

INDEPENDENT AUDITOR'S REPORT

**TO THE FOUNDER AND DIRECTOR OF THE ASSOCIATION EUROPEAN POLICY CENTRE,
BELGRADE**

Opinion

We have audited the enclosed financial reports of the Association **EUROPEAN POLICY CENTRE**, Belgrade (hereinafter "*the Association*"), which include the balance sheet as at **31 December 2019**, profit and loss balance sheet and notes to the financial reports that include a summary of significant accounting policies.

According our opinion, the enclosed financial reports present fairly and objectively, in all materially significant aspects, the financial position of the Association as at **31 December 2019** and the results of its operations for the year ended that day in accordance with the accounting regulations in force in Republic of Serbia and accounting policies disclosed with the financial reports.

Base for the opinion

We conducted our audit in accordance with the Law on Audit („*RS Official Gazzete*“ No. 73/2019) and International Standards on Auditing (*ISA*). Our responsibilities under these standards are described in more detail in the section of our *Auditor's responsibilities for the Audit of Financial Reports*. We are independent in relation to the Association in accordance with the Code of Ethics for Professional Accountants of the International Accounting Standards Board ("*IESBA Code*") and the ethical requirements relevant to our audit of financial reports in the Republic of Serbia, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Management's responsibility and persons authorized to manage the financial reports

Management is responsible for the preparation of financial reports that give a fairly and objectively view in accordance with the accounting regulations of the Republic of Serbia and for those internal controls that it determines are necessary for the preparation of financial reports that do not contain significantly misleading statements due to fraud or mistake.

In preparing the financial reports, management is responsible for assessing the ability of the Association to continue as a going concern, disclosing, as appropriate, matters relating to business continuity and applying the going concern principle as the accounting basis, unless management intends to liquidate the Association or to suspend business, or has no real possibility other than to do so.

The persons authorized to manage are responsible for supervising the financial reporting process of the Association.

INDEPENDENT AUDITOR'S REPORT (Continued)

**TO THE FOUNDER AND DIRECTOR OF TEH ASSOCIATION EUROPEAN POLICY CENTRE,
BELGRADE**

Auditor's responsibilities for auditing financial reports

Our objective is to obtain reasonable assurance that the financial reports, taken as a whole, do not contain significantly misleading statements due to fraud or mistake; and issuing an auditor's report containing our opinion. Reasonable assurance indicates a high level of assurance, but does not guarantee that an audit performed in accordance with ISA's will always reveal material misstatements if such statements exist. Misleading statements may result from a criminal act or error and are considered materially significant if it is reasonable to expect that they will, individually or collectively, influence the economic decisions of users made on the basis of these financial reports.

As part of an audit in accordance with International Standards on Auditing, we apply professional judgment and maintain professional skepticism throughout the audit. Also:

- We identify and assess risks from material misleading statements in the financial reports due to fraud or mistake designing and performing audit procedures appropriate to those risks; and obtaining sufficient adequate audit evidence to provide a basis for the auditor's opinion. The risk that material misstatements resulting from a criminal act will not be identified is greater than for misstatements resulting from an error, because a criminal act may involve association, falsification, willful misconduct, misrepresentation, or bypass of internal control.
- We gain an understanding of the internal controls that are relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not in order to express an opinion on the effectiveness of the Association's internal control system.
- We evaluate the applied accounting policies and the extent to which management's accounting estimates and related disclosures are reasonable.
- We conclude on the appropriateness of the application of the principle of continuity as an accounting basis by management and on the basis of audit evidence collected, whether there is material uncertainty regarding events or conditions that may cause significant doubt about the Association's ability to continue in accordance with the principle of permanence. If we conclude that there is material uncertainty, we are required to draw attention in our report to the related disclosures in the financial reports or, if such disclosures are not adequate, to modify our opinion. Our conclusions are based on audit evidence gathered up to the date of the auditor's report. However, future events or conditions may result in the Association ceasing to operate in accordance with the principle of permanence.
- We evaluate the overall presentation, structure and content of the financial reports, including disclosures, and whether the financial reports present the underlying transactions and events in such a way as to achieve a fair presentation.

