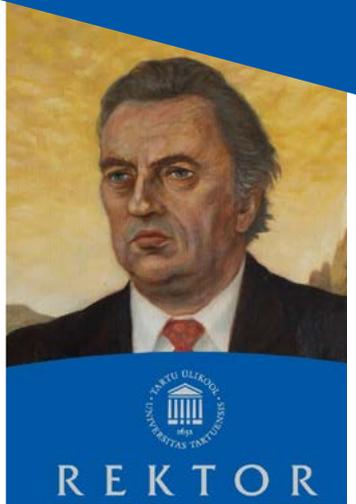


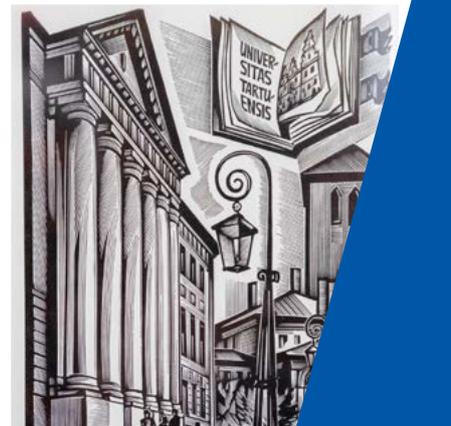


UNIVERSITY OF TARTU

Annual Report 2019



TARTU ÜLIKOOI
EESTI RAHVUSÜLIKOOI



UNIVERSITY OF TARTU ANNUAL REPORT 2019

Name	Tartu Ülikool (University of Tartu)
Registration number	74001073
Address	Ülikooli 18, 50090 Tartu, Estonia
Email	info@ut.ee
Website	www.ut.ee
Form of ownership	Legal person governed by public law
Main activities	1) academic research 2) provision of higher education based on integrated teaching and research activities 3) provision of teaching- and research-based services to the society
Financial year	01.01.2019–31.12.2019
Auditor	BDO Eesti AS
Council	11 members
Council Chair	Ruth Oltjer
Attached	Report of independent sworn auditor

CONTENTS

ACTIVITY REPORT 2019

3	CONTENTS
4	Abbreviations
6	RECTOR'S FOREWORD
7	Key figures 2015–2019
8	UNIVERSITY GOVERNANCE
10	University structure
11	Strategic plan
12	OPERATING ENVIRONMENT
15	TEACHING AND STUDY
15	Curricula
16	Admissions
18	Studying
20	Graduation and interruption of studies
21	Using feedback
22	Continuing education
23	RESEARCH
23	Financing
25	Publications
26	ENTREPRENEURIAL UNIVERSITY
28	CONTRIBUTION TO SOCIETY
28	Knowledge sharing
30	Feedback from society
32	ORGANISATION
32	Employees
35	Estonia's national university
37	International cooperation
38	University rankings
39	Financial activities

CONSOLIDATED FINANCIAL STATEMENTS 2019

44	CONSOLIDATED STATEMENT OF FINANCIAL POSITION
45	CONSOLIDATED STATEMENT OF FINANCIAL PERFORMANCE
46	CONSOLIDATED STATEMENT OF CASH FLOWS
47	CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS
48	NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
81	INDEPENDENT AUDITOR'S REPORT
83	SIGNATURES TO ANNUAL REPORT

Abbreviations

Universities

EAA	Estonian Academy of Arts
EAMT	Estonian Academy of Music and Theatre
EULS	Estonian University of Life Sciences
TU	Tallinn University
TUT	Tallinn University of Technology
UT	University of Tartu

Faculties of the University of Tartu

HV	Faculty of Arts and Humanities
SV	Faculty of Social Sciences
MV	Faculty of Medicine
LT	Faculty of Science and Technology

Fields of study

EDU	Education
HUM	Humanities and arts
SOC	Social sciences, journalism and information
BUS	Business, administration and law
SCI	Natural sciences, mathematics and statistics
ICT	Information and communication technologies
ENG	Engineering, manufacturing and construction
AGR	Agriculture
HEA	Health and welfare
SER	Services

Countries

AT	Austria	IT	Italy
BE	Belgium	LV	Latvia
BG	Bulgaria	LT	Lithuania
CH	Switzerland	LU	Luxembourg
CY	Cyprus	MT	Malta
CZ	Czechia	NL	Netherlands
DK	Denmark	NO	Norway
DE	Germany	PL	Poland
EE	Estonia	PT	Portugal
ES	Spain	RO	Romania
FI	Finland	SE	Sweden
FR	France	SI	Slovenia
GR	Greece	SK	Slovakia
HR	Croatia	UK	United Kingdom
HU	Hungary	USA	United States of America
IE	Ireland		

