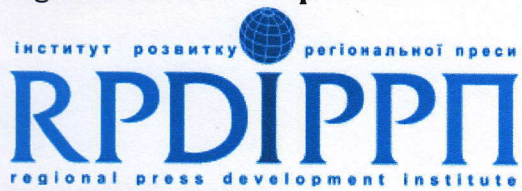


CONTENTS

Regional Press Development Institute



Financial Statement

December 31, 2020

CONTENTS

	<u>Page</u>
<u>INDEPENDENT AUDITORS' REPORT</u>	
Independent Auditors' Report	1- 2
Statement of profit or loss and other comprehensive income	3
Statement of financial position	4
Statement of cash flows	5
Notes to the financial statements	6- 22

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISA). 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 Ukraine, 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 IFRS, 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 assumption 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.

Auditor's Responsibilities 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

TO MANAGEMENT AND SUPERVISORY BOARD OF REGIONAL PRESS DEVELOPMENT INSTITUTE

Opinion

We have audited the financial statements of *REGIONAL PRESS DEVELOPMENT INSTITUTE* (the "Organization"), which are presented in Ukrainian Hryvnia (UAH) on page 3 to 22 and comprise the statement of financial position as at December 31, 2020, and the statement of profit and loss and comprehensive income, and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at December 31, 2020, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

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

Auditor's Responsibilities 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.

Auditor's Responsibilities 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 statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with management 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.

Iryna Shtefanyo
Managing Partner

Russell Bedford RCG
5 Spaska Street, 6th floor
04071, Kyiv, Ukraine
17 November 2021



Regional Press Development Institute

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
for the year ended December 31, 2020**

(in UAH, unless otherwise stated)

	Note	2020	2019
Revenue	5	13 551 196	18 106 946
Total revenue		13 551 196	18 106 946
Program expenses	6	(13 551 196)	(18 106 946)
Total expenses		(13 551 196)	(18 106 946)
<i>Unallocated income/(expenses)</i>	7		
Administrative and other expenses		(59 670)	(183 600)
Financial income, net		82 944	1 255
Surplus/(deficit) for the year		23 274	(182 345)


Regional Press Development Institute

STATEMENT OF FINANCIAL POSITION
as of December 31, 2020

(in UAH, unless otherwise stated)

	Note	31-12-2020	31-12-2019
Assets			
<i>Non-current assets</i>			
Property, plant and equipment	8	86 855	75 530
Total non-current assets		86 855	75 530
<i>Current Assets</i>			
Targeted financing – receivable	9	749 799	96 679
Prepayments and other assets	10	1 397	1 397
Cash in bank	11	3 296 460	2 869 838
Total current assets		4 047 656	2 967 914
Total assets		4 134 511	3 043 444
Liabilities and Net Funding Position			
<i>Current Liabilities</i>			
Targeted financing – payable	9	3 692 066	2 670 380
Accruals and other payables	12	768 864	734 082
Deferred income	13	86 855	75 530
Total current liabilities		4 547 785	3 479 992
Total liabilities		4 547 785	3 479 992
<i>Net funding position</i>			
Unrestricted	7	(413 274)	(436 548)
Total net funding position		(413 274)	(436 548)
Total liabilities and net funding position		4 134 511	3 043 444

On 17 November 2021, Management of Regional Press Development Institute authorized these financial statements for issue.


Ludmila Pankratova
Executive Director

Regional Press Development Institute

STATEMENT OF CASH FLOWS
for the year ended December 31, 2020

(in UAH, unless otherwise stated)