INDEPENDENT AUDITOR'S REPORT (Continued)

**TO THE FOUNDER AND DIRECTOR OF TEH ASSOCIATION EUROPEAN POLICY CENTRE,
BELGRADE**

Auditor's responsibilities for auditing financial reports (Continued)

We communicate to those charged with governance, inter alia, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we have identified during the audit.

In Belgrade, 17 July 2020.

Licensed certified auditor

Vladimir Jovanović

Rosh Audit doo Beograd

Fills up the other legal entity		
Identification number 28062320	Activity code 9499	Tax identification number (PIB) 107277122
Name European Policy Centre		
Address Belgrade-Savski Venac, Svetog Nauma 7		

BALANCE SHEET

on day 31.12.2019.

in thousands of
dinars

Group of accounts, accounts	Position	Automatic data processing (AOP)	Note number	Amount	
				Current year	Last year
1	2	3	4	5	6
	ACTIVE				
	A. FIXED ASSETS (0002+0003+0009+0010+0011)	0001		433	772
01	I. IMMATERIAL ASSETS	0002	1	32	172
02	II. REAL ESTATES, FACILITIES AND EQUIPMENT (0004+0005+0006+0007+0008)	0003		401	600
020,021 and part of 029	1. Land	0004			
022 and part of 029	2. Constructional objects	0005			
023 and part of 029	3. Facilities and equipment	0006	2	401	600
024 and part of 029	4. Investment property	0007			
02, except 020,021,022,023,024 and part of 029	5. Other properties, facilities and equipment	0008			
03	III. BIOLOGICAL ASSETS	0009			
04	IV. LONG-TERM FINANCIAL PLACEMENTS	0010			
05	V. LONG-TERM RECEIVABLES	0011			
	B. CURRENT ASSETS (0013+0018+0019+0020+0021+ 0022+0023)	0012		32115	39415
The class 1	I. SUPPLIES (0014+0015+0016+0017)	0013		297	1370
10	1. Material supplies	0014			
11 and 12	2. Unfinished production, unfinished services and finished products	0015			
13	3. Goods	0016			
15	4. Paid advances for supplies and services	0017	3	297	1370

20	II. SALES RECEIVABLES	0018			
22	III. OTHER RECEIVABLES	0019	4	3243	371
23	IV. SHORT-TERM FINANCIAL PLACEMENTS	0020			
24	V. CASH EQUIVALENTS AND CASH	0021	5	25926	35642
27	VI. TAX ADDED VALUE	0022			
28	VII. ACTIVE TIME DELIMITATION	0023	6	2649	2032
	V. TOTAL ASSETS = BUSINESS ASSTES (0001+0012)	0024		32548	40187
88	G. OFF-BALANCE SHEET ASSTES	0025			
	PASSIVE				
	A. PLACE BID (0402+0403-0406) ≥ 0	0401		13066	12686
30	I. PLACE BID (OWN SOURCES) OF FOUNDER AND OTHER PERSONS	0402			
34	II. UNASSIGNED SURPLUS OF INCOME OVER EXPENDITURES	0403	7	13066	12686
340	1. Unassigned surplus of income over expenditures from previous years	0404		12686	10795
341	2. Unassigned surplus of income over expenditures from current year	0405		380	1891
35	III. SURPLUS OF EXPENDITURES OVER INCOMES (0407+0408)	0406		0	0
350	1. Surplus of expenditures over incomes from previous years	0407			
351	2. Surplus of expenditures over incomes from current year	0408			
	B. LONG-TERM RESERVATIONS AND OBLIGATIONS (0410+0411+0414+0415+0416+0417+0418+0419)	0409		19482	27501
40	I. LONG-TERM RESERVATIONS	0410			
41	II. LONG-TERM OBLIGATIONS (0412+0413)	0411		0	0
413 and 414	1. Long-term loans	0412			
41 except 413 and 414	2. Other long-term obligations	0413			
42	III. SHORT-TERM FINANCIAL OBLIGATIONS	0414	8	510	510
43	IV. OBLIGATIONS FROM BUSINESS	0415	9	788	6557
45 and 46	V. OTHER SHORT-TERM OBLIGATIONS	0416	10	270	1439
47	VI. OBLIGATIONS FOR TAX ADDED VALUE	0417			
48	VII. OBLIGATIONS FOR TAX, CONTRIBUTIONS AND OTHER PAYMENTS	0418			
49	VIII. PASSIVE TIME DELIMITATION	0419	11	17914	18995
	V. SURPLUS OF EXPENDITURES OVER INCOMES ABOVE THE LEVEL OF THE INVESTMENT (OWN RESOURCES) (0409-0024) ≥ 0 = (0402+0403-0406) ≤ 0	0420		0	0
	G. TOTAL PASSIVE (0401+0409-0420) ≥ 0	0421		32548	40187

