



Annual Report

Beginning of financial year: 01 January 2015 **End of financial year:** 31 December 2015

Foundation name: e-Governance Academy **Registry number:** 90007000

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Activity report

Activity report 2015

e-Governance Academy (eGA) is an independent mission-based non-profit organisation, brought into existence by the United Nations Development Programme, Open Society Institute and the Government of Estonia in 2002. eGA is audited by an internationally recognised audit firm, currently KPMG Baltics. eGA inspires, trains and advises public sector leaders, officials and stakeholders in using information technology to increase government efficiency and transparency and improve democratic processes. Additionally, in cooperation with companies eGA assists foreign governments in the design, selection and implementation of e-solutions.

eGA has trained over 3000 officials from more than 60 countries and led or participated in more than 60 international development projects on the national, local and organisational levels.

eGA has extensive experience in the development of e-governance in transitional societies, particularly in Central and Eastern Europe, the Balkans, and Africa. In addition, eGA has excellent cooperation with countries of the European Union (Finland, Sweden, Netherlands, Latvia, and many others).

eGA is a member of the Estonian Roundtable for Development Cooperation and the Network of Estonian Non-Profit Organisations. In carrying out its activities, eGA follows the Code of Ethics of Estonian non-profit organisations.

Development of the organisation

In 2015, eGA's organisation and activities sustained growth. The management board continued with two members.

Altogether, in 2015 eGA had 24 staff working under employment contracts and 5 new positions were filled. The year-end number of part- and full-time employees was 22, converted to full-time equivalent 17.

In addition, eGA works closely with more than fifty e-governance experts and many companies involved in the area.

Strategic activities

eGA's strategic goal is to become the world's leading e-governance consultancy and think tank.

In 2015, the scope and geographic reach of eGA's projects widened significantly. eGA's activities have been introduced at numerous international conferences and eGA is increasingly invited to join international cooperation projects as a recognised partner. In 2015, we broadened our activities in large-scale EU-funded cooperation projects in Armenia and Georgia.

In Georgia, a twinning project was launched that is, for the first time, led by Estonia (represented by eGA).

In addition, a large-scale e-governance technology project is being carried out in Namibia where eGA is the Namibian government's partner in the development of the organisation as well as the legal framework and technology.

During the period, our key domains were:

- Central e-Government
- Local e-Government
- e-Democracy
- Cyber Security

In 2015, the volume of our activities grew considerably. The projects in Armenia, Ukraine, Namibia, Kyrgyzstan, Moldova, Georgia and Tunisia continued on a full-scale basis.

A major project was launched for developing a methodology of the cyber security index. eGA works to promote implementation of the cyber security index in as many countries as possible, which in turn would increase both Estonia's and eGA's global recognition in the area.

The importance of technology transfer projects in which we involve different ICT companies has grown as well. This has led to the emergence of two key areas – creation of interoperability architectures and solutions (based on the Estonian X-Road solution) and testing of digital identities (based on the Estonian ID card and mobile ID).

There have also been various positive developments in setting up eGA-like organisations in other parts of the world. Establishment of similar organisations based on eGA's experience would help both Estonia and eGA share their competencies and knowledge across the world.

Key projects

Assistance to the Ukrainian government in the development of e-governance 2014–2015

The project supported the Ukrainian government in the implementation of e-governance: developing policy documents, planning e-governance activities, developing legislation, capacity building, increasing participation, and developing e-services for individuals and companies.

Donors: Swedish International Development Cooperation Agency SIDA and Ministry of Foreign Affairs

Implementation of the principles of open government in engaging citizens in decision-making processes in Moldova 2014–2015

The project supported and trained the Moldovan government and civil society in making policy- and decision-making processes more open and transparent and engaging civic organisations and citizens in the government process.

Donor: Ministry of Foreign Affairs

Strengthening the efficiency of IDDEEA (Twinning Bosnia and Herzegovina) 2013–2015

The objective of the EU twinning project was to contribute to the development of public administration, execution of effective reforms and improvement of the quality of public services in Bosnia and Herzegovina. The project helped enhance the technical and human capacities of the Agency for Identification Documents, Registers and Data Exchange of Bosnia and Herzegovina (IDDEEA).

