



Mediterranean Information Office

for Environment, Culture & Sustainable Development

The Mediterranean NGO Federation for Environment and development

MIO-ECSDE
FINANCIAL STATEMENTS
AS AT 31st December 2019

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1. Corporate data

MEDITERRANEAN INFORMATION OFFICE FOR ENVIRONMENT CULTURE AND SUSTAINABLE DEVELOPMENT MIO-ECSDE.

Country of Incorporation : GREECE

Registered Office : 12, KYRRISTOU Str.
105 56 ATHENS
GREECE

Activity : NON GOVERNMENTAL NON PROFIT ORGANIZATION FOR THE PROTECTION OF THE ENVIRONMENT AND THE PROMOTION OF SUSTAINABLE DEVELOPMENT IN THE MEDITERRANEAN

Auditors : PKF Euroauditing S.A
124, KIFISSIAS AVENUE
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2. Executive Bureau's Report

We hereby submit the Financial Statements in accordance with the International Financial Reporting Standards as adopted by the European Union, as well as this report for the fiscal year 2019 (from 1 January to 31 December 2019). This Report has been prepared in accordance to paragraph 5 of article 2 (part B) of Greek law 4336/2015 as well as the minutes of the Executive Bureau of MIO-ECSDE.

We note the following:

Performance and financial position / Annual activity review

As it can be seen from the analysis of "Profit and loss Statement" presented in paragraph No 4 below for the fiscal year 2019, the result before taxes amounted to a profit of € 16.157,34 as of losses of € -36.904,73 for the previous fiscal year. We note with satisfaction that the result for the year 2019 is positive and this will help in maintaining positive outcome during financial evaluations performed by the EU and other donors as the ratio total assets/total liabilities should be equal or > to 1.

For the fiscal year of 2019 the total income amounted to € 3.719.515 out of which € 980.192 euro was for the MIO-ECSDE Work Program and activities while € 2.739.323 were managed on behalf of the hosted organization GWP-Med. Previous year's income was € 4.403.599,04 out of which € 1.364.347 was for the MIO-ECSDE Work Program and activities and € 3.039.253 euro were managed on behalf of GWP-Med. Comparing the two years a total income decrease of € 684.085 or 15,53% was observed.

This decrease is mainly due to the fact that 2019 was a transition year with two major 4-year-long projects ending during the first quarter, namely SWIM H2020-SM for MIO-ECSDE and Alter Aqua for GWP-Med, while the newly secured projects were only gradually coming in.

The observed decrease in total income was accompanied, as expected, by a decrease in total expenses of € 737.147 or 16,60% amounting to € 3.703.358 for 2019 compared to € 4.440.505 in 2018.

As expected, the decrease in expenses came from the fewer activities of the two major projects that were concluded during the first quarter of 2019. From the total expenses made in 2019, 69% was allocated for project activity costs, 28% was allocated for labour cost, and 3% for office running and other costs.

The result of the fiscal year 2019, was charged with tax expense of € 10.477,47 following the tax clearance procedure which can be found in note 21 below. The result after tax, amounted to earnings of € 5.679,87 from losses of € - 42.499,18 of previous year.

In the field of investments for the fiscal year of 2019, MIO – ECSDE has invested in tangible assets of € 13.775,89 (from € 32.899,62 for fiscal year of 2018). More specifically in building improvements, in the new office space in Eretheos str., furniture and IT and telecommunication and a new heating equipment in the main offices in Kyristou str.

Financial risks

MIO – ECSDE is exposed to some financial risks such as the risk of market prices, credit risk, cash flow risk from changes in interest rates and liquidity risk which the Organisation faces with success because of its structure and its prudent policy.

Credit risk

The credit risk is limited because MIO – ECSDE liabilities come mainly from contributors, mostly public funds from the EU, and other International Organisations.

In order to minimize the risk of insecurity as much as possible, the Organisation monitors frequently the balances of each program and the terms of payment granted.

Currency risk

Although MIO – ECSDE is active internationally, it is not exposed to foreign exchange risk because all major transactions are carried out in euro or carried out directly from the US accounts for specific GWP-Med projects managed on a cash basis.

Risk of interest rate fluctuations.

This risk remains low, as there is no short-term or long-term borrowing.

Liquidity risk

The organisation meets its financial needs with a satisfactory level of bank deposits.

Environmental issues

The operation of the office has limited effects on the environment, remaining compatible to the principles it advocates as an organization that deals with its protection. At the facilities of MIO there is a complete system for recycling paper, glass and aluminum waste from its operation as well as systems for minimizing the waste of energy and water. Several members of the Staff travel to and from the office on foot or by using public transport and bicycles.