89	D. OFF-BALANCE SHEET PASSIVE	0422		
In _____				Legal representative
Date _____ 20_____. year		M.P. (place the seal)		_____

Form prescribed by the Regulations on the contents and forms of financial statements of other entities ("RS Official Gazette" No.137/2014)

Fills up the other legal entity		
Identification number 28062320	Activity code 9499	Tax identification number (PIB) 107277122
Name European Policy Centre		
Address Belgrade-Savski Venac, Svetog Nauma 7		

BALANCE SHEET

for the period from 01.01.2019. until 31.12.2019. year

in thousands of
dinars

Group of accounts, accounts	Position	Automatic data processing (AOP)	Note number	Amount	
				Current year	Last year
1	2	3	4	5	6
	INCOMES AND EXPENDITURES FROM BUSINESS ON REGULAR BASIS				
60 until 65, except 61 and 62	A. BUSINESS INCOMES	1001			
	(1002+1003+1004+1005+1006)			76876	107897
60	I. INCOMES FROM SELLING GOODS, PRODUCTS AND SERVICES	1002	12	6200	4866
630 and 631	II. INCOMES FROM MEMBERSHIP FEES AND CONTRIBUTIONS	1003			
632 and 639	III. INCOMES UNDER SPECIAL REGULATIONS FROM THE BUDGET AND FROM THE OTHER RESOURCES	1004			
64	IV. INCOMES FROM DONATIONS AND GRANT SUBSIDIES ETC.	1005	13	70676	102914
65	V. INCOMES FORM NON- FINANCIAL ASSETS	1006			117
50 until 55, 61, 620 and 621	B. BUSINESS EXPENDITURES	1007			
	(1008-1009- 1010+1011+1012+1013+1014 +1015+1016+1017+1018)			76208	105727
50	I. PURCHASE VALUE OF SOLD GOODS	1008			
61	II. INCOMES FROM ACTIVATING GOODS, PRODUCTS AND SERVICES	1009			
620	III. INCREASE OF INVENTORIES OF UNFINISHED AND FINISHED PRODUCTS AND UNFINISHED SERVICES	1010			
621	IV. REDUCTION OF INVENTORIES OF UNFINISHED AND FINISHED PRODUCTS AND UNFINISHED SERVICES	1011			
51	V. EXPENSES OF MATERIAL AND ENERGY	1012	14	976	610