	2020	2019
<i>Cash flow from operating activities</i>		
Cash received to cover program services	13 813 200	15 978 361
Currency exchange differences, net	8 940	(25 895)
Total cash received	13 822 140	15 952 466
Cash paid to cover contracted experts' remuneration:		
Experts – project activities	3 636 775	3 373 694
Experts – trainers and mentors	1 578 795	1 652 802
Experts - public relations and communication	871 864	331 372
Experts – legal services	593 015	1 641 737
Experts – finance services	405 699	431 056
Experts - data analysis	343 212	183 500
Experts – consulting	22 250	-
Cash paid to cover:		
Employees' salaries and related taxes	1 569 155	2 498 385
Grants, awards and incentive payments to program participants	1 421 881	491 075
Events logistics services	1 409 671	4 597 837
Production of project content	734 115	1 637 637
Translation services	399 439	156 319
Office rent and utilities	303 246	278 062
Other direct program expenses	217 557	267 044
Audit and consulting services	45 630	106 250
Telecommunication services	33 334	29 026
Bank services	23 579	24 897
Office maintenances services	22 736	18 786
Total cash paid	13 631 953	17 719 479
Net cash received/ (used) in operating activities	190 187	(1 767 013)
Operating currency exchange difference, net	236 435	(529 068)
Net increase / (decrease)	426 622	(2 296 081)
Cash in bank		
Balance as of 1 January	2 869 838	5 165 919
Net increase/(decrease) for the year	426 622	(2 296 081)
Balance as of as of 31 December	3 296 460	2 869 838

The notes on pages 6 to 22 are an integral part of these financial statement

REGIONAL PRESS DEVELOPMENT INSTITUTE
NOTES TO FINANCIAL STATEMENTS
for the year ended December 31, 2020

(all amounts are in UAH, unless otherwise stated)

Note 1. General information

Regional Press Development Institute (RPDI or the "Organization") is the non-profit non-government organization, incorporated under Ukrainian law as a legal entity in 2006. It has neither share capital, nor retained earnings. The governing bodies of the Organization are Management and the Supervisory Board. RPDI is based in Kyiv, Ukraine: Khreshchatyk 44 B, office 301.

Principal activities of the Organization are development and enhancement of the free media profession in Ukraine through training and legal support of media professionals, maintenance of information resources for use by media professionals; promotion of transparency and facilitation of access to information; improvement and promotion of unbiased media coverage of topics of public significance.

Note 2. Basis of preparation

(a) Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as issued by the IASB.

(b) Basis of measurement

The financial statements have been prepared under the historical cost convention.

(c) Going concern basis

The financial statements have been prepared on a going concern basis.

(d) Adoption of new and revised International Financial Reporting Standards and Interpretations

During the current year, the Organization adopted all the changes to International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) that are relevant to its operations and are effective for accounting periods beginning on 1 January 2020. This adoption did not have a material effect on the financial statements of the Organization.

At the date of approval of these financial statements, Standards, Revised Standards and Interpretations which were issued by the International Accounting Standards Board are not yet effective. Management expects that the adoption of these financial reporting standards in future periods will not have a material effect on the financial statements of the Organization.

(e) Use of estimates and judgments

The preparation of financial statements in accordance with IFRSs requires from Management the exercise of judgment, to make estimates and assumptions that influence the application of accounting principles and the related amounts of assets and liabilities, income and expenses. The estimates and underlying assumptions are based on historical experience and various other factors that are deemed to be reasonable based on knowledge available at that time. Actual results may deviate from such estimates.

REGIONAL PRESS DEVELOPMENT INSTITUTE
NOTES TO FINANCIAL STATEMENTS
for the year ended December 31, 2020

(all amounts are in UAH, unless otherwise stated)

Note 2. Basis of preparation (cont.)

(e) Use of estimates and judgments (cont.)

The estimates and underlying assumptions are revised on a continuous basis. Revisions in accounting estimates are recognized in the period during which the estimate is revised, if the estimate affects only that period, or in the period of the revision and future periods, if the revision affects the present as well as future periods.

(f) Functional and presentation currency

The functional currency of the Organization is the Ukrainian Hryvnia (UAH). Transactions in currencies other than the functional currency are treated as transactions in foreign currencies. Management decided to use Ukrainian Hryvnia (UAH) as the presentation currency for financial and management reporting purposes.

Note 3. Significant accounting policies

The following accounting policies have been applied consistently for all the years presented in these financial statements and in stating the performance and financial position of the Organization.

Foreign currency translation

(i) Transactions and balances

Transactions in foreign currencies are initially recorded by the Organization at their respective functional currency rates prevailing at the date of the transaction.

Monetary assets and liabilities are translated into the functional currency at the rates ruling at the end of the reporting period. Foreign exchange income and losses, arising from transactions in foreign currency, and also from translation of monetary assets and liabilities into the functional currency at the rate ruling at the end of the year, are recognized in financial income or losses.