Labor issues

The company regarding the future recruitment of staff, but also for existing staff, has ensured: a) the policy of differentiation and equal opportunities (regardless of gender, religion, disadvantage or other aspects), b) respect for workers' rights and trade union rights freedom and c) health and safety at work, education/on service training systems, way of promotion, d) travel insurance, pension schemes etc.

Research and Development activities

The Organisation carries out limited activities in the field of research and development mostly in cooperation with the UNESCO Chair & Network on Sustainable Development Management and Education in the Mediterranean at the University of Athens.

Premises

The Organisation, in addition to its main facilities on 12, Kyrristou street in Plaka, has two branches/premises also in Plaka Athens, on close proximity of the main facility, one of them is in 4, Tripodon street and the other one on 4, Eretheos street.

Prospects of MIO – ECSDE.

Considering the general economic situation in Greece and Europe, the above percentages of changes are satisfactory and the dynamics of the Organisation is great and proven through its long course.

The ongoing effort in all activities strengthens the Bureau's hopes for a further improved course despite the additional restrictions and challenges imposed by COVID 19 pandemic, as it knows that



there are prospects for recovery of the economy, and the many years of experience and hard work of the staff guided by the rational and efficient administration will effectively contribute to this.

The organization is every year awarded the ISO 19001 certification, and we are pleased to also see that MIO-ECSDE remains an active member of Accountable Now as this connection allows to further reflect and celebrate MIO-ECSDE's work, analyzed through an accountability perspective. It is also an opportunity to welcome independent scrutiny and feedback, helping us to improve.

With the certainty that the Executive Bureau and the Secretariat made every legitimate effort to achieve the objectives of the year 2019 and based on the information and explanations provided herewith regarding the management of the affairs of the Organisation during the year 2019, we hereby submit the financial statements.

Athens, September 30th, 2020
The chairman of MIO-ECSDE

A handwritten signature in blue ink, appearing to read 'M. Scoullas', with a long horizontal flourish extending to the left.

Prof. Michael Scoullas

3. Independent Auditors' Report

To the members-organizations of Mediterranean Information Office for Environment Culture and Sustainable Development MIO-ECSDE

Report on the audit of the financial statements

Opinion

We have audited the accompanying financial statements of the company Mediterranean Information Office for Environment Culture and Sustainable Development MIO-ECSDE (the Company), which comprise the balance sheet as at December 31, 2019, the profit and loss statement and cash flow statement for the year then ended, as well as a summary of significant accounting policies and other explanatory notes.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company Mediterranean Information Office for Environment Culture and Sustainable Development MIO-ECSDE as of December 31, 2019, and of its financial performance and its cash flows for the year then ended, in accordance with the Greek law 4308/2014.

Basis for opinion

We have conducted our audit in accordance with the International Standards on Auditing (ISAs) as they have been transposed in Greek Legislation. Our responsibilities under those standards are described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. During our audit, we have remained independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) as transposed in Greek legislation and the ethical requirements relevant to the audit of the financial statements in Greece. We have fulfilled our responsibilities in accordance with the provisions of the currently enacted law and the requirements of the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the Greek law 4308/2014, 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 Company'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 Company or to cease operations, or has no realistic alternative but to do so.

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, as they have been transposed in Greek Legislation, 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.

As part of an audit in accordance with ISAs as they have been transposed in Greek Legislation, we exercise professional judgment and maintain professional scepticism 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 Company'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 Company'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 Company 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 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.

Report on Other Legal and Regulatory Requirements

Taking into consideration that management is responsible for the preparation of the Board of Directors' Report, according to the provisions of paragraph 5 of article 2 (part B) of Greek law 4336/2015, we note the following:

- a) In our opinion the Board of Directors' Report has been prepared in accordance with the applicable legal requirements of article 150 of Greek Law 4548/2018 and its content is consistent with the accompanying financial statements for the year ended 31.12.2019.
- b) Based on the knowledge we obtained during our audit, about the Company Mediterranean Information Office for Environment Culture and Sustainable Development MIO-ECSDE and its environment, we have not identified any material inconsistencies in the Board of Directors' Report.

PKF

Audit Tax &
Business advisory

PKF Euroauditing S.A.