52	VI. SALARY EXPENSES, SALARIES AND OTHER PERSONNEL EXPENSES	1013	15	18453	23633
53	VII. EXPENSES OF PRODUCTION SERVICES	1014	16	5665	26424
540	VIII. AMORTIZATION EXPENSES	1015	17	484	424
541	IX. RESERVATION EXPENSES	1016			
557	X. DONATION EXPENSES	1017			12
55 except 557	XI. IMMATERIAL EXPENSES	1018	18	50630	54624
	V. BUSINESS PROFIT (1001-1007)	1019		668	2170
	G. BUSINESS LOSS (1007-1001)	1020		0	0
66	I. INCOMES FROM FINANCIAL ASSETS (FINANCIAL REVENUES) (1022+1023+1024+1025+1026)	1021		1771	971
660	1. Incomes from financial assets from parent, dependent and other related parties	1022			
661	2. Incomes from interest	1023			
662 and 663	3. Positive exchange rate differences and incomes based on the effects of the currency clause of the remaining effects of risk protection	1024	19	1771	971
664	4. Incomes from dividends	1025			
669	5. Other incomes from financial assets	1026			
56	II. FINANCIAL EXPENDITURES (1028+1029+1030+1031)	1027		1372	1173
560	1. Financial expenditures from relation with parent, dependent and other related parties	1028			
562	2. Interest expenditures	1029			1
563, 564 and 566	3. Negative exchange rate differences and expenditures based on the effects of the currency clause of the remaining effects of risk protection	1030	20	1372	1172
569	4. Other financial expenditures	1031			
	III. PROFIT FROM FINANCING (1021-1027)	1032		339	0
	IV. LOSS FROM FINANCING (1027-1021)	1033		0	202
683 and 685	V. INCOMES FROM VALUE ADJUSTMENT OF SHORT-TERM AND LONG-TERM INVESTMENT AND RECEIVABLES	1034			
583 and 585	VI. EXPENDITURES FROM VALUE ADJUSTMENT OF SHORT-TERM AND LONG-TERM INVESTMENT AND RECEIVABLES	1035	21	899	
	VII. THE SURPLUS OF INCOMES OVER EXPENDITURES ARISING FROM VALUE ADJUSTMENT OF SHORT-TERM AND LONG-TERM INVESTMENT AND RECEIVABLES	1036		0	

	VIII. THE SURPLUS OF EXPENDITURES OVER THE INCOMES ARISING FROM VALUE ADJUSTMENT OF SHORT-TERM AND LONG-TERM INVESTMENT AND RECEIVABLES	1037		899	
67 and 68, except 683 and 685	IX. OTHER INCOMES	1038	22	449	4
57 and 58, except 583 and 585	X. OTHER EXPENDITURES	1039	23	219	99
	XI. THE SURPLUS OF INCOMES OVER EXPENDITURES FROM REGULAR BUSINESS BEFORE TAX (1019-1020+1032-1033+1036-1037+1038-1039)	1040		398	1873
	XII. THE SURPLUS OF EXPENDITURES OVER INCOMES , FROM REGULAR BUSINESS BEFORE TAX (1020-1019+1033-1032+1037-1036+1039-1038)	1041		0	0
69-59	XIII. THE SURPLUS OF INCOMES OVER EXPENDITURES, EFFECTS OF CHANGING ACCOUNTING POLICIES AND CORRECTION OF ERRORS FROM PREVIOUS YEARS	1042			18
59-69	XIV. THE SURPLUS OF EXPENDITURES OVER INCOMES, THE EFFECT OF ACCOUNTING POLICY CHANGES AND CORRECTION OF ERRORS FROM PREVIOUS YEARS	1043	24	18	
	D. THE SURPLUS OF INCOMES OVER EXPENDITURES BEFORE TAX (1040-1041+1042-1043)	1044		380	1891
	Đ. THE SURPLUS OF EXPENDITURES OVER INCOMES BEFORE TAXATION (1041-1040+1043-1042)	1045		0	0
	E. TAX ON DIFFERENCE BETWEEN INCOMES AND EXPENDITURES				
721	I. TAX EXPENSE FOR PERIOD	1046			
	Ž. NET SURPLUS OF INCOME OVER EXPENDITURES (1044-1045-1046)	1047		380	1891
	Z. NET SURPLUS OF EXPENDITURES OVER INCOME (1045-1044+1046)	10478		0	0

In _____

Legal representative

Date _____ 20_____. year

M.P. (place the seal)

EUROPEAN POLICY CENTRE

Sv.Nauma 7, Belgrade

NOTES TO THE FINANCIAL REPORTS

GENERAL INFORMATIONS ABOUT ASSOCIATION

European Policy Centre (further *Association*) is another legal entity, a non-profit organization. Head office of the Association is in Belgrade, Savski Venac, Sv. Nauma 7.