Donor: European Commission

Supporting the government of Tunisia in developing e-governance 2013–2015

The project continued the cooperation started in 2012. In the framework of the project eGA's experts analysed the legal and organisational setup of e-government in Tunisia, made proposals for improving personal identification management and carried out an X-Road pilot project in Tunisia.

Donor: Ministry of Foreign Affairs

Implementing intergovernmental online services and the X-road data exchange layer for the Palestine government 2013–2015

As a result of the project, the Palestine government's intergovernmental online services were launched: the central data exchange system X-road was implemented, X-road-related organisational setup and legal environment were developed, hardware for implementing the central system and interfacing the pilot institutions was procured, over 10 government institutions were connected to the central system, the institutions' databases were opened for service creation and over 15 e-services were created which use the central system and the databases.

Donor: Ministry of Foreign Affairs

Evaluation of the e-governance capacity of São Tomé and Príncipe 2015

During the project, eGA evaluated the e-governance capacity of São Tomé and Príncipe and prepared a report containing recommendations for further activities and proposed a 2-3 year action plan together with budget projections.

Donor: Ministry of Foreign Affairs

Tallinn e-Governance Conference 2015

The Tallinn e-Governance Conference, held on 12-13 May 2015, was preceded by a preparatory seminar organised for the representatives of the Eastern Partnership countries on 11 May. The conference attracted 223 people from 35 countries. The keynote speech was given by President Toomas Hendrik Ilves and participants included other countries' government ministers, heads of e-governance agencies, and other relevant officials. Civil society representatives could participate in open government and transparency workshops. The conference received extensive media coverage.

Donors: Ministry of Foreign Affairs, European Commission, sponsors.

Cloud for Europe 2013–2017

The project supports offering of new cloud computing solutions and implementation of cloud computing technologies in the public sector. The objective is to remove obstacles to the implementation of cloud computing and determine a set of international public sector requirements. The project has 24 partners from 11 European countries.

Donor: European Commission.

Implementation of an interoperability solution in Namibia 2015–2017

The objective of the project is to implement a governmental interoperability solution and develop relevant organisational capacities and regulatory framework in Namibia. The project is carried out in cooperation with Cybernetica AS. Donor: Government of Namibia

Open Government Partnership in the Estonian local governments 2014–2016

The objective of the project is to facilitate development of transparent and participatory governance in Estonian rural municipalities and cities. As an outcome of the project, in autumn 2015 a local governments' OGP forum was held in Rakvere. Speakers included local democracy spokespeople from Estonia and other countries such as Norway and Iceland.

Donor: Open Estonia Foundation

Introducing Estonian ICT solutions to delegations from developing countries 2015–2017

The objective of the project is to arrange introductions of Estonian e-governance solutions and training programmes for delegations from developing countries and, if necessary, organise similar presentations in developing countries.

Donor: Ministry of Foreign Affairs

Increasing the capacity for the development of participatory democracy, open governance & efficient e-government services in Eastern Partnership Countries 2015–2016

The objective of the project is to increase the capacity for the development of participatory democracy, open governance and e-services in six Eastern partnership countries (Armenia, Azerbaijan, Belarus, Georgia, Moldova and Ukraine).

Donor: Ministry of Foreign Affairs of Finland

Support to strengthening of e-governance in Georgia 2015–2017

The objective of the EU-funded twinning project is to strengthen the human resources and institutional capacity of the Data Exchange Agency (DEA) of Georgia in the field of e-governance in line with the EU standards.

Donor: European Commission

e-Governance support to the Ukrainian local governments 2014–2016

The objective of the project is to implement e-governance applications in Ukrainian cities and regions (oblasts) (in the Ivano-Frankivsk oblast administration and the cities of Ivano-Frankivsk, Kalush, Dolyna and Lviv) in four areas: Electronic Document Management System (EDMS), Call Centre, Geographical Information System (GIS) and Mobile Applications.