Chartered Accountants Auditors
124 Kifisias Avenue 115 26 Athens
SOEL Reg. No: 132

Athens, October 8th, 2020
The Chartered Accountant Auditor



Filippos E. Kampouropoulos
SOEL Reg No: 36141

4. Balance sheet

	Note	31.12.2019	31.12.2018
ASSETS			
FIXED ASSETS			
Tangible assets	12	11.991,07	6.308,99
Intangible assets (software)	12	<u>2.440,90</u>	<u>4.658,65</u>
Total Fixed Assets		14.431,97	10.967,64
CURRENT ASSETS			
Amounts receivable	13	568.367,48	881.613,50
Other receivable	14	321.190,42	642.294,79
Cash at bank and in hand	15	2.062.674,10	2.279.377,24
Prepaid expenses		<u>0,00</u>	<u>1.300,00</u>
Total Current Assets		2.952.232,00	3.804.585,53
<u>TOTAL ASSETS</u>		<u>2.966.663,97</u>	<u>3.815.553,17</u>
EQUITY & LIABILITIES			
EQUITY			
Establishment contributions	16	733,68	733,68
Accumulated results		-2.074,82	40.424,36
Results of the year		<u>5.679,88</u>	<u>-42.499,18</u>
Total Equity		4.338,74	-1.341,14
LIABILITIES			
Trade debts (Suppliers)	17	2.600.355,86	3.468.225,16
Wages, tax and social charges	18	119.189,81	118.638,49
Deferred income (restricted funds, grant funds)	19	107.879,00	91.530,21
Other liabilities (accrued charges & provisions)	20	<u>134.900,56</u>	<u>138.500,45</u>
Total Liabilities		2.962.325,23	3.816.894,31
<u>TOTAL EQUITY & LIABILITIES</u>		<u>2.966.663,97</u>	<u>3.815.553,17</u>



5. Profit and loss statement

	1.1.-31.12.2019	1.1.-31.12.2018
INCOME		
A. Contributions received for MIO-ECSDE projects		
EUROPEAN COMMISSION - NGO Operating Grant	277.749,00	195.775,66
MINISTRY FOR ENVIRONMENT CYPRUS	5.000,00	5.000,00
ENERGY AND WATER AGENCY MALTA-Educational Programmes (73.02)	38.522,00	25.000,00
ATTICA REGION - National Contribution	9.262,76	24.064,68
KA1-ERASMUS EDUCATIONAL COURSE (73.05)	7.840,00	10.780,00
MINISTERIO FINANCE SPAIN- Plastic Buster Project	59.841,30	19.350,00
FOUNDATION IBERCIVIS -D-Noses Project	56.946,00	10.640,00
GWPO/MED (Host Institute , Alter Aqua, MEdIES, Drin-brochure)	70.000,00	95.775,00
CATALAN WASTE AGENCY - SCP/RAC - ACT4LITTER	17.246,01	50.000,00
LDK-EUROPE - SWIMH2020-SM (73.02)	249.656,70	902.373,30
LDK-EUROPE - WES MED EU (73.02)	87.800,62	0,00
GREEN FUND (PRASINO TAMEIO) HELLENIC GOVERNMENT	25.000,00	0,00
MAKHZOUIMI FOUNDATION	10.000,00	0,00
UNESCO (DIVE IN PROJECT)	13.935,95	0,00
HERAKLION DEVELOPMENT AGENCY (73.00)	14.000,00	0,00
HERCO - Hellenic Recycling Company (73.00)	29.200,00	0,00
PLOHGOS - Development Agency, Greece (73.00)	2.100,00	0,00
CYPRUS PEDAGOGIC INSTITUTE	1.000,00	0,00
OPAP - Greek Lottery Organisation	0,00	5.000,00
UNESCO -Summer University	0,00	10.000,00
OIKOM-SUMMER UNIVERSITY	0,00	2.000,00
PARTICIPATION FEES SUMMER UNIVERSITY	0,00	3.854,00
Other income		
Membership Fees (74.06)	4.325,00	2.804,00
Other income from providers (73.00)	100,00	0,00
Other income from providers (73.02)	241,93	0,00
Financial Income	40,41	59,54
Difference in Exchange Rate	424,51	1.870,78
TOTAL A	980.232,19	1.364.346,96
B. Contributions received as HI for GWP-MED		
UfM - Technical Assistance Program (73.02)	121.060,00	13.286,07
MAVA -Med Capacity Building Platform on Water Managment	0,00	22.103,00
MAVA - IUCN -Governance	0,00	8.527,00
MAVA-MED WET Communication Campaign	8.003,00	0,00
GWPO - Core Funding	142.600,00	157.500,00
IW-LEARN - (UNESCO-GWPO)	39.383,00	94.555,00
Various (ICBA for 2019, Palestinian Water Authority for 2018)	36.346,82	20.071,16
GWPO - WACDEP (NAF-TUNIS-MED Region -LRF)	85.000,00	207.339,00
CCF - ALTER AQUA (2014-2018)	143.670,00	830.997,00
SIDA - Water Cooperation in the MED	562.412,00	345.949,00
CCF - Water for the City - Alexandroupolis Project	531.302,00	304.047,00
UBA - Water Food Energy Nexus	22.181,00	68.704,00
ADA - Water Food Energy Nexus	149.132,21	60.065,00
UNDP-Albania - DRIN FSProject	691.852,00	629.021,00
UNDP-Kosovo - DRIN MSProject	114.015,00	102.764,00
NCWR-Malta Energy and Water Agency (73.02)	22.500,00	0,00
UNEP - MED PROGRAM PPG Project and Clima Project	0,00	108.557,00