The association was founded on: 12.09.2011.

Tax Identification Number (PIB): 107 277 122.

Association activity: 9499 - Activities of other membership organizations on a membership basis.

European Policy Center is a non-governmental and non-profit association, founded for an indefinite period to achieve the goals of European integration.

The Association was established to conduct analyzes and research in the field of European integration, in particular European Union policies relevant to the accession of the Republic of Serbia to the EU; improving public policy-making and decision-making processes in the Republic of Serbia, in accordance with European standards and best European practice; raising public awareness in Serbia of European Union policies and European best practices, enhancing the ability of the Serbian economy to meet the Copenhagen economic criteria and applying the regulatory environment upon Serbia's accession to the European Union.

According to the classification criteria prescribed by the Law on Accounting (*"Official Gazette of the RS" BR.62/13 and 73/2019*), the association for the year 2019. is classified into a micro legal entity because it satisfies two conditions:

1. Business income for 2019-year amounts to 76.876 (in 000 rsd) and
2. The average business assets 2019-year are 32.548 (in 000 rsd).

BASE FOR PREPARATION OF FINANCIAL REPORTS

The financial reports of the European Policy Center, Belgrade, Svetog Nauma 7, for the accounting period ending December 31, 2019. have been prepared on all materially significant issues, in accordance with the Rulebook on the Method of Recognition, Valuation, Presentation and Disclosure of Positions in Individual financial reports of micro and other legal entities (*Official Gazette of the RS No.118 / 2013, 95 / 2014, 89/2020*), in accordance with the Law on Accounting (*Official Gazette of the RS No.62 / 13 and 73/2019*) and other by-laws adopted pursuant to that Law and selected and adopted accounting policies set out in the Accounting Policies of the " European Policy Centre " .

All data are presented in thousands of dinars (RSD).

1. NON-MATERIAL ASSETS

The situation and changes in non-material assets can be shown as follows:

	Investments and development	Non-material investments	Patents and licenses	Advances for non-material assets	IN TOTAL
PURCHASE VALUE					
Initial state - 01.01.2019.		320			320
Mistake correction and change of accounting policies					
An increase					
Estrangement and expenditures					
Revaluation					
Other					
End state - 31.12.2019.		320			320
VALUE CORRECTION					
Initial state - 01.01.2019.		192			192
Mistake correction and change of accounting policies					
An increase					
Amortization		96			96
Impairment losses					
Alienation and Expenditure					
Revaluation					
Other					
End state - 31.12.2019.		288			288
UNSIGNED (PRESENT) VALUE 31.12.2019.		32			32

COMPARATIVE DATA 31.12.2018.

128

128

2. REALESTATES, FACILITIES AND EQUIPEMENT

	Construction objects	Plants and equipment	Other property and equipment	Investment in someone else's facilities	IN TOTAL
PURCHASE VALUE					
Initial state - 01.01.2019.		1.390			1.390
Mistake correction and change of accounting policies					
New investments		145			145
Estrangement and expenditure					
Revaluation					
Other					
End state -31.12.2019.		1.535			1.535
VALUE CORRECTION					
Initial state - 01.01.2019.		746			746
Mistake correction and change of accounting policies					
Amortization		388			388
Impairment losses					
Estrangement and expenditures					
Revaluation					
Other					
End state - 31.12.2019.		1.134			1.134
UNSIGNED (PRESENT) VALUE 31.12.2019.		401			401

COMPARATIVE DATA 31.12.2018.