(ii) Presentation currency

As the presentation and functional currencies are the Ukrainian Hryvnia (UAH) no relevant translation-differences arise.

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses.

Depreciation is recognized in profit or loss on the straight-line method over the useful lives of each item of property, plant and equipment. Useful lives applied for the current and comparative periods are as follows:

Type of Asset	Years
Computers and office equipment	2-5
Furniture	4
Other equipment	1

REGIONAL PRESS DEVELOPMENT INSTITUTE
NOTES TO FINANCIAL STATEMENTS
for the year ended December 31, 2020

(all amounts are in UAH, unless otherwise stated)

Note 3. Significant accounting policies (cont.)

Property, plant and equipment (cont.)

Depreciation methods, useful lives and residual values are reassessed at the reporting date.

Depreciation starts from the following month of the date an asset is available for use, and depreciation is fully accumulated when useful life terminates.

Where the carrying amount of an asset is greater than its estimated recoverable amount, the asset is written down immediately to its recoverable amount.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in profit or loss.

Intangible assets

Intangible assets are measured initially at purchase cost and are amortized on a straight-line basis over their estimated useful lives. Useful live applied for the current and comparative periods is equal to 5 years.

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognized in profit or loss when the asset is de-recognized.

Targeted financing – receivable

Targeted financing – receivable arises when cumulative cash tranches received as at reporting date to fund program expenses are less than recognized program expenses as at the same date.

Cash and cash equivalents

For the purpose of the statements of financial position and cash flows, cash and cash equivalents comprise cash at bank.

Prepayments and other current assets

Prepayments and other current assets represent regular prepayments to suppliers for goods and services. These are recognized when cash payments are made and are originally measured in the amount of payments. Subsequently these are carried at historic cost less impairment provision.

Deferred income

Deferred income represents reallocation from program revenues and other income to the extent of cash payments received for which expenses will be recognized in future periods.

REGIONAL PRESS DEVELOPMENT INSTITUTE
NOTES TO FINANCIAL STATEMENTS
for the year ended December 31, 2020

(all amounts are in UAH, unless otherwise stated)

Note 3. Significant accounting policies (cont.)

Targeted financing – payable

Targeted financing represents current balance of settlements with donors of program revenues. These are recognized when cash tranches are received from donors. During the recognition of expenses, directly related to specific program activities, these balances are released to program revenues in the equivalent amount.

Accruals and other payables

Accruals and other payables represent liabilities incurred by the Organizations in the course of its ordinary activities when relevant payments have not yet been settled. These are carried at amortized cost.

Net funding position

A positive net funding position represents unrestricted resources available to support organizational operations, which arise from prior activities of the Organization, when expenses incurred for specific programs and unallocated expenses were less than assets received from donors for the same purpose and zero targeted financing balances were confirmed by the donors. Conversely, if expenses incurred for specific programs and unallocated expenses exceed assets received from donors for the same purpose and zero targeted financing balances are confirmed by the donor, a negative net funding position arises. At each reporting date net funding position represents undesignated own funds and property, plant and equipment unrestricted for use less accrued liabilities, not related to any donor-financed program activities.

Program revenues

Program revenues are recognized in the amount of expenses incurred for program activities and in the period when these expenses are incurred. RPDI does not account for contributions to be received in the form of unconditional promises to give or pledges as revenue.

The Organization receives funding from donors. The Organization does not have any sources of income, other than funds obtained as grants, sub-grants or under cooperation agreements, partnership agreements and service contracts.

Leases

At inception of a contract, the Organization assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Organization uses the definition of a lease in IFRS 16 *Leases*.

The Organization has elected not to recognize right-of-use assets and lease liabilities for leases of low-value assets and short-term leases. The Organization recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

At 31 December 2020 and 2019 the Organization does not have lease agreements that require the recognition of right-of-use assets and related liabilities under IFRS 16.

REGIONAL PRESS DEVELOPMENT INSTITUTE
NOTES TO FINANCIAL STATEMENTS
for the year ended December 31, 2020

(all amounts are in UAH, unless otherwise stated)

Note 3. Significant accounting policies (cont.)

Expenses

Expenses are recognized on the accrual basis. Program expenses include direct program expenses and allocated joint costs.