Donors: Swedish International Development Cooperation Agency SIDA and Ministry of Foreign Affairs

e-Governance capacity building in Ukraine 2015–2016

The objective of the project is to increase Ukraine's capacity for e-governance, with a focus on building the capacity of the Ukrainian State Agency of e-Government in strategic communication, intra-governmental collaboration and development of e-services.

Donors: USAID (Emerging Donors Challenge Fund) and Ministry of Foreign Affairs

Development of e-governance at the Armenian Ministry of Justice 2015–2017

The objective of the project is to enhance the capacity of the Armenian Ministry of Justice for electronic provision of public services and to increase the ministry's internal efficiency and transparency as well as the accessibility of its services.

Donor: European Commission

National cyber security capacity building in Moldova 2014–2016

The objective of the project is to ensure systematic development of cyber security in Moldova. The project helps increase cyber security knowledge and build a modern cyber security culture in the Moldovan society.

Donor: Ministry of Foreign Affairs

Implementation of a National Cyber Security Index in Moldova 2015–2016

The objective of the project is to develop a national cyber security assessment methodology and implement it in Moldova. The outcome of the project will be a universal methodology (index) that allows assessing a country's cyber security situation or a central aspect of it. Moldova is the pilot country for testing the methodology.

Donor: Ministry of Foreign Affairs

Improving access to judicial decisions in Moldova 2015–2016

The objective of the project is to digitise the currently paper-based Moldovan courts archives so as to provide fast and convenient online access to court information not currently available in digital form and online searches of cases and rulings based on multiple search criteria. The proposed system will enhance the transparency of the courts' activities and provide public user-friendly access to information and services.

Donors: USAID (Emerging Donors Challenge Fund) and Ministry of Foreign Affairs

Interoperability framework for Kyrgyzstan 2015–2016

The objective of the project is to build the Kyrgyz government's capacity for keeping data in digital form and develop an interoperability solution for data exchange between the government's databases in order to offer citizens, businesses and government institutions e-services.

Donors: USAID and Ministry of Foreign Affairs

Training civil society representatives from Uzbekistan in e-governance and use of ICT solutions 2015–2016

The objective of the project is to train civil society representatives from Uzbekistan in the field of information and communications technology (ICT) to increase their knowledge of ICT developments and capacity for using e-services.

Donors: USAID and Ministry of Foreign Affairs

Norwegian-Estonian e-government initiative 2015–2016

The project strives to build and develop cooperation between the leading Norwegian and Estonian organisations in the field of e-governance, cyber security, innovation, and business development. The objectives of the project are to develop e-governance and cyber security-related collaboration between public and private sector partners in Norway and Estonia, to develop a common platform for a Norwegian-Estonian e-government incubator or lab in Tallinn in order to carry out new Norwegian and Estonian e-government initiatives, and to develop a common model for promoting collaboration in developing countries.

Donors: Norwegian funds

Support to Faroe Islands e-government development 2015–2016

In the first phase of the project, we advised the government of the Faroe Islands in the development of an interoperability solution (X-Road) and creation of digital identities. Based on the decision of the local government, the project continued with the development of the X-Road. In the second phase of the project that started in 2015, we began providing consultations, training and technical support for the deployment of the X-Road.

Donor: Government of the Faroe Islands

The Cayman Islands Government advising

The Government of Cayman Islands wanted to establish uniformed principles for the development of e-governance and eGA experts shared the guidance to Cayman Islands Government in decision-making for the development of e-government. Several seminars, workshops, discussion rounds and a conference were organised in a cooperation with e-Governance Academy. During those events, eGA's experts explained the foundations of e-governance, shared the Estonian best practices and showed how different solutions work in practice.

Donor: State Chancellery of the Cayman Islands

Nagaland's Government advising

E-Governance Academy experts advised Nagaland's politicians, officials and IT experts in e-governance and e-solutions to matters that Nagaland wants to start implementing by following the Estonian example. Estonian experts also participated in the opening of State's new e-services by showcasing the Estonian e-services to 80 IT professionals. Also meetings with members of the government took place.

Donor: Government of Nagaland

Rising the communication capabilities of eGA

During the organisational communication capacity building project, organisation's communication strategy was worked out and the basis of the visual identity was updated as well as new information materials were created.