Other abbreviations

A2020	University of Tartu Strategic Plan for 2015–2020
A2025	University of Tartu Strategic Plan for 2020–2025
ACEEU	Accreditation Council for Entrepreneurial & Engaged Universities
ARWU	Academic Ranking of World Universities (Shanghai ranking)
AS	<i>aktsiaselts</i> (public limited company)
EHIS	Estonian Education Information System
EIT	European Institute of Innovation and Technology
ERA	European Research Area
ERA-NET	European Research Area Network
ERC	European Research Council
ESI	Essential Science Indicators
ETAg	Estonian Research Council
ETIS	Estonian Research Information System
EU	European Union
EU 13	13 member states of European Union
FTE	full time equivalent
GDP	gross domestic product
HEI	higher education institution
HITSA	Information Technology Foundation for Education
ICT	information and communication technology
IT	information technology
IUT	institutional research funding
MEUR	million euros
MoER	Estonian Ministry of Education and Research
MOOC	massive open online course
MTÜ	<i>mittetulundusühing</i> (non-profit organisation)
OECD	The Organisation for Economic Co-operation and Development
OSKA	a system of labour market monitoring and future skills forecasting
OÜ	<i>osäühing</i> (private limited company)
PhD	Doctor of Philosophy
PUT	personal research funding
QS	QS World University Rankings
R&D	research and development
SA	<i>sihtasutus</i> (foundation)
THE	Times Higher Education World University Rankings
U4	European University Network of Ghent University (BE), University of Göttingen (DE), University of Groningen (NL), Uppsala University (SE), and University of Tartu (EE)
UN	United Nations
UTTV	University of Tartu video portal



University of Tartu

Activity Report 2019

RECTOR'S FOREWORD



Dear colleagues and partners,

I am submitting this activity report of 2019 for approval at a complicated time. It is March 2020 and signs of economic and social turmoil are everywhere: at the university, in the Estonian society and the entire world. Despite all that I can confirm that, looking back to 2019 and also to the future, the University of Tartu is doing well as the promoter of Estonian society and economy.

We have been successful in managing the university and in each of its main activities. The council approved the implementation report of the 2019 budget in the largest volume in the history of the university: the actual budget income was 202.94 million euros, 9.4% more than planned. Sufficient liquidity allowed us not to take the loan of 8.7 million euros planned in the budget. The financial volume of foreign funding increased greatly as well, reaching 19.4 million euros. The success of our researchers was enhanced by the project writing service offered by our Grant Office. New foreign funding projects run over several years, so this money will be a part of our research budget for some more years. In addition to increasing income, effective cost management also deserves attention: all four faculties finished the year with a positive balance and several structural units have improved their financial standing.

We have greatly advanced in the performance management of teaching and studies. Aligning learning outcomes with the content of learning and evaluation, the creation of better opportunities for student mobility and education in entrepreneurship and the increased volume of practical training are only some examples of directing studies to achieve societal goals.

2019 was the year of choosing the directions for the new strategic plan. I am happy to see that the priorities of the university are in line with developments in Estonia, Europe and the entire world. Even though the Estonian government failed to keep their promise to increase national research funding to at least 1% of GDP, the University of Tartu assumes full responsibility for solving the challenges the Estonian society is facing. The drafts of the new strategic plan and financial strategy are ready, setting the goals of sustainable development and the European Green Deal in the centre of the university's short-term goals. This supports the role of the university as the promoter of Estonian development and increases our chances of successful participation in large project-based funding schemes of the EU.

There is little doubt that the impact of the crisis that hit the world and Estonia at the beginning of 2020 reaches beyond the health sector: it will have more serious consequences to societies and the global economy as a whole. It is very difficult to assess, let alone forecast, the scope of that impact, but it is clear that the University of Tartu will also have to deal with reorganisation and re-evaluation. The strong foundation we have built over the past years allows us to face the difficult times and perform the tasks on our hands in a manner worthy of a true national university.