	1.1.-31.12.2019	1.1.-31.12.2018
ARCOWA S.A.	0,00	8 627,06
SWIM backstopping (73.02)	4.880,00	16.800,00
<u>Other income</u>		
Financial Income	0,00	0,00
Difference in Exchange Rate	8.193,37	35.138,22
Other income	4.690,91	0,00
Previous years returns on invoiced income	47.900,66	0,00
Provisions on staff compensations	1.739,89	0,00
Other Incomes (GWP and GWP SA travel cost recoverable)	2.420,87	5.202,47
TOTAL B	2.739.282,73	3.039.252,98
TOTAL INCOME A and B	3.719.514,92	4.403.599,94

	1.1.-31.12.2019	1.1.-31.12.2018
EXPENSES		
A. MIO-ECSDE project expenses		
Personnel Costs (Account 60)	450.916,78	290.996,94
Depreciation Costs (Account 66)	2.755,18	6.495,69
Office Costs (Accounts 62 & 63)	24.024,67	40.743,48
<u>Activity Costs per project</u>		
Operating Grant	205.459,63	190.617,04
PlasticBusters MPAs	2.068,44	4.730,45
D-Noses	6.465,53	5.542,14
ACT4Drin publication	6.696,00	3.183,60
WCAC Educational Program Malta (LIFE)	8.296,22	10.206,18
KA1-ESD Training	1.056,19	1.609,17
SWIMH2020-SM	148.160,26	715.321,51
WES MED EU	73.496,34	0,00
Water Animation Malta	5.260,30	0,00
DIVE IN (UNESCO)	17.704,81	0,00
HERCO - Educational Program on Solid Waste Management	14.823,81	0,00
MPA ENGAGE	728,00	0,00
ACT4LITTER	0,00	21.871,30
Alter Aqua Educational Activities, Water for the City	0,00	13.969,19
<u>Other costs</u>		
Financial Costs (Account 65)	1.290,61	2.672,49
Difference in Exchange Rate	215,14	0,00
Provisions for employee compensations (Account 68)	0,00	2.738,92
Prior years' expenses	0,00	27.996,06
Other expenses	0,00	8,87
Extraordinary loss	0,00	1.475,93
Tax penalties and surcharges	0,00	0,00
A. TOTAL EXPENSES MIO-ECSDE	969.417,91	1.340.178,96
B. GWP-MED project expenses		
Personnel Costs (Account 60)	583.814,70	590.238,87
Depreciation Costs (Account 66)	11.020,71	25.982,78
Office Costs (Accounts 62 & 63)	170.877,29	106.128,62
Activity Costs	1.933.830,58	2.290.965,47
<u>Other costs</u>		
Financial Costs (Account 65)	14.095,17	10.689,98

	1.1.-31.12.2019	1.1.-31.12.2018
Difference in Exchange Rate	19.465,93	58.576,95
Provisions for employee compensations (Account 68)	0,00	7.405,21
Prior years' expenses	600,00	6.960,95
Extraordinary loss	0,00	3.000,00
Tax penalties and surcharges	235,28	376,88
B. TOTAL EXPENSES GWP-MED	2.733.939,66	3.100.325,71
TOTAL EXPENDITURE	3.703.357,57	4.440.504,67
RESULT BEFORE TAX	16.157,35	-36.904,73
TAX EXPENSE	-10.477,47	-5.594,45
RESULT AFTER TAX	5.679,88	-42.499,18