Donors: Ministry of the Interior and the National Foundation of Civil Society (NFCS)

Training activities

In 2015, eGA organised 18 training events. Altogether, we provided training to 214 people from a wide range of countries including Ukraine, Uzbekistan, Russia, Palestine, Netherlands, Thailand, Tanzania, Bosnia and Herzegovina, Moldova, Kyrgyzstan, etc.

Annual financial statements

Statement of financial position

(In euros)

As at 31 December	2015	2014	Note
Assets			
Current assets			
Cash and cash equivalents	1,510,121	936,206	2
Receivables and prepayments	158,382	720,370	3
Total current assets	1,668,503	1,656,576	
Non-current assets			
Receivables and prepayments	14,901	0	3
Property, plant and equipment	67,604	9,732	6
Total non-current assets	82,505	9,732	
Total assets	1,751,008	1,666,308	
Liabilities and net assets			
Liabilities			
Current liabilities			
Loan liabilities	0	47	
Payables and advances received	142,494	808,142	7
Deferred grants and transfers	1,317,604	777,072	9
Total current liabilities	1,460,098	1,585,261	
Total liabilities	1,460,098	1,585,261	
Net assets			
Capital of the foundation at par value	383	383	
Accumulated surpluses	80,664	79,099	
Surplus for the year	209,863	1,565	
Total net assets	290,910	81,047	
Total liabilities and net assets	1,751,008	1,666,308	

Statement of financial performance

(In euros)

	2015	2014	Note
Revenue and other income			
Grants and transfers	1,766,928	2,172,010	10, 15
Revenue from trading activities	747,332	91,572	
Other income	68,414	117,417	11, 15
Total revenue and other income	2,582,674	2,380,999	
Expenses			
Direct expenses of projects funded with grants and transfers	-1,779,691	-2,196,334	12
Other operating expenses	-408,752	-107,411	
Personnel expenses	-216,573	-101,378	13
Depreciation and impairment losses	-2,787	-4,254	6
Total expenses	-2,407,803	-2,409,377	
Surplus/deficit on operating activities	174,871	-28,378	
Other finance income and costs	34,992	29,943	
Surplus for the year	209,863	1,565	

Statement of cash flows

(In euros)

	2015	2014	Note
Cash flows from operating activities			
Surplus/deficit on operating activities	174,871	-28,378	
Adjustments for			
Depreciation and impairment losses	2,787	4,254	6
Other adjustments	149	0	
Total adjustments	2,936	4,254	
Change in receivables and prepayments	509,024	-10,223	3
Change in payables and advances received	-665,648	503,126	7
Interest received	75	275	
Interest paid	-267	-355	
Proceeds from grants and transfers received	540,532	-233,500	9
Other cash flows from operating activities	5,743	10,214	
Net cash from operating activities	567,266	245,413	
Cash flows from investing activities			
Paid on acquisition of property, plant and equipment	-22,746	-5,175	6
Net cash used in investing activities	-22,746	-5,175	
Cash flows from financing activities			
Repayment of loans received	-47	-360	
Payment of finance lease principal	0	-47	
Net cash used in financing activities	-47	-407	
Net cash flow	544,473	239,831	
Cash and cash equivalents at beginning of period	936,206	676,567	2
Increase in cash and cash equivalents	544,473	239,831	
Effect of movements in foreign exchange rates	29,442	19,808	
Cash and cash equivalents at end of period	1,510,121	936,206	2

Statement of changes in net assets

(In euros)

	Capital of the foundation at par value	Accumulated surpluses	Total net assets
As at 31 December 2013	383	79,099	79,482
Surplus for the year	0	1,565	1,565
As at 31 December 2014	383	80,664	81,047
Surplus for the year	0	209,863	209,863
As at 31 December 2015	383	290,527	290,910

Notes to the annual financial statements

Note 1 Significant accounting policies

General information

Basis of preparation

The annual financial statements of e-Governance Academy (hereafter also referred to as 'the foundation') have been prepared in accordance with the Republic of Estonia Accounting Act and generally accepted accounting principles (the Estonian GAAP). The basic requirements of the Estonian GAAP are set out in the Estonian Accounting Act and more specific guidance is provided in the standards issued by the Estonian Accounting Standards Board.