Wishing you success and good health,

Toomas Asser

Rector of the University of Tartu

Key figures 2015–2019

EMPLOYEES	2015	2016	2017	2018	2019
Number of employees	3,479	3,447	3,435	3,602	3,635
Number of employees (FTE)	2,862	2,825	2,805	2,935	2,957
incl. academic staff	50.4%	49.6%	51.1%	51.7%	51.3%
Number of teaching and research staff (FTE)	1,443	1,402	1,432	1,517	1,518
incl. PhD holders	71.7%	73.0%	73.3%	74.3%	76.5%
incl. international research and teaching staff	8.5%	8.4%	10.0%	12.3%	13.9%
Number of professors (FTE)	173	172	170	179	186
incl. female professors	22.7%	23.7%	22.8%	23.3%	25.8%
STUDENTS					
Number of students	13,719	12,970	12,896	13,169	13,395
at the first level of higher education	61.3%	60.6%	60.8%	60.4%	60.6%
in master's studies	28.8%	29.7%	29.9%	30.6%	30.9%
in doctoral studies	9.8%	9.7%	9.3%	9.0%	8.6%
Number of international students	821	980	1,195	1,457	1,660
percentage of all students	6.0%	7.6%	9.3%	11.1%	12.4%
Number of graduates	2,887	2,871	2,625	2,630	2,715
incl. number of PhD graduates	107	120	138	122	129
CURRICULA					
Number of curricula to which students were admitted	168	159	162	161	159
incl. English-taught curricula at the first and second level of higher education	19	21	26	26	30
Number of curricula with enrolled students	201	207	213	198	197
RESEARCH PUBLICATIONS					
Number of publications	2,600	2,669	2,512	2,374	2,834
incl. number of high-level publications	1,830	1,902	1,709	1,709	1,983
incl. number of publications of the category 1.1	1,239	1,353	1,231	1,259	1,480
POSITION IN INTERNATIONAL UNIVERSITY RANKINGS					
Times Higher Education World University Rankings (THE)	351–400	301–350	301–350	301–350	301–350
QS World University Rankings (QS)	400	347	314	321	301
Academic Ranking of World Universities (ARWU)		401–500	301–400	301–400	301–400

Employee figures are given as at 31 December.

Student figures are presented as at 10 November. The number of students does not include external students, visiting students and resident doctors. The first level of higher education includes professional higher education, bachelor's studies and integrated bachelor's and master's studies.

The number of **graduates** of a given year refers to students who completed their studies during the period from 1 October of the previous calendar year to 30 September of the given calendar year.

The number of **curricula** in which students were enrolled includes curricula in which students were enrolled as at 10 November (including all joint curricula).

The number of **publications** includes Estonian Research Information System (ETIS) categories 1.1, 1.2, 1.3, 2.1, 2.5, 3.1, 3.2, 3.3, 4.1, 5.1, 6.3, 6.4. **High-level publications** include ETIS categories 1.1, 1.2, 2.1 ja 3.1. The number of publications includes those authored by persons who had a valid employment contract with the University of Tartu or who were enrolled as regular or external doctoral students in the corresponding calendar year. The data retrieved from ETIS as at 15 February.

UNIVERSITY GOVERNANCE

The highest decision-making body of the University of Tartu is the **council**, who is responsible for the university's economic activities and long-term development, approves the university's statutes and adopts the strategic plan and budget. The council has 11 members: five nominated by the University of Tartu, five by the minister of education and research, and one by the Estonian Academy of Sciences. The first university council was appointed in 2011 and the second in 2017 for five years. Members of the council are:

- **Ruth Oltjer** (Council Chair), General Manager of AS Chemi-Pharm,
- **Eva Åkesson**, Rector of Uppsala University and Professor,
- **Jaan Eha**, UT Professor of Cardiology, Academician,
- **Els Heinsalu**, President of the Estonian Young Academy of Sciences,
- **Heidi Kakko**, Partner of BaltCap Growth Fund,
- **Birute Klaas-Lang**, UT Professor of Estonian as a Foreign Language,
- **Vahur Kraft**, Chairman of the Board of Sangar AS,
- **Tõnu Lehtsaar**, UT Counsellor-Chaplain,
- **Ants Nõmper**, Managing Partner of Ellex Raidla Law Firm,
- **Jüri Sepp**, UT Professor of Economic Policy,
- **Richard Villems**, UT Professor of Archaeogenetics, Academician.

For smooth cooperation and a single information space, the council and the senate have agreed to hold **joint meetings**. Joint meetings are held at least twice a year to discuss questions concerning the university's strategic lines of action. In 2019, the joint meetings focused on the drafts of the new strategic plan and the budget of 2020. In addition to joint meetings of the highest decision-making bodies within the university, also **the council of the University of Tartu and the board of Tallinn University of Technology have started to hold joint meetings**, mainly to align the universities' statements on the governance and policy of research, development and higher education in Estonia.

The **senate** is the university's highest academic decision-making body, responsible for the teaching, research and development activities at the university and ensuring the excellent quality of these activities. The senate comprises 22 members: the rector as chair, four representatives of each faculty, and five student representatives. Senate members are elected for a term of three years (except for student representatives, who are elected for one year). At the end of 2019, the third membership of the senate elected in 2017 included

representatives of the Faculty of Arts and Humanities

- Professor **Aivar Kriiska**,
- Associate Professor **Ene Kõresaar**,
- Professor **Karl Pajusalu**,
- Lecturer **Ain Riistan**,

representatives of the Faculty of Social Sciences

- Professor **Veronika Kalmus**,
- Professor **Evelyn Kiive**,
- Professor **Marju Luts-Sootak**,
- Professor **Urmas Varblane**,

representatives of the Faculty of Medicine

- Professor **Küllli Kingo**,
- Professor **Irja Lutsar**,
- Professor **Pärt Peterson**,
- Professor **Mihkel Zilmer**,

representatives of the Faculty of Science and Technology

- Professor **Jaan Aarik**,
- Professor **Maia Kivisaar**,
- Professor **Tõnu Meidla**,
- Professor **Varmo Vene**,

student representatives

- **Liina Adov**,
- **Imre Kaas**,
- **Toivo Kikkas**,
- **Marge Vaikjärv**,
- **Sirelin Sillamaa**.