6. Cash flow statement

	1.1.-31.12.2019	1.1.-31.12.2018
Cash flow from operating activities		
Net profit / (loss) before tax	16.157,35	-36.904,73
Adjustments for:		
Depreciation of tangible and intangible assets	13.775,89	32.478,47
Provisions	-1.739,89	10.144,13
Foreign exchange differences	6.761,50	0,00
Result from investing activities	-40,41	-59,54
Debit interest and similar expenses	40,41	13.362,47
Working capital changes		
Decrease / (Increase) in Trade and other receivables	635.650,39	-451.512,37
Increase / (Decrease) in Trade and other payables	-865.462,49	-530.792,49
Less:		
Debit interest and similar expenses paid	-40,41	-13.362,47
Income taxes paid	-6.094,45	0,00
Net cash flow from Operating Activities	-200.992,11	-976.646,53
Cash Flow from Investing Activities		
Purchases of tangible assets	-17.240,22	-32.899,62
Proceeds from credit interest	40,41	59,54
Net cash flow from Investing Activities	-17.199,81	-32.840,08
Cash Flows from Financing Activities		
Proceeds from bank loans (credit card)	1.488,78	-352,72
Net cash flow from Financing Activities	1.488,78	-352,72
Net increase / (decrease) in cash and cash equivalents	-216.703,14	-1.009.839,33
Cash and cash equivalents at the beginning of the year	2.279.377,24	3.289.216,57
Cash and cash equivalents at the end of the year	2.062.674,10	2.279.377,24

The accompanying notes are an integral part of these financial statements

7. Incorporation – Activities - Scope

The Mediterranean Information Office for Environment, Culture and Sustainable Development (MIO-ECSDE), is operating as a Federation of Mediterranean Non-Governmental Organisations (NGOs) for Environment and Development from 1993 in the form of an Independent Legal Entity, Civil non - profit Society subject to Greek Law. In 1995 and in 2007 the members approved versions made in the Statutes of the Federation.

The main scope of the Organization is determined in its Statutes. The Code of Conduct of MIO-ECSDE were compiled upon decision of its Executive Bureau, and provide for the smooth operation of the Organisation.

MIO-ECSDE's scope is to act as a technical and political platform for the intervention of NGOs in the Mediterranean scene. In co-operation with Governments, International Organisations and other socio-economic partners, MIO-ECSDE plays an active role for the protection of the environment as well as the tangible and intangible cultural heritage and the promotion of the sustainable development of the Mediterranean Region and its countries.

The seat of the Organization is in Athens, Greece, other offices, branches, etc. can be established elsewhere in Greece and in other countries, upon decision of the Executive Bureau, in order to effectively promote the objectives of MIO-ECSDE.

The Organization was established for indefinite period.

8. Membership - Governance structure

MIO-ECSDE brings together 128 Member Organizations from 26 countries. In parallel it maintains its original role as a facilitator of more than 400 Environment and Development Organizations and Institutes registered in its network database.

In order to carry out its work in the most efficient and transparent way MIO-ECSDE has a governance structure of 4 collaborating organs/bodies:

- the Annual General Meeting
- the Executive Bureau
- the Chairperson and Co-Chairperson
- the Secretariat

9. Books and records

As of 1st January, 2010 MIO-ECSDE keeps its accounting books according to double-entry method and in accordance with Accounting Standards of Greece it is applied through computerized programs.

10. Governance of finances

An External Accountant is responsible for overseeing the preparation and certifying all economic reports presented to the Executive Bureau, the AGM and to all funding bodies.

The External Accountant is in close collaboration with MIO-ECSDE's finance and admin staff who are responsible for running the day-to-day financial operations under the supervision of the Chairman and also for keeping all relevant documentation and receipts.

The Chairman, Co-Chairman, Treasurer & the Executive Bureau may supervise financial operations. The Executive Bureau is regularly informed and controls the finances. The Annual General Meeting receives a full detailed report, approves the accounts and discharges the Executive Bureau and the Chairman. It also approves the proposed provisional budget for the next year according to the work program. Since 2016 a new system of e-requests and e-approvals (3 stage signature procedure) is applied prior to each expense and payment made, facilitated by the ERP software SOFT1.

11. Significant accounting policies

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with Greek Laws and regulations.

Foreign currency transactions

The books of the Organization are kept in Euro and the financial statements are expressed in this currency. Current assets and liabilities in foreign currencies are translated at the closing rates prevailing at the balance sheet date.

Expenses denominated in currencies other than the EURO are recorded in the accounting records and stated in the financial statements at the amounts actually converted into EURO at the rate ruling on the transaction date.

Exchange differences arising from currency conversion are charged or credited to the Income and Expenses Statement.

Income-Restricted funds

Restricted funds include funds collected before respective expenses incurred and are presented as "Deferred Income" in the Balance Sheet.

Amounts receivable for programs approved and implemented within the year are reported as receivables and are included in the Income Statement.

Expenses

Operating expenses are recognized in the income statement upon utilization of the service or at the date of their origin. Interest income and expenses are reported on an accrual basis.

Depreciation

Depreciation is accounted for using the straight-line method according with the rates provided by the Greek legislation which are 20% for Information Technology (IT) equipment and 10% for furniture and equipment.