The financial statements have been prepared on the historical cost basis unless described otherwise in these accounting policies. The financial statements are presented in euros.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, current accounts, demand deposits, term deposits with a short maturity (less than three months) and units in money market funds that are not subject to a material risk of changes in market value.

Presentation of the statement of cash flows

Cash flows from operating activities are reported using the indirect method – the net cash flow from operating activities is determined by adjusting surplus or deficit on operating activities for the effects of non-cash items and changes in operating receivables and payables. Cash flows from investing and financing activities are reported using the direct method.

Foreign currency transactions and financial assets and liabilities denominated in a foreign currency

A transaction in a foreign currency is recorded by applying the exchange rate of the European Central Bank of the date of the transaction. At the reporting date, foreign currency monetary items are translated to euros using the closing exchange rates of the European Central Bank. Exchange gains and losses arising on translation are recognised in the statement of financial performance.

Financial assets

Financial assets comprise cash, short-term investments in financial assets, trade receivables and other current and non-current receivables. When a financial asset is recognised initially, it is measured at its cost, which is the fair value of the consideration given for it. The initial cost of a financial asset comprises all transaction charges directly attributable to its acquisition.

Purchases and sales of financial assets are consistently recognised at the settlement date, i.e. at the date the assets are transferred to or by the foundation.

Receivables and prepayments

Trade receivables

Trade receivables comprise short-term receivables acquired in the ordinary course of the foundation's activities. Trade receivables are measured at their amortised cost (i.e. at nominal value less any repayments and impairment losses).

A trade receivable denominated in a foreign currency is recorded initially by applying the exchange rate of the European Central Bank of the date of the transaction. At the reporting date, foreign currency trade receivables are translated to euros using the exchange rates of the European Central Bank ruling at that date.

Trade receivables are assessed for impairment on an individual basis, i.e. the collectibility of each amount due under an invoice or a contract is assessed separately. When individual assessment is not practicable due to the large number of items involved, only significant receivables are assessed for impairment on an individual basis. The rest of the receivables are assessed for impairment collectively by reference to the foundation's historical experience with uncollectible items. Recovery of doubtful (impaired) receivables written down in a prior period is recognised by reducing expenses from doubtful receivables. Trade receivables whose collection is doubtful are recognised as expenses in accordance with the provisions of the Accounting Act.

Other receivables

All other receivables (accrued income, loans provided and other current and non-current receivables) except for items acquired for resale are measured at their amortised cost.

As a rule, the amortised cost of a current receivable is equal to its nominal value (less any impairment losses). Therefore, a current receivable is carried in the statement of financial position in the amount that is expected to be collectible. A non-current receivable is recognised initially at the fair value of the consideration receivable. In subsequent periods, it is measured and interest income is charged on it using the effective interest rate method. Receivables acquired for resale are measured at their fair value.

Property, plant and equipment and intangible assets

Non-current assets

In line with the materiality concept, an asset is recognised as non-current if its cost exceeds 600 euros and estimated useful life extends beyond a year.

An item of property, plant and equipment is recognised initially at its cost, which comprises its purchase price (including import duties and other non-refundable taxes) and other direct costs incurred in bringing the asset to the location and condition necessary. After initial recognition, an item of property, plant and equipment is carried at its cost less any accumulated depreciation and any impairment losses. Items of property, plant and equipment are depreciated over their estimated useful lives using the straight-line method.

In the statement of financial position, non-current assets are classified in line with the format provided in the Accounting Act. The foundation has the following classes of non-current assets:

- Property, plant and equipment, which comprises computers and equipment and other fixtures and fittings.

Where an item of property, plant and equipment consists of parts that have different useful lives, the parts are accounted for separately and assigned depreciation rates that correspond to their useful lives. Where the recoverable amount of an item of property, plant and equipment (i.e. the higher of its net selling price and value in use) declines below its carrying amount, the asset is written down to its recoverable amount.