Tax status

RPDI is a not-for-profit organization exempt from income tax and VAT under Ukrainian Law.

Note 4. Operating segments

A reportable segment is a detachable component of the Organization's activities which represents main areas of statutory objectives. The Organization receives financing from donors for implementation of these statutory objectives. Reportable segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker.

The operating components have independent revenues and are managed separately. As the Organization is established as non-profit NGO, reportable segments' expenses are equal to relevant revenues and managed separately from other segments as well. All expenses are allocated to specific reportable segments, except general administrative expenses which could not be directly allocated. Like profit and loss items, at each reporting date all balance sheet items are allocated to specific reportable segments, except those which could not be allocated.

In each reporting period there were no intra-segment transactions, as well as vertical integration between reportable segments.

In the year ended 31 December 2020 and 2019 the Organization identified the following reportable segments:

- 1) Training and education for media professionals;
- 2) Legal support and media law education;
- 3) Promoting of government transparency and facilitation of access to information
- 4) Improvement of unbiased media coverage of women and minorities;
- 5) Development of investigative journalists' networks;
- 6) Media Literacy.

REGIONAL PRESS DEVELOPMENT INSTITUTE
NOTES TO FINANCIAL STATEMENTS
for the year ended December 31, 2020

(all amounts are in UAH, unless otherwise stated)

Note 4. Operating segments (cont.)

Reportable segments as at and for the year ended 31 December 2020 were as follows:

	Training and education for media professionals	Legal support and media law education	Promoting of government transparency and facilitation of access to information	Development of investigative journalists' networks	Improvement of unbiased media coverage of women and minorities	Media Literacy	Unallocated	TOTAL
Revenue	1 130 859	2 904 260	438 634	4 060 178	2 750 151	2 267 114	-	13 551 196
Program expenses	(1 130 859)	(2 904 260)	(438 634)	(4 060 178)	(2 750 151)	(2 267 114)	-	(13 551 196)
Net unallocated income	-	-	-	-	-	-	23 274	23 274
Change in net funding position	-	-	-	-	-	-	23 274	23 274
<i>As at 31 December 2020</i>								
Non-current assets	7 248	18 615	2 811	26 023	17 627	14 531	-	86 855
Current assets	44 960	818 047	45	2 681 095	434 088	69 421	-	4 047 656
Total assets	52 208	836 662	2 856	2 707 118	451 715	83 952	-	4 134 511
Current liabilities	122 758	547 416	35 371	3 278 633	516 695	46 911	-	4 547 785
Total liabilities	122 758	547 416	35 371	3 278 633	516 695	46 911	-	4 547 785

REGIONAL PRESS DEVELOPMENT INSTITUTE
NOTES TO FINANCIAL STATEMENTS
for the year ended December 31, 2020

(all amounts are in UAH, unless otherwise stated)

Note 4. Operating segments (cont.)

Reportable segments as at and for the year ended 31 December 2019 were as follows:

	Training and education for media professionals	Legal support and media law education	Promoting of government transparency and facilitation of access to information	Development of investigative journalists' networks	Improvement of unbiased media coverage of women and minorities	Media Literacy	Unallocated	TOTAL
Revenue	911 871	3 980 791	-	8 485 398	2 318 037	2 410 849	-	18 106 946
Program expenses	(911 871)	(3 980 791)	-	(8 485 398)	(2 318 037)	(2 410 849)	-	(18 106 946)
Net unallocated expenses	-	-	-	-	-	-	(182 345)	(182 345)
Change in net funding position	-	-	-	-	-	-	(182 345)	(182 345)
<i>As at 31 December 2019</i>								
Non-current assets	3 805	16 605	-	35 395	9 669	10 056	-	75 530
Current assets	262	31 611	-	2 418 382	460 863	56 796	-	2 967 914
Total assets	4 067	48 216	-	2 453 777	470 532	66 852	-	3 043 444
Current liabilities	21 448	421 939	3 984	2 285 588	609 966	136 283	784	3 479 992
Total liabilities	21 448	421 939	3 984	2 285 588	609 966	136 283	784	3 479 992

REGIONAL PRESS DEVELOPMENT INSTITUTE
NOTES TO FINANCIAL STATEMENTS
for the year ended December 31, 2020

(all amounts are in UAH, unless otherwise stated)

Note 5. Revenues

During 2020, the Organization obtained funding from different donors under grants, sub-grants, financial support, cooperative and administration agreements:

	2020	2019
Program revenues	13 607 076	18 163 717
<i>Deduction from revenue</i>	(55 880)	(56 771)
	13 551 196	18 106 946

Deduction from revenue represents deferral of revenue in the amount of expenses that will be recognized in future periods.