Taxation

MIO-ECSDE economic activity is subject to Income Tax by the Greek Tax Authorities. Its other obligations to the Tax Authorities derive from labour tax, which is deducted, from all personnel and external associates' payments and V.A.T. which is stated to the Tax Authorities every month.

12. Tangible and intangible fixed assets

The table below shows the changes of "Tangible Assets" and "Intangible Assets" for the year 2019.

Table of changes of "Tangible Assets" and "Intangible Assets" for the year 2019

Code Number	Description of account	Cost			Cost 31.12.2019	Depreciation				Net book value 31.12.2019
		Cost 31.12.2018	Additions for the year 2019	Reductions for the year 2019		Depreciation 31.12.2018	Depreciation for the year 2019	Reductions for the year 2019	Depreciation 31.12.2019	
(1)	(2)	(3)	(4)	(5)	(6)=(3)+(4)-(5)	(7)	(8)	(9)	(10)=(7)+(8)-(9)	(11)=(6)-(10)
11.09	Building improvements	13.835,19	0,00	0,00	13.835,19	10.665,44	729,12	0,00	11.384,56	2.440,63
14.00	Furniture	45.504,51	1.045,02	0,00	46.549,53	43.751,89	1.349,63	0,00	45.101,52	1.448,01
14.03	IT equipment	45.733,28	10.577,19	0,00	56.310,46	45.732,47	3.686,46	0,00	49.416,93	6.891,53
14.06	Telecommunication equipment	5.940,20	2.148,57	0,00	8.088,77	5.639,94	2.148,52	0,00	8.088,46	0,31
14.09	Other equipment	4.835,43	3.469,45	0,00	8.304,88	3.449,88	3.644,41	0,00	7.094,29	1.210,59
Total of "Tangible Assets"		116.848,61	17.240,22	0,00	133.088,83	109.639,62	11.658,14	0,00	121.097,76	11.991,07
16.17	Software programmes	17.396,13	0,00	0,00	17.396,13	12.737,48	2.217,75	0,00	14.955,23	2.440,90
Total of "Intangible Assets"		17.396,13	0,00	0,00	17.396,13	12.737,48	2.217,75	0,00	14.955,23	2.440,90
Total Fixed Assets		133.244,74	17.240,22	0,00	150.484,96	122.277,10	13.776,89	0,00	136.052,99	14.431,97

13. Amounts receivable

	31.12.2019	31.12.2018
HELLENIC MINISTRY OF FOREIGN AFFAIRS (MEDEUWI – EGYPT)	75.688,00	75.688,00
UNIVERSITY OF ATHENS (Special Account for Research Grants)	20.828,25	20.828,25
HELLENIC MINISTRY FOR ENVIRONMENT	10.000,00	10.000,00
REGIONAL FUND FOR GROWTH OF IONIAN ISLANDS	0,08	0,08
OIKOM STUDY FOR ENVIRONMENT Ltd	0,00	2.480,00
GREEK LOTTERY SA	0,00	5.000,00
ATTICA REGION	10.584,94	24.064,68
HELLENIC RECOVERY RECYCLING CORPORATION	28.966,40	0,00
GREEN FUND (Hellenic Ministry for Environment)	25.000,00	0,00
GLOBAL WATER PARTNERSHIP ORGANISATION	887,65	0,00
INSTITUTE MEDITERANEE DE L'EAU IME	2.350,00	2.350,00
UNIVERSITY OF GLOUCESTERSHIRE/UK	2.966,22	2.966,22
EUROPEAN COMMISSION	194.435,52	29.147,86
LDK CONSULTANTS EUROPE SA	24.975,00	492.189,13
ENERGY AND WATER AGENCY/ MALTA	3.622,00	0,00
MED-WET/FRANCE	31.903,00	0,00
CATALAN WASTE AGENCY SCPRAC/SPAIN ACT4LITTER	0,00	111.628,17
ARCOWA SA	140,35	140,35
MINISTERIO DE ECONOMIA/DIRECCION GEN.DEL TESORO/SPAIN/119	53.624,85	15.100,00
International Center for Biosaline Agriculture /DUBAI	0,00	20.071,16
IUCN/SWITZERLAND MAVA GOVERNANCE	4.027,00	8.527,00
SECRETARIAT OF THE UNION FOR THE MEDITERRANEAN	75.810,00	13.286,07
PEDAGOGICAL INSTITUTE/CYPRUS	1.000,00	0,00
UNITED NATIONS/GWP-MED NEW PROGRAM	0,00	48.121,53
GWP-SA	1.533,22	0,00
Development for People and Nature Association (DPNA)/ LEBANON	25,00	25,00
Total	568.367,48	881.613,50

The amounts listed above correspond to balance payments not received by the end of 31.12.2019 for activities fully implemented within the year.