Threshold for recognising assets as items of property, plant and equipment and intangible assets 600 euros

Useful lives assigned to asset classes (in years)

Asset class	Useful life
Computers and equipment	3 years
Other fixtures and fittings	10 years

Leases

A finance lease is a lease that transfers substantially all the risks and rewards incidental to ownership of an asset to the foundation. All other leases are classified as operating leases.

The foundation as a lessee

Finance leases are recognised as assets and liabilities in the statement of financial position at amounts equal to the fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between the finance charge (interest expense) and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability. A leased asset is depreciated similarly to assets that are owned. When it is not sufficiently certain that the lessee will acquire the asset by the end of the lease term, the leased asset is depreciated over the shorter of its lease term and estimated useful life.

Operating lease payments are recognised as an expense on a straight-line basis over the lease term.

Financial liabilities

Financial liabilities comprise trade payables, accrued expenses and other current and non-current payables and borrowings. When a financial liability is recognised initially, it is measured at its cost which is the fair value of the consideration received for it. The initial cost of a financial liability comprises all transaction charges directly attributable to its acquisition. After initial recognition, financial liabilities are measured at their amortised cost.

A financial liability is removed from the statement of financial position when it is discharged or cancelled or expires.

Grants and transfers

The activities of e-Governance Academy are financed to a significant extent with grants and transfers.

In the statement of financial performance, the item Grants and transfers comprises specific-purpose grants and transfers – for example, the transfers received for carrying out the development cooperation projects of the Ministry of Foreign Affairs, the grants provided by Open Estonia Foundation and specific-purpose grants and transfers received from other organisations and persons.

The cash received for a project is recognised in the statement of financial position as a liability (deferred income), which is taken to revenue in proportion to the expenses incurred in the reporting period in respect of the same project or at the rate of execution of the project. When a financed activity (project) ends, the foundation has to submit to the provider of the specific-purpose grant (the donor) a report on the use of funds received. As a rule, the amount of a grant that remains unused is returned.

When the expenses of a project funded with a specific-purpose grant are incurred in the eligibility period and meet the eligibility rules but the cash to be provided by the donor has not yet been received, the expenses are recognised as project expenses in the period in which they are incurred and are taken to revenue in the same amount in accordance with the principle of matching revenues and expenses. An amount of the same size is recognised as a receivable until cash is received from the donor.

Other income comprises other project-based funding provided by donors for specific-purpose projects or training. The cash received for a project is recognised in the statement of financial position as a liability (deferred income), which is taken to revenue in proportion to the expenses incurred in the reporting period in respect of the same project or at the rate of execution of the project. Other income comprises mainly financing for short-term projects and training events.

Grants are recognised as income on a systematic basis over the periods in which the foundation recognises as expenses the costs for which the grants are intended to compensate. A grant received for compensating for expenses incurred in previous periods or which do not have any attaching conditions that have to be complied with in the future are recognised as income in the period in which the grant was provided. A grant is not recognised as income until there is reasonable assurance that the foundation will comply with the conditions attaching to the grant and the grant proceeds become receivable. In the statement of cash flows, specific-purpose grants are reported using the indirect method.

Revenue from trading activities

Revenue from trading activities comprises income generated by economic activities. The item also includes successful bids for public procurement projects, short-term consulting revenue and revenue from services that support the foundation's statutory activities.

Related parties

A related party is a person or a company that is related to e-Governance Academy to such an extent that transactions between them may be conducted on terms other than market terms.

Related parties include:

1. the founders;
2. the members of the executive and higher governing bodies; and
3. close family members of the founders and the members of the executive and higher governing bodies;
4. companies under the control or significant influence of all of the above persons.

Vacation pay liability

Expenses related to the vacation pay liability are recognised in the period in which the liability arises. The vacation pay liability is adjusted on an annual basis – at the end of the financial year. The vacation pay earned by the employees is recognised as an expense in the statement of financial performance and a current liability to employees in the statement of financial position.

Events after the reporting period

The financial statements reflect all significant events affecting the valuation of assets and liabilities that became evident between the reporting date (31 December 2015) and the date on which the financial statements were authorised for issue but are related to the reporting or prior periods. Subsequent events that are indicative of conditions that arose after the reporting date but which will have a significant effect on the result of the next financial year are disclosed in the notes to the financial statements.