Program revenues per type of agreements are presented as follows:

	2020	2019
Grants	6 253 098	11 162 179
Sub-grants	2 811 603	3 996 759
Cooperative agreements	2 772 552	2 318 037
Administration agreements	1 130 859	686 742
Service agreements	638 964	-
	13 607 076	18 163 717

REGIONAL PRESS DEVELOPMENT INSTITUTE
NOTES TO FINANCIAL STATEMENTS
for the year ended December 31, 2020

(all amounts are in UAH, unless otherwise stated)

Note 5. Revenues (cont.)

Program revenues by Donors are presented as follows:

	2020	2019
Internews Network, Ukraine (U-Media program)	2 811 603 ✓	3 597 774
National Democratic Institute, USA	2 772 552 ✓	2 318 037
Danish Ministry of Foreign Affairs, Danida	2 092 521 ✓	6 929 815
European Centre for Press and Media Freedom (ECPMF)	1 775 919 ✓	2 421 919
Global Investigative Journalism Network, Inc	1 130 859 ✓	686 742
Fojo Media Institute, Linnaeus University	638 964	-
Danish Ministry of Foreign Affairs, EUACI	590 952 ✓	-
N – ost (N-vestigative), Germany	534 302 ✓	597 581
European Endowment for Democracy	491 195 ✓	-
International Media Support, IMS	331 715 ✓	-
Politiken-Fonden	144 023 ✓	-
Internews Europe	106 920 ✓	-
The United Nations Educational, Scientific and Cultural Organization, UNESCO	108 846 ✓	-
The International Renaissance Foundation	76 705 ✓	170 000
Ministry of Foreign Affairs of the Netherlands, Matra	-	960 354
US Embassy, Kiev, Ukraine	-	252 510
German Embassy, Kiev, Ukraine	-	228 985
	13 607 076	18 163 717

REGIONAL PRESS DEVELOPMENT INSTITUTE
NOTES TO FINANCIAL STATEMENTS
for the year ended December 31, 2020

(all amounts are in UAH, unless otherwise stated)

Note 6. Program expenses

During 2020, the Organization incurred the following expenses directly related to programs:

	Note	2020	2019
Contracted experts' fees	6.1	7 455 810	7 651 309
Grants, awards and incentive payments to program participants		1 421 881	491 250
Events logistics	6.2	1 425 671	4 953 472
Employee salaries and related taxes	6.3	1 349 719	2 315 382
Production of project content		908 415	1 636 822
Translation services		399 439	169 987
Office rent expenses and utilities		293 246	277 362
Other direct program expenses		99 264	265 102
Office materials and supplies		55 555	44 477
Audit and consulting services		45 000	106 250
Telecommunication services		31 334	29 026
Office maintenances		22 735	19 187
Bank services		17 381	24 897
Unused vacation expenses and related taxes		14 887	101 348
Depreciation and amortization		10 859	21 075
		13 551 196	18 106 946

Note 6.1. Contracted experts' fees

Fees of contracted experts are analyzed by Organization as follows:

By degree of cooperation:

	2020	2019
Regular contracted experts	5 863 559	5 600 568
Other contracted experts	1 592 251	2 050 741
	7 455 810	7 651 309

REGIONAL PRESS DEVELOPMENT INSTITUTE
NOTES TO FINANCIAL STATEMENTS
for the year ended December 31, 2020

(all amounts are in UAH, unless otherwise stated)

Note 6.1. Contracted experts' fees (cont.)