644

644

3. SUPPLIES

The state of the supplies can be shown as follows:

	31.12.2019. in 000 RSD	31.12.2018. in 000 RSD
Material		
Unfinished production		
Finished products		
Advances paid for services	297	1.370
IN TOTAL	297	1.370

4. OTHER RECEIVABLES

The state of other receivables can be shown as follows:

	31.12.2019. in 000 RSD	31.12.2018. in 000 RSD
Interest and dividend receivables		
Receivables from employees		
Receivables on government bodies and organizations		371
Receivables from buyers		
Receivables from overpaid taxes and contributions	1	
Receivables on grants given	3.242	
IN TOTAL	3.243	371

5. CASH EQUIVALENTS AND CASH

The state of cash equivalents and cash can be shown as follows:

	31.12.2019. in 000 RSD	31.12.2018. in 000 RSD
Securities - cash equivalents		
Current (business) account	5.935	4.073
Allocated funds and letters of credit		
Cash desk		
Foreign currency account	19.991	31.569
Foreign cash desk		
Other funds		
IN TOTAL	25.926	35.642

6. ACTIVE TIME DELIMITATION

The state of active time delimitation can be shown as follows:

	31.12.2019. in 000 RSD	31.12.2018. in 000 rsd
Prepaid expenses	2.649	2.032
IN TOTAL	2.649	2.032

7. UNDISTRIBUTED PROFIT

Undistributed profit can be shown as follows:

	31.12.2019. In 000 RSD	31.12.2018. in 000 RSD
Undistributed profit from previous years	12.686	12.686
Mistake correction and change of accounting policies		
Other increases		
Other reductions		
Undistributed profit from current year	380	0
IN TOTAL	13.066	12.686

8. SHORT TERM BUSINESS LIABILITIES

Business obligations can be shown as follows:

	31.12.2019. in 000 RSD	31.12.2018. in 000 RSD
Borrowing obligations	510	510
IN TOTAL	510	510

9. BUSINESS OBLIGATIONS

Business obligations can be shown as follows:

	31.12.2019. in 000 RSD	31.12.2018. in 000 RSD
Received advances, deposits, and bail		47
Suppliers - parent and subsidiaries		
Suppliers - other related legal entities		
Suppliers in the country	788	6.510
Suppliers abroad		
Other operating liabilities		
IN TOTAL	788	6.557

TOTAL % COMPLIANCE WITH THE SUPPLIERS IS 100%.

10. OBLIGATIONS ON THE BASIS OF EARNINGS AND COMPENSATION

Others short term obligations can be shown as follows:

	31.12.2019. in 000 RSD	31.12.2018. in 000 RSD
Obligations for earnings compensation		661
Obligations for employee benefits for official travel expenses		525
Other obligations towards employee	270	253
IN TOTAL	270	1.439

11. PASIVE TIME DELIMITATION

The state of passive time delimitation can be shown as follows:

	31.12.2019. in 000 RSD	31.12.2018. in 000 RSD
Deferred income - received donations in RSD		3.337
Deferred income-received dedicated foreign currency donations	17.914	15.658
IN TOTAL	17.914	18.995

EXCHANGE RATES

Official exchange rates (the official middle exchange rate of the National Bank of Serbia) of foreign currencies used for conversion into RSD equivalent of foreign currency positions of the balance sheet are as follows:

CURRENCY	31.12.2019.	31.12.2018.
EUR	117,5928	118,1946
USD	104,9186	103,3893
GBP	137,5998	131,1816

12. INCOMES FROM THE SALE OF SERVICES

Incomes from the sale of services consist of the following types of income:

	31.12.2019. in 000 RSD	31.12.2018. in 000 RSD
Incomes from providing services in the domestic market	6.200	834
Incomes from the sale of services in the foreign market		4.032
Other business incomes		117
IN TOTAL	6.200	4.983

13. INCOMES FROM DONATIONS

Incomes from donations consists of the following types of income:

	31.12.2019. in 000 RSD	31.12.2018. in 000 RSD
Incomes from donations from the budget of the Republic		
Local government donation income		
Incomes from donations from foreign governments and international organizations	70.676	102.914
Incomes from donations from domestic companies and other legal entities		
IN TOTAL	70.676	102.914

14. MATERIAL AND ENERGY COSTS

Material costs consist of the following types of costs:

	31.12.2019. in 000 RSD	31.12.2018. in 000 RSD
Cost of overhead material	320	276
Fuel and energy costs	172	327
Spare parts costs	226	
Cost of one-off write-off of tools and inventory	258	7
IN TOTAL	976	610