14. Other receivable

	31.12.2019	31.12.2018
Rent guarantees	5.850,00	5.850,00
Guarantee for Alexandroupolis project	119.908,00	604.600,00
Advances to contributors	1.261,62	20.059,28
Advances to employees	27,00	120,17
Advances to suppliers	194.137,75	5.681,60
Amounts receivable from tax Authorities	6,05	8,91
VAT receivable	0,00	5.974,83
Total	321.190,42	642.294,79

The amount listed as receivable from Tax Authorities, pertain to accumulated VAT. According to the Greek Taxation Law, VAT obligation arising from commercial activity can be turned to expenditure at the end of the third consecutive year if it is not counterbalanced. However,

MIO-ECSDE cannot actually recover most of the VAT incurred because it must be matched off against VAT on sales income.

From April 2009 (the second quarterly VAT statement) MIO-ECSDE is reporting VAT when it is incurred and therefore VAT is charged directly to the projects' expenditure. Exception is made for only for project for which VAT can be counterbalanced against VAT received.

15. Cash at bank and in hand

	31.12.2019	31.12.2018
Cash in hand	5.667,11	3.140,31
Cash at banks	2.057.006,99	2.276.236,93
Total	2.062.674,10	2.279.377,24

An amount of € 50.000,00 included in "Cash at banks" is held as security for the issuance of equal letter of guarantee and has been invested in high liquid mutual fund.

16. Establishment contribution

This is initial contribution of the members of the establishment of the organisation as it is provided in the memorandum of Association.

Initial contributions are

European Environment Bureau (EEB)	GRD 125.000	€ 366,84
Hellenic Society for Environment and Culture (Elliniki Etairia)	<u>125.000</u>	<u>366,64</u>
	<u>250.000</u>	<u>733,68</u>

MIO-ECSDE does not have a share capital. Its equity shapes from the accumulated results of the previous fiscal years, as well as the result of the year ended in 31st December 2019.

17. Trade debts (Suppliers)

	31.12.2019	31.12.2018
<u>a. Advances by clients</u>		
European Environment Agency	50,00	50,00
Global Water Partnership Organization	0,00	6.672,00
Coca Cola Foundation S.A. USA	14.317,76	157.987,76
UNDP-UNOPS/MIDTERMOLLEN/IW LEARN	0,00	26.880,37
German Ministry/BMU	0,00	71,00
Niras Natura Abbox/Sweden	8.982,15	8.982,15
Unops/Drin-Gef	0,00	9.555,91
Plan Bleu Pour/02.17/France	0,00	10.284,37
Cola Cola USA/Water for City 03.05	127.797,00	659.099,00
Sidase Sweeden/Sida Mena/02.20	903.011,73	991.353,03
Global Water Partnership/Drinos/02.15	71.257,00	15.166,00
Global Water Partnership/GWP/Kosovo 02.17	25.628,65	1.273,12
GWP/Sitwa Funds	2.000,00	2.000,00
Austrian Development Agency/220	245.278,00	368.359,00
Fundacion Ibercivis/120	133.180,00	123.204,00
MED-WET/France	0,00	1.200,00
Direccion Gral. Foundation/Spain/115.	0,00	52.858,76
IUCN (International Union for Cons. Nature/Mava Buna/Spain)	56.349,20	60.849,20
Coca Cola Foundation/Malta	262.697,02	262.697,02
Wetlands International/Mava 227	7.897,00	7.897,00
Mava GemWet Project/233	84.991,00	0,00

	31.12.2019	31.12.2018
Coca Cola Foundation USA/ Zero Drop	179.937,02	0,00
United Nations/GEF GWP-Pdf 02.06	7.144,64	7.144,64
Chaker Asma/Algeria	20,00	20,00
Ezzine Olfa/Tunis	26,00	26,00
Makhzoumi Foundation (MF)/Lebanon	25,00	25,00
Total (a)	2.130.589,17	2.773.655,33
b. Suppliers		
Trade debts to domestic suppliers	64.964,62	90.595,05
Trade debts to foreign suppliers	384.322,50	548.874,85
Other debtors	15.596,55	49.005,48
Income tax payable	4.883,02	6.094,45
Total (b)	469.766,69	694.569,83
Total (a)+(b)	2.600.355,86	3.468.225,16

18. Wages, tax and social charges

	31.12.2019	31.12.2018
Wages payable	0,00	0,00
VAT payable	3.543,73	0,00
Personnel tax withheld	48.473,14	39.343,22
Third parties tax withheld	10.028,37	29.851,44
Social security's charge	57.144,57	49.443,83
Other taxes	0,00	0,00
Total	119.189,81	118.638,49