Note 2 Cash and cash equivalents

(In euros)

As at 31 December	2015	2014
Cash on hand, EUR	2,809	1,077
Cash on hand, foreign currencies	3,529	3,494
Cash at bank, EUR	1,050,653	717,219
Cash at bank, foreign currencies	453,130	214,416
Total cash and cash equivalents	1,510,121	936,206

Note 3 Receivables and prepayments

(In euros)

	31 Dec 2015	Breakdown by remaining maturity		Note
		12 months	1-5 years	
Trade receivables	36,602	36,602	0	
Accounts receivable	36,602	36,602	0	
Prepaid and recoverable taxes	3,469	3,469	0	4
Other receivables	103,041	103,041	0	5
Accrued income	103,041	103,041	0	
Prepayments	15,270	15,270		
Miscellaneous receivables and prepayments	14,901	0	14,901	
Total receivables and prepayments	173,283	158,382	14,901	

	31 Dec 2014	Breakdown by remaining maturity		Note
		12 months	1-5 years	
Trade receivables	410,268	410,268	0	
Accounts receivable	410,268	410,268	0	
Other receivables	56,646	56,646	0	
Accrued income	56,646	56,646	0	5
Prepayments	88,409	88,409	0	
Miscellaneous receivables and prepayments	165,047	165,047	0	
Total receivables and prepayments	720,370	720,370	0	

Note 4 Prepaid taxes and taxes payable

(In euros)

	2015		2014
	Prepayment	Payable	Payable
Value added tax	3,469	0	437
Personal income tax	0	9,186	7,465
Income tax on fringe benefits	0	1,235	676
Social security tax	0	17,557	13,500
Statutory funded pension contributions	0	682	637
Unemployment insurance contributions	0	882	890
Late payment interest	0	116	4
Other taxes		7	0
Total	3,469	29,665	23,609

Note 5 Other receivables

(In euros)

As at 31 December 2015		Breakdown by remaining maturity		Note
		12 months	1-5 years	
Accrued income	103,041	103,041	0	3
Receivables from donors	88,184	88,184	0	3
Miscellaneous short-term receivables	14,857	14,857	0	3
Total other receivables	103,041	103,041	0	

As at 31 December 2014		Breakdown by remaining maturity		Note
		12 months	1-5 years	
Accrued income	56,646	56,646	0	3
Receivables from donors	55,190	55,190	0	3
Miscellaneous short-term receivables	1,456	1,456	0	3
Total other receivables	56,646	56,646	0	

Note 6 Property, plant and equipment

(In euros)

	Computers and computer systems	Plant and equipment	Other items of property, plant and equipment	Prepayments	Projects in progress and prepayments	Total
As at 31 December 2014						
Cost	29,587	29,587				29,587
Accumulated depreciation	-19,855	-19,855				-19,855
Carrying amount	9,732	9,732				9,732
Additions	10,806	10,806	11,940	38,063	38,063	60,809
Depreciation for the period	-2,588	-2,588	-199			-2,787
Other changes	-150	-150				-150
As at 31 December 2015						
Cost	32,965	32,965	11,940	38,063	38,063	82,968
Accumulated depreciation	-15,165	-15,165	-199	0	0	-15,364
Carrying amount	17,800	17,800	11,741	38,063	38,063	67,604

Note 7 Payables and advances received

(In euros)

	As at 31 December 2015	12 months	Note
Trade payables	44,038	44,038	
Payables to employees	45,361	45,361	8
Taxes payable	29,665	29,665	4
Other payable	330	330	
Grants payable	23,100	23,100	
Total payables and advances received	142,494	142,494	

	As at 31 December 2014	12 months	Note
Trade payables	751,464	751,464	
Payables to employees	32,801	32,801	8
Taxes payable	23,609	23,609	4
Other payable	268	268	
Total payables and advances received	808,142	808,142	

Note 8 Payables to employees

(In euros)