By type of remuneration:

	2020	2019
Experts - project activities	3 678 710	3 398 229
Experts - trainers and mentors	1 490 795	1 675 079
Experts - public relations and communication	899 354	320 707
Experts - legal services	605 490	1 641 738
Experts - financial services	430 999	432 056
Experts - data analysis	343 212	183 500
Experts - consulting services	7 250	-
	7 455 810	7 651 309

By degree of involvement in program activities:

	2020	2019
Support of project activities	4 336 092	4 853 847
General coordination of projects	2 456 787	2 181 355
General costs to organization	662 931	616 107
	7 455 810	7 651 309

Note 6.2. Events logistics

	2020	2019
Organization and coordination of events	718 103	1 770 324
Travel, per diem and accommodation of program participants	527 337	1 748 146
Rent of premises for program activities	180 231	1 435 002
	1 425 671	4 953 472

Note 6.3. Salaries and related charges

	2020	2019
Salaries	1 106 327	1 910 955
Contribution to social funds	243 392	404 427
Unused vacations accrual and related charges	14 887	101 348
	1 364 606	2 416 730

REGIONAL PRESS DEVELOPMENT INSTITUTE
NOTES TO FINANCIAL STATEMENTS
for the year ended December 31, 2020

(all amounts are in UAH, unless otherwise stated)

Note 7. Movement in net funding position

	2020	2019
As at 1 January	(436 548)	(254 203)
Contracted experts' fees not covered by Donor's funding	(134 017)	-
Impairment of receivables	-	(63 966)
Exchange differences	82 944	1 255
Movement in unallocated unused vacation accrual	75 359	(110 582)
Other unallocated expenses, net	(1 012)	(9 052)
As at 31 December	(413 274)	(436 548)

REGIONAL PRESS DEVELOPMENT INSTITUTE
NOTES TO FINANCIAL STATEMENTS
for the year ended December 31, 2020

(all amounts are in UAH, unless otherwise stated)

Note 8. Property, plant & equipment

Cost	Computer and office equipment	Non-current low- value equipment	Total
Balance at 1 January 2019	263 341	73 374	336 715
Additions	71 817	-	71 817
Disposals	-	-	-
Balance at 31 December 2019	335 158	73 374	408 532
Depreciation			
Balance at 1 January 2019	(217 105)	(67 389)	(284 494)
Charge for the year	(42 523)	(5 985)	(48 508)
On disposals	-	-	-
Balance at 31 December 2019	(259 628)	(73 374)	(333 002)
Carrying amounts			
Balance at 31 December 2019	75 530	-	75 530
Cost			
Balance at 1 January 2020	335 158	73 374	408 532
Additions	67 739	-	67 739
Disposals	-	-	-
Balance at 31 December 2020	402 897	73 374	476 271
Depreciation			
Balance at 1 January 2020	(259 628)	(73 374)	(333 002)
Charge for the year	(56 414)	-	(56 414)
On disposals	-	-	-
Balance at 31 December 2020	(316 042)	(73 374)	(389 416)
Carrying amounts			
Balance at 31 December 2020	86 855	-	86 855

REGIONAL PRESS DEVELOPMENT INSTITUTE
NOTES TO FINANCIAL STATEMENTS
for the year ended December 31, 2020

(all amounts are in UAH, unless otherwise stated)

Note 9. Targeted financing

Targeted financing balances by donors is presented as follows:

	2020	2019
Danish Ministry of Foreign Affairs, EUACI	(2 867 783)	-
National Democratic Institute, USA	(382 010)	(526 685)
N – ost (N-vestigative), Germany	(187 070)	-
The United Nations Educational, Scientific and Cultural Organization, UNESCO	(169 582)	-
Politiken-Fonden	(85 621)	-
Danish Ministry of Foreign Affairs, Danida	-	(2 110 733)
Internews Network, Ukraine (U-Media program)	625 811	(32 962)
European Endowment for Democracy	68 785	-
Fojo Media Institute, Linnaeus University	34 750	-
Global Investigative Journalism Network, Inc	20 453	-
Danish Ministry of Foreign Affairs, Danida	-	96 679
	(2 942 267)	(2 573 701)

The contribution of the Danish Ministry of Foreign Affairs, Danida was spent by 31 March 2020.