University of Tartu council

The **Rector** of the University of Tartu is Professor **Toomas Asser**. The rector manages the everyday life of the university, following the resolutions of the council and the senate, and is responsible for the lawful and expedient use of the university's assets.

The Rector's Office comprises the rector, vice rector for research, vice rector for academic affairs, vice rector for development, deans of faculties, director of administration, head of finance and academic secretary. In 2019, the former acting Director of Administration **Kstina Vallimäe** became Director of Administration and the former acting Finance Director **Kalle Hein** became Head of Finance.

A2020 objective: the university follows the interdisciplinary balance and peculiarities of faculties when making strategic decisions

Studies and research are conducted at the University of Tartu in 26 institutes and four colleges of **four faculties**:

- Faculty of Arts and Humanities (HV),
- Faculty of Social Sciences (SV),
- Faculty of Medicine (MV),
- Faculty of Science and Technology (LT).

In 2019, the electoral councils of faculties **elected deans for the four faculties** for the new term of office. On 1 January 2020, **Anti Selart** took office as Dean of the Faculty of Arts and Humanities and **Leho Ainsaar** took office as Dean of the Faculty of Science and Technology. **Margus Lember** continued as Dean of the Faculty of Medicine and **Raul Eamets** continued as Dean of the Faculty of Social Sciences. 2019 was the first time the deans' elections took place electronically. Before that, e-voting had been used to elect academic representatives to the councils of institutes and faculties and to the senate. Electronic elections have been well received by employees. This is also proven by the fact that participation in deans' elections in 2019 was higher than in 2015 in all faculties.

The academic structure also comprises five non-faculty **institutions**:

- Institute of Genomics,
- Museum,
- Natural History Museum and Botanical Garden,
- Library,
- Youth Academy.

In autumn 2019, some changes took place in the support units. The **University of Tartu Press** discontinued its activities as a separate company and became a support unit. Under vice rector for academic affairs, the **Student Union Office** was created to support the work of the student union.

At the **Rector's idea mornings** taking place once a month, university members can exchange ideas on topical issues. In 2019, the topics included doctoral studies, internationalisation, the environmental footprint of the university, the new career model and giving the state evidence-based policy recommendations. Once a month, vice rector for academic affairs organises **study-related meetings**, mostly aimed at programme directors.