19. Deferred income

	31.12.2019	31.12.2018
SWIM SM - Profit Share Agreement/LDK	18.320,00	23.200,00
GWP-Med/Rain Water Harvesting Project	31.144,00	31.144,00
NEXUS ADA/Austrian Development	0,00	26.051,21
GWP-DRIN 216	37.300,00	0,00
GWP-KOSOVO 217	13.200,00	0,00
WACDEP/N Africa	7.915,00	11.135,00
Total	107.879,00	91.530,21

These amounts represent programs income that has not yet been completely realized as follows:

- Represents GWP-Med income received under a profit sharing agreement and was used 2019 and will be used in 2020 also for covering relocations cost in new offices and office and other equipment renewal and maintenance.
- Represent income from Coca Cola Hellas received in 2014 (€ 31.144) for activities in the framework of the Rain Water Harvesting Project in Greece that is not yet implemented.
- Represent income received that was not counterbalance with project expenses in 2017 or 2018 and it was settled in 2019 .
- d & e) Represent management fee received in the framework of the Drin projects that is to be utilised in the coming year and is maintained as security and for covering un-expected project expenses and office costs.
- f) Represent income received for the WACDEP Capacity Building Activities for services offered by GWP-Med not yet utilised.

21. Other liabilities (accrued charges & provisions)

	31.12.2019	31.12.2018
Provisions for employee compensations	59.375,30	61.115,19
Tax provisions for unaudited years 2010-2014	60.322,86	60.322,86
Accrued expense liability	15.202,40	17.062,40
Total	134.900,56	138.500,45

22. Tax expense

Result before tax (from Profit and Loss Statement) (a):		16.157,35
More:		
Debit exchange differences from year end valuation	14.928,45	
Other expenses without transaction documents (per diems)	19.558,57	
Previous years expenses (MIO-ECSDE)	600,00	
Tax penalties and surcharges	235,28	
Total (b):		35.322,30
Less:		
Credit exchange differences from year end valuation	-8.166,95	
Provisions for employee compensations of the year 2019:	-1.739,89	
Previous years losses for tax reform	0,00	
Total (c):		-9.906,84
Fiscal year's earnings due to tax (a)+(b)+(c):		41.572,81
Tax rate:	24,00%	
Tax expense for the year of 2019 (41.572,81 X 24%):		9.977,47
Plus: Tax authority business fee:		500,00
Total tax expense for the year of 2019:		10.477,47

23. MIO-ECSDE as a Host Institute

MIO-ECSDE remains the Host Institute for the GWP-MED Secretariat and all funds secured for GWP-MED projects and activities are channelled through MIO-ECSDE accounts.

The total GWP-Med funding for the financial year 2019 reached the amount of € **2.809.283**.

From the overall amount of € **2.809.283** an amount of € **70.000** pertains to the activities undertaken by MIO-ECSDE itself as HI and as GWP-Med partner.

The remaining amount of € **2.739.283** pertains to GWP-MED budget for the implementation of its activities according to its WP 2019.

25. Contingent liabilities


The books and accounting records of the Organization have not been examined by the tax authorities for the years from 2010 until 2019.

Tax books for the fiscal year of 2015 have been audited by the Chartered Accountants who sign these financial statements and the outcome of their audit has been taken into consideration by the Organization for the preparation of the tax declaration for the year 2015.

Furthermore, based on the outcome of the tax audit for the year 2015 there has been a corresponding projection for the unaudited fiscal years from 2010 to 2014 in the tax books, through a provision for additional tax amounted in € 60.322,86 which was charged in the results of the year 2015 and was projected in the account of the Statement of financial position «Other liabilities (accrued charges & provisions)».

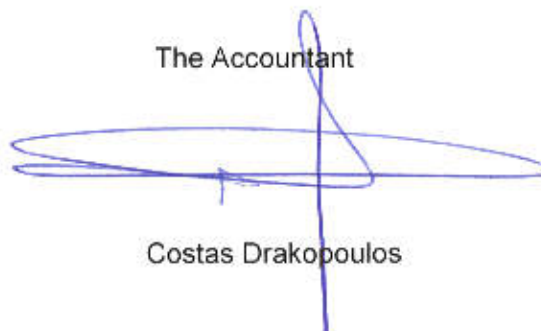
The Management of the Organization estimates that the above mentioned amount is sufficient enough to cover possible additional taxes that will arise from a future tax audit by the tax authorities. Furthermore, the outcome of the tax audit for the year 2015 has been taken into consideration for the preparation of the tax declaration for the years 2016, 2017, 2018 and 2019.

The chairman of MIO-ECSDE



Prof. Michael Scoulios

The Accountant



Costas Drakopoulos