Summary of Targeted financing outstanding amounts is presented as follows:

	2020	2019
Targeted financing – payable	(3 692 066)	(2 670 380)
Targeted financing – receivable	749 799	96 679
	(2 942 267)	(2 573 701)

Note 10. Prepayments and other assets

At each reporting date prepayments and other assets consist of the following:

	2020	2019
Prepayments for services	1 397	1 397
	1 397	1 397

REGIONAL PRESS DEVELOPMENT INSTITUTE
NOTES TO FINANCIAL STATEMENTS
for the year ended December 31, 2020

(all amounts are in UAH, unless otherwise stated)

Note 11. Cash in bank

Cash and cash equivalents at each reporting date include accounts opened with Procredit Bank in USD, EUR and UAH.

	2020	2019
Cash in bank denominated in EUR	2 084 168	1 869 753
Cash in bank denominated in UAH	1 198 070	988 171
Cash in bank denominated in USD	14 222	11 914
	3 296 460	2 869 838

Note 12. Accruals and other payables

At each reporting date accruals and other payables consist of the following:

	2020	2019
Payables to regularly contracted experts	303 644	162 243
Payables for goods and services	271 677	98 388
Provision for unused vacation	131 134	416 475
Provision for audit services	45 000	45 000
Payroll, related taxes and contributions	17 409	11 976
	768 864	734 082

Note 13. Deferred income

At each reporting date deferred income consist of the following:

	2020	2019
Deferred income on restricted in use PPE	55 880	46 184
Deferred income on unrestricted in use PPE	30 975	29 346
	86 855	75 530

Note 14. Related party transactions

The Organization is managed by the Board of Directors.

For the purposes of these financial statements, parties related if one party has the ability to control the other party, is under common control, or can exercise significant influence over the other party in making financial or operational decisions. In considering each possible related party relationship, attention is directed to the substance of the relationship, not merely the legal form.

REGIONAL PRESS DEVELOPMENT INSTITUTE
NOTES TO FINANCIAL STATEMENTS
for the year ended December 31, 2020

(all amounts are in UAH, unless otherwise stated)

Note 14. Related party transactions (cont.)

According to these criteria the related parties of the Organization are divided into the following categories:

- a. Key management personnel;
- b. Members of the Board of Directors.

Transactions with related parties for the year 31 December 2020 and 2019 were as follows:

Key management remuneration - Payroll, unused vacation and related taxes

	2020	2019
a. Key management personnel	534 047	992 732
	534 047	992 732

Services - Contracted experts' remuneration

	2020	2019
a. Key management personnel	-	440 973
b. Members of the Board of Directors	198 964	131 981
	198 964	572 954

Outstanding balances with identified related parties as of 31 December 2020 and 2019 we as follows:

Payables for goods and services

	2020	2019
a. Key management personnel	50 181	50 181
b. Members of the Board of Directors	8 162	8 162
	58 343	58 343

Note 15. Contingent liabilities

Pension and other liabilities

Organization's employees receive pension benefits from the State Pension Fund, a Ukrainian Government organization, in accordance with the applicable laws and regulations of Ukraine. The Organization is obliged to contribute a specified percentage of salaries to the State Pension Fund to finance the benefits. The only obligation of the Organization with respect to this pension plan is to make the specified contributions based on salaries.

As at 31 December 2020 and 2019, the Organization had no significant liabilities for any supplementary pension payments, health care, insurance or retirements indemnities to its current or former employees.

REGIONAL PRESS DEVELOPMENT INSTITUTE
NOTES TO FINANCIAL STATEMENTS
for the year ended December 31, 2020

(all amounts are in UAH, unless otherwise stated)

Note 15. Contingent liabilities (cont.)

Short-term lease commitments

As at 31 December 2020 and 2019 short-term lease commitments of the Organization amounted to EUR 179 868 and UAH 272 844 respectively.

Note 16. Events after reporting date

On 7 February 2021, the Organization signed a new cooperative agreement with National Democratic Institute, USA for 2 years with the total estimated amount is USD 339 471.

On 2 July 2021, the Organization signed a new agreement with International Media Support, IMS for 1,5 years with the total amount is EUR 66 886.

On 30 July 2021, the Organization signed a new agreement with European Centre for Press and Media Freedom (ECPMF) for 9 months with the total amount is EUR 135 563.

On 17 November 2021 Management of Regional Press Development Institute authorized these financial statements for issue.