Rector's Office in 2019



Professor **Toomas Asser**
Rector



Professor **Margit Sutrop**
Dean of the Faculty of
Arts and Humanities



Professor **Raul Eamets**
Dean of the Faculty of
Social Sciences



Professor **Margus Lember**
Dean of the Faculty of
Medicine



Professor **Peeter Burk**
Dean of the Faculty of
Science and Technology



Aune Valk
Vice Rector for Academic Affairs



Kristjan Vassil
Vice Rector for Research



Erik Puura
Vice Rector for Development



Kalle Hein
Head of Finance



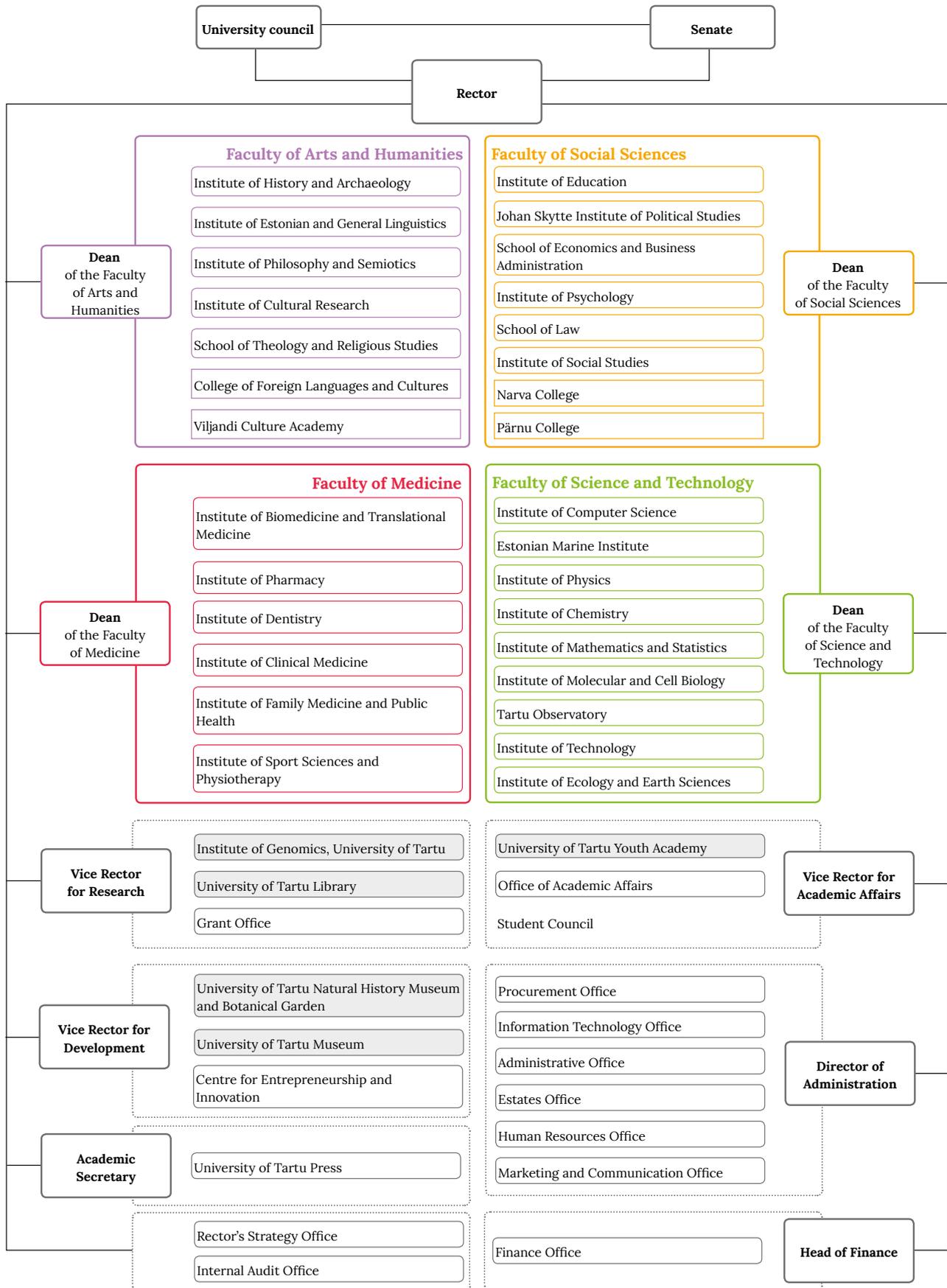
Kstina Vallimäe
Director of Administration



Andres Soosaar
Academic Secretary

University structure

as at 31 December 2019



Strategic plan

Activities of the University of Tartu are guided by the **Strategic Plan for 2015–2020 (A2020)** as well as the faculties' strategic plans and key performance indicators that elaborate the goals of the strategic plan. Eighteen key performance indicators were agreed in 2016 to monitor and evaluate the university's development.

Key performance indicators	Result 2019	Target 2020
Number of high-level research publications per academic staff member	1.3	> 1.3
Percentage of publications among the world's top 10% most cited research publications	16%	> 12%
Percentage of revenue from R&D not funded from national funding programmes in the total R&D revenue	38%	> 32%
Share of students admitted to the first level of higher education at the University of Tartu among all students admitted to the first level of higher education in Estonian higher education institutions	28%	≥ 23%
Number of continuing education learners	36,607	≥ 35,000
Percentage of completed entrepreneurship courses in the total volume of studies	0.9%	5%
Students' overall satisfaction with teaching and courses	-	≥ 4.0
Interruption rate at the first and second level of higher education	14%	≤ 15%
Percentage of doctoral graduates in the number of students admitted four years (standard period of study) ago	75%	50%
Percentage of English-taught curricula at the first and second level of higher education	24%	25%
Percentage of international students	12.4%	12%
Percentage of international academic staff	12.1%	≥ 10%
Percentage of academic staff who participated actively in teaching-related development activities	23%	15%
Income per academic staff member	111,241	123,000
Percentage of structural units in a good or satisfactory financial standing	83%	100%
Employees' overall satisfaction	91%	≥ 93%
UT master's graduates' satisfaction with their competitiveness in the labour market	-	90%
Evaluation of the University of Tartu's entrepreneurial spirit (annual reputation survey of universities conducted by KANTAR EMÖR)	8.1	≥ 9.0



In the following chapters, figures representing the results of the strategic key indicators are marked with "A2020".

