_2039 | 204,673 | - | - |
| RFSU-4401-040301-1801 | 197,719 | 582,454 | 558,351 |
| OSGF - 21391 | 152,287 | - | - |
| UNFA_2022 | 135,613 | - | - |
| IWPR 662.06 | 92,682 | - | - |
| OSGF_21339 | 66,615 | - | - |
| OSGF_21335 | 49,157 | - | - |
| OSF45437 | 33,250 | - | - |
| DUTCH 2021 | 45,931 | 193,116 | - |
| PROLoG_2045 | 36,897 | - | - |
| OSGF20961 | 22,281 | 25,543 | 98,045 |
| OSGF21274 | 19,965 | 55,575 | - |
| IPHR | 6,169 | 6,169 | 47,281 |
| PROLoG1736 | 5,740 | 5,740 | 51,307 |
| UNDP_00113905 | 5,257 | - | - |
| EFG03049 | 4,600 | - | - |
| IDFI | 1,796 | 1,796 | 34,392 |
| OSGF21064 | 380 | 380 | 49,477 |
| PROLOG1909 | 201 | 7,702 | - |
| SWISS | - | - | 290,899 |
| PROLOG1830 | - | 2,631 | - |
| BOELL030 | - | 55,910 | - |
| OSGF21140 | - | - | 202,334 |
| OSF- OR2018-45437 | - | 50,986 | 111,886 |
| PROLoG1696 | - | - | 48,861 |
| CTC | - | - | 25,970 |
| BOELL002 | - | 82,769 | - |
| GDI | - | 48,440 | - |
| EFG03049 | - | 55,176 | - |
| OSGF21245 | - | 87,554 | - |
| UNW | - | 382 | - |
| Total deferred grant income | 3,321,543 | 3,014,323 | 1,518,803 |

NOTE 7: MOVEMENT IN DEFERRED GRANTS

Movement in Deferred Grants

| | Year 2022 | Year 2021 | Year 2020 |
|---|------------------|------------------|------------------|
| Opening balance of deferred grants | 3,014,323 | 1,518,804 | 2,094,373 |
| Add: Grant contracts signed in the period | 2,351,072 | 3,322,839 | 1,456,650 |
| Less: Deferred grants transferred to the period incomes | (2,043,852) | (1,827,320) | (2,032,220) |
| Closing balance of deferred grants | 3,321,543 | 3,014,323 | 1,518,803 |

NOTE 8: COMMITMENTS AND CONTINGENT LIABILITIES

Legal proceeding

As of 31 December 2022, the Organization was not engaged in legal proceedings.

Tax legislation

The Georgian commercial and tax legislation contains provisions which sometimes imply more than one treatment for transactions. Moreover, the tax authorities may take arbitrary judgments as to business activities and transactions, including the arbitrary classification of the activities of the Organization when the regulatory basis for this decision is deemed insufficient. Thus, although management believes that it has adequately provided for tax liabilities in the financial statements, its judgment of the Organization activities and transaction may not coincide with the interpretation of the tax authorities.

Operating environment

Over recent years, Georgia has undergone substantial political and economic change. As an emerging market Georgia does not possess a well-developed commercial infrastructure that generally exists in more mature business markets. Laws and regulations affecting businesses operating within the country are subject to rapid change. In addition, continued economic stability is dependent to a large extent on the effectiveness of fiscal measures taken by the government, decisions of international lending organizations, and other actions beyond the Organization's control.

NOTE 9: EVENTS AFTER THE REPORTING DATE

There have been no events after the reporting period end which would require adjustments to the figures presented in these financial statements or any additional disclosures.

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