As at 31 December	2015	2014	Note
Vacation pay liability	32,186	22,557	
Salaries payable	2,579	487	
Other payables to employees	10,596	9,757	
Total payables to employees	45,361	32,801	7

Note 9 Deferred grants and transfers

(In euros)

Assets at gross cost	31 Dec 2014	Received	Returned	Income 31 Dec 2015	
Specific-purpose grants related to income					
Grants for projects	777,072	2,068,436	-5,882	-1,522,022	1,317,604
Total grants related to income	777,072	2,068,436	-5,882	-1,522,022	1,317,604
Total grants and transfers	777,072	2,068,436	-5,882	-1,522,022	1,317,604

Note 10 Grants and transfers

(In euros)

	2015	2014	Note
Specific-purpose grants and transfers related to income			
Specific-purpose grants and transfers for carrying out projects	1,722,428	2,127,530	15
Total grants and transfers	1,766,928	2,172,010	
Of which transfers from state budget	519,921	598,934	
Other specific-purpose grants	1,247,006	1,573,076	
Monetary and non-monetary donations			
Monetary donations	1,500	6,400	
Total donations	1,500	6,400	

Note 11 Other income

(In euros)

	2015	2014
Other project-based specific-purpose funding	57,237	112,509
Miscellaneous income	11,177	4,908
Total other income	68,414	117,417

Note 12 Direct expenses of projects funded with grants and transfers

(In euros)

	2015	2014	Note
Transport expenses	34,022	178,982	
Miscellaneous office expenses	74,093	65,183	
Travel expenses	221,161	62,942	
Personnel expenses	733,142	468,489	13
Depreciation expense	0	432	
Expenses on visas	1,132	1,558	
Training participants' accommodation expenses	27,185	31,830	
Other project/training execution expenses	688,956	1,386,918	
Total direct expenses of projects funded with grants and transfers	1,779,691	2,196,334	

Note 13 Personnel expenses

(In euros)

	2015	2014	Note
Salary expenses	761,826	423,303	
Social security charges	187,889	139,614	
Total personnel expenses	949,715	562,917	
Of which recognised as direct expenses of projects funded with grants and transfers	733,142	468,489	12
Average number of staff converted to full-time equivalent	17	13	

Note 14 Related party disclosures

(In euros)

Balances and transactions with related parties

2015	Purchases	Sales
Members of the executive and higher management and individuals with a significant participation and companies under their control or significant influence	6,445	360

2014	Sales
Members of the executive and higher management and individuals with a significant participation and companies under their control or significant influence	3,150

Remuneration and other significant benefits provided to the executive and higher management

	2015	2014
Remuneration provided	155,427	129,300

Purchases from related parties comprise purchases of document digitisation and consulting services. Sales to related parties comprise training services.

Reporting signatures

Date of completion: 07/06/2016

E-Governance Academy Foundation (registry code: 90007000) 01.01.2015 - 31.12.2015 Annual report on the accuracy of the data is electronically confirmed:

Signer name	Signer role	Signature time
HANNES ASTOK	Board member	07/06/2016
ARVO OTT	Board member	08/06/2016

INDEPENDENT AUDITORS' REPORT

To the supervisory board of e-Governance Academy

We have audited the accompanying financial statements of e-Governance Academy which comprise the statement of financial position as at 31 December 2015, the statement of financial performance, the statement of changes in net assets and the statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information. The audited financial statements are presented on pages 6 to 18.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in Estonia, 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing (Estonia). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects the financial position of e-Governance Academy as at 31 December 2015, and its financial performance and its cash flows for the year then ended in accordance with accounting principles generally accepted in Estonia.

/signed digitally/

Indrek Alliksaar

Certified Public Accountant, Licence No 446

KPMG Baltics OÜ

Audit Firm Licence No 17

Narva mnt 5, Tallinn

13 June 2016

Accountants signatures

E-Governance Academy Foundation (registry code: 90007000) 01.01.2015 - 31.12.2015 Annual report.

Name of the signatory	Signer role	Signature time
INDREK ALLIKSAAR	Statutory auditor	13/06/2016

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Sihtkapital

KODANIKUÜHISKONNA TOETUSEKS