To involve university members in the preparation of the **new strategic plan in force until 2025 (A2025)**, five roundtables were organised at the beginning of 2019 to discuss the topics of language and internationalisation, the future skills of students, research and service to society. Also, a separate discussion about the funding of higher education took place. In May, the University of Tartu Development Conference brought together current and future decision-makers in the field of education, research and innovation, as well as the university's partners, employees and students, and all others interested in the university's development. The recordings of all seminars and the Development Conference are available in UTTV. By autumn, the opinions were consolidated in draft A2025, discussed by the senate and the council at their joint meeting. The process continues at the beginning of 2020 and in April, the draft strategic plan is submitted to the council for approval.

The figure below describes the relationship between the university's development paths. The mission of the national university and the opportunities of internationalisation encompass all main activities of the university and its integrated development.



In 2019, in addition to the units' main budgets, 1.8 million euros was directed to the development activities of the university from the **rector's performance-based funding** measure and 3.2 million euros from the **development fund**. The development fund was mostly used to support the faculties in paying the doctoral students' performance stipend, but also to add the study abroad module to curricula and to involve talented students in research. In supporting research, the focus was on wider participation in the partnership programmes of Horizon 2020 and the inter-university fixed-term bridging fund for institutes whose research income decreased significantly. Differently from previous years, the faculties could make their own decisions on how to use a part of the development fund. For instance, the Faculty of Science and Technology created the Feasibility Fund, aiming to support the development of researchers' ideas into products or services.

OPERATING ENVIRONMENT

The university's operating environment is shaped by Estonian and EU strategies and funding instruments

At the top-level meeting in Gothenburg in November 2017, the EU leaders discussed the agenda for education and culture. The European Commission set out a vision of working towards a **European Education Area** to help the member states to improve inclusive, lifelong-learning based and innovation-driven education and promote cross-border mobility and cooperation in education.

Establishing the European Education Area is supported by the **Erasmus+** programme and the future European cooperation framework for education and training, which is used for setting priorities and targeting of EU funding. As of 2019, the duration of an Erasmus+ global mobility project is either 24 or 36 months (previously 16 or 26 months). A longer period gives higher education institutions more flexibility and better chances to use all the funding for the intended purpose.

The **European Universities Initiative** consisting of networks of universities aims to promote common European values and strengthen a shared identity. The collaboration of universities will enable students to combine their studies in different European countries. In the framework of Erasmus+, 17 networks of European universities were chosen in 2019, involving 114 higher education institutions from 24 member states. Each network gets up to 5 million euros over the next three years to implement their plans and pave the way for other higher education institutions of the EU. Their progress is closely monitored.

In 2019, the Council of the EU adopted its recommendation on a **comprehensive approach to the teaching and learning of languages**. Language skills make up an important part of the ambitious goal of creating the European Education Area. With increasing mobility to the EU and between its member states, education and training systems need to adapt to the challenges and opportunities posed by Europe's linguistic diversity.

> ec.europa.eu/education/education-in-the-eu/european-education-area

In 2019, the European Commission introduced the **European Green Deal** – measures helping the European citizens and businesses to benefit from a sustainable transition to an environmentally friendly economy. The goal of the Green Deal is to make the EU climate neutral by 2050. The initial roadmap includes measures ranging from cutting emissions, investing in top-level research and innovation to preserving our natural environment. If the Green Deal brings along investments in green technology, sustainable solutions and new enterprises, it can become the new EU economic growth strategy. At least 35% of the budget of the next research and innovation framework programme Horizon Europe will

support climate objectives. Four of five mission areas planned in Horizon Europe are directly related to the Green Deal.

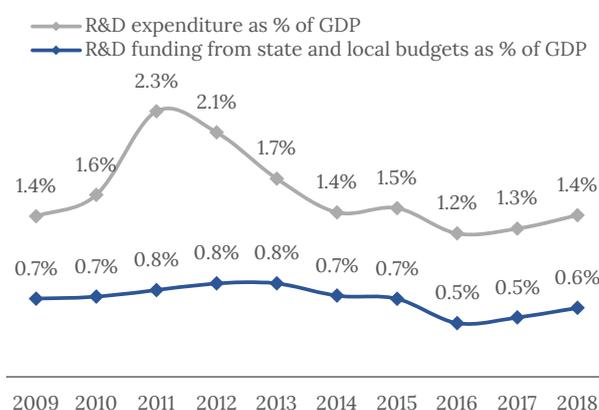
> ec.europa.eu/info/strategy/priorities-2019-2024/european-green-deal

The cross-sectoral competitiveness strategy “Estonia 2020” and 20 sectoral strategic plans will end in 2020. In 2018, the Estonian government started preparing the “**Estonia 2035**” strategy to lay down the state's most important development objectives for the next 15 years by spring 2020. All other strategic plans and strategies will result from the objectives of “Estonia 2035”. The government aims to reduce the number and duplication of tasks of such strategies. In 2019, several discussions with experts and partners took place and the draft strategy was compiled. The “Estonia 2035” strategy is prepared under the leadership of the Government Office and the Ministry of Finance. In 2019, the Research and Development Council decided to set the solution of development needs of “Estonia 2035” as one priority of the new research, development, innovation and entrepreneurship strategy.