15. COSTS, EARNINGS, AND OTHER PERSONAL EXPENDITURES

Earnings, salaries, and other personal expenditures consist of the following types of expenses:

	31.12.2019. in 000 RSD	31.12.2018. in 000 RSD
Costs of earnings and earnings compensation (gross)	11.043	12.747
The cost of taxes and contributions on salaries and benefits at the expense of the employer	1.894	2.278
Cost of fees for the author agreements	921	97
Costs of compensation to individuals based on other contracts	1.332	1.336
Other personal expenses and fees	3.263	7.175
IN TOTAL	18.453	23.633

16. COST OF PRODUCTION SERVICES

Costs of production services consist of the following types of costs:

	31.12.2019. in 000 RSD	31.12.2018. in 000 RSD
Cost of performance services		83
Cost of transportation services	1.001	973
Cost of postal services	55	16
Rental costs	419	802
Ongoing maintenance costs	146	250
Advertising and propaganda costs	1.835	3.384
Research costs		1.300
Costs of other manufacturing services	2.209	19.616

IN TOTAL	5.665	26.424
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17. AMORTIZATION COSTS

Amortization costs consist of the following types of costs:

	31.12.2019. in 000 RSD	31.12.2018. in 000 RSD
Amortization costs	484	424
IN TOTAL	484	424

18. IMMATERIAL COSTS

Costs for non-production services consist of the following types of costs:

	31.12.2019. in 000 RSD	31.12.2018. in 000 RSD
Costs for non-production services	47.674	50.502
Representation costs	2.581	3.473
Insurance premium costs	5	
Membership fees costs	36	128
Payment costs	246	263
Costs for tax, taxi, and compensation	26	3
Costs of donations given		12
Other immaterial costs	62	255
IN TOTAL	50.630	54.636

19. FINANCIAL INCOMES

Financial incomes consist of the following types of incomes:

	31.12.2019. in 000 RSD	31.12.2018. in 000 RSD
Interest incomes		
Exchange difference incomes	1.771	971
Income from currency clause effect		1.771
971Income from participation in profits of subsidiaries and joint investments		
Other financial incomes		
IN TOTAL	1.771	971

20. FINANCIAL EXPENDITURES

Financial expenditures consist of the following types of expenditures:

	31.12.2019. in 000 RSD	31.12.2018. in 000 RSD
Interest expenditures		
Negative currency difference	1.372	1.172
Expenditures from currency clause effect		
Expenditures from participation in profits of subsidiaries and joint investments		
Other financial expenditures		
IN TOTAL	1.372	1.173

21. EXPENDITURES FROM ADJUSTING THE VALUE OF SHORT-TERM AND LONG-TERM FINANCIAL PLACEMENTS AND RECEIVABLES

Value adjustment expenses consist of the following types of expenses:

	31.12.2019. in 000 RSD	31.12.2018. in 000 RSD
Expenses based on direct write-off of receivables	899	
Other unmentioned expenses		
IN TOTAL	899	

22. OTHER INCOMES

Other incomes consist of the following:

	31.12.2019. in 000 RSD	31.12.2018. in 000 RSD
Income from write-offs	442	
Other unmentioned incomes	7	4
Mistake corrections from previous years		18
IN TOTAL	449	22

23. OTHER EXPENDITURES

Other expenditures consist of the following types of expenses:

	31.12.2019. in 000 RSD	31.12.2018. in 000 RSD
Expenditure for humanitarian purposes	92	
Other unmentioned expenditures	127	99
IN TOTAL	219	99

24. EXPENDITURES BASED ON CORRECTIONS OF MISTAKES FROM PREVIOUS YEARS

Those expenditures consist of the following types of expenditures:

	31.12.2019. in 000 RSD	31.12.2018. in 000 RSD
Corrections for mistakes from the previous year	18	
IN TOTAL	18	

Based on the above data, the Association's Financial Report for 2019. was prepared, according to which the European Policy Center generated a surplus of incomes over expenditures in the amount of RSD 379.976,45.

Person responsible for drafting
financial reports

Legal representative