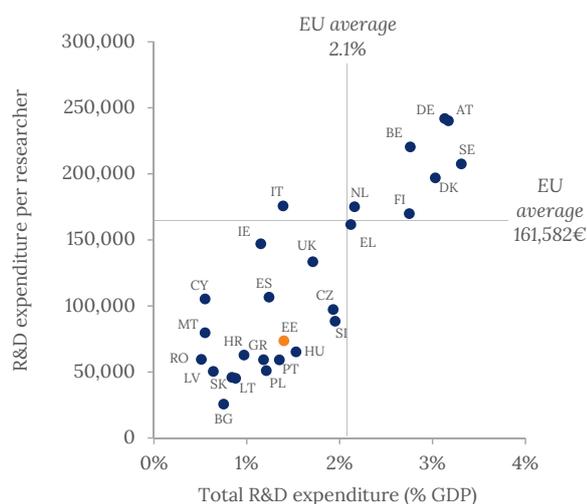
> riigikantselei.ee/et/Eesti2035

At the end of 2018, the leaders of Estonian political parties and representatives of research institutions, researchers and main business associations signed the **Research Agreement** to increase the public sector investment into research and development to 1% of Estonia's GDP. Unfortunately, the four-year state budget strategy did not include that. The government has set a long-term goal to increase the R&D costs to 2% of the GDP in the private sector and 1% in the public sector. Emphasis is on a significant increase in the share of private investment compared to the current level. Over the next four years, an additional 152.4 million euros is allocated for the research and development activities of the public sector.

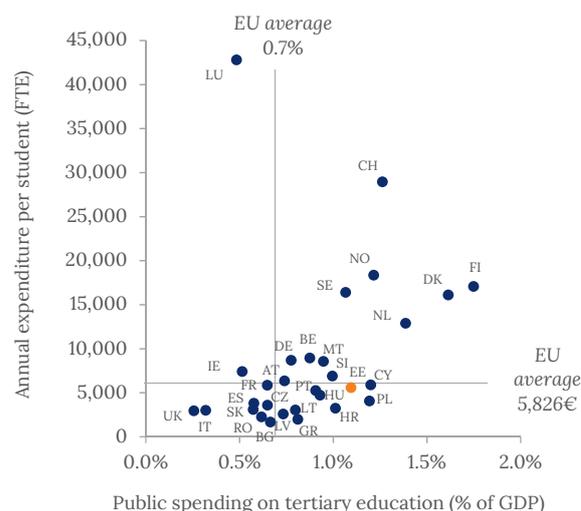
> rahandusministeerium.ee/et/system/files/force/document_files/state_budget_strategy_2020-2023_and_stability_programme_2019.pdf?download=1



R&D expenditure as a percentage of GDP and R&D funding from state and local budgets as a percentage of GDP in 2009–2018. Source: Statistics Estonia



Total research and development expenditure as a percentage of GDP and per researcher in EU countries in 2018. Source: Eurostat, Science and technology statistics (rd_p_persocc, rd_e_gerdtot, data accessed in January 2020)



Public expenditure on tertiary education as a percentage of GDP and per student per year in European countries in 2017. Source: Eurostat (educ_uae_enrt01, gov_10a_exp, nama_10_gdp, data accessed in January 2020)

Expenditure per researcher in Estonia was only 46% of the EU average. In 2018, expenditure on research and development in Estonia was 1.4% of GDP (the EU average was 2.1%). Research and development expenditure per researcher in Estonia in 2018 was 74,000 euros, while the EU average was 162,000 euros.

In 2019, an **international peer-review of the Estonian research and innovation system** was carried out. Its main goal was to support the work of the Ministry of Education and Research and the Ministry of Economic Affairs and Communications in preparing the joint research, development, innovation and entrepreneurship strategy for 2021-2030. The experts concluded that in its research and development activities, Estonia is generally going in the right direction. One recommendation was to take even bolder policy and financing decisions; also, the importance of integrating research and innovation policy was emphasised. Estonia needs to increase the absorptive capacity to acquire know-how and encourage innovation. Estonia is recommended to establish an innovation agency or an intermediary organisation that supports the implementation of technological innovation in enterprises.

> rio.jrc.ec.europa.eu/en/library/peer-review-estonian-research-and-innovation-system-final-report

The average **government sector spending on higher education** in Estonia was higher than in other European countries, but the expenditure per student was slightly below the EU average.

In 2019, the Riigikogu adopted the **Higher Education Act and acts of universities**. All public universities now have an act describing the tasks, governance model and specifics of that university. Previously only the University of Tartu and Tallinn University of Technology had such an act. The Higher Education Act states that the curricula of the first and second level of higher education are mostly in taught Estonian; the opening of foreign-language curricula must be fully justified. The act does not provide similar guidelines for doctoral studies. The Higher

Education Act did not change the conditions allowing to study without paying the tuition fee if the student follows an Estonian-language curriculum and obtains the required level of credits every semester.

In the future, graduates of professional higher education studies get a bachelor's degree, allowing foreign education institutions to recognise their qualification. The Higher Education Act also no longer stipulates that a person must study for five years in total to get a master's degree. Exceptions can be made if the master's curriculum allows achieving learning outcomes in less time, is mostly aimed at people with previous work experience, obtaining a master's degree in a shorter period is internationally recognised for the particular specialisation or it is a joint curriculum.

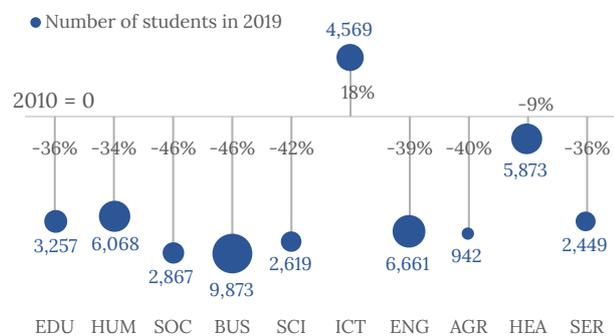
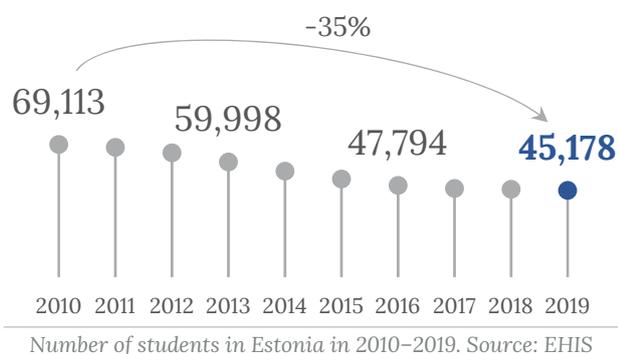
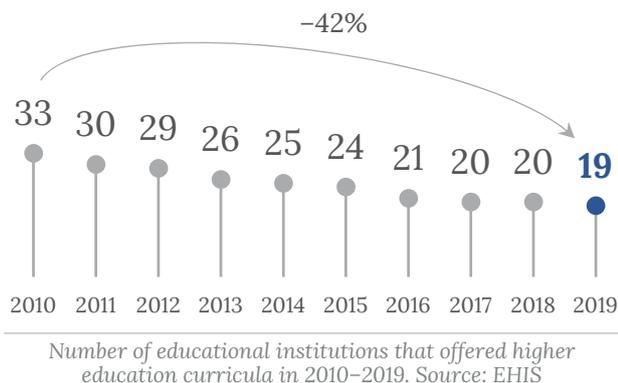
The Higher Education Act supports the updating of **career models** at higher education institutions. Academic staff members are no longer divided into teaching and research staff, tenured positions (guaranteed permanent employment) can be created and the university may terminate the employment contract with employees who have accepted the emeritus status. The opportunity of a free semester now applies to all academic staff members.

In **higher education quality assessment**, the general assessment of all curriculum groups is replaced by thematic assessment focusing on specific problems. This reduces the assessment-related administrative burden on large universities.

> riigiteataja.ee/akt/119032019012

Estonia has more highly educated people compared to other countries and more and more people over 25 start to obtain higher education. At the same time, many students fail to graduate for a long time or drop out. In Estonia, 41% of people aged 25-64 have higher education, the OECD average is 39%. In Estonia, every fourth student who starts bachelor's studies is older than 25, compared to every fifth student in OECD countries. While higher education is fairly accessible in Estonia compared to

19 institutions in Estonia provide higher education in the 2019/2020 academic year



The number of students in Estonia in 2019 by fields of study and change compared to 2010. Source: EHIS

33% of allocations to higher education institutions in 2019 were granted to the University of Tartu



Funding allocated to higher education institutions in 2019 in euros (excl. achievement stipends and performance grant for doctoral students). Source: MoER

other countries, the interruption rate and prolonged studies still cause concern. In Estonia, about 34% of bachelor's students graduate within the standard period of studies, compared to the OECD average of 39%.

In Estonia, twice as many students pursue a master's degree compared to the OECD average: 31% vs. 16%. The share of students in doctoral programmes is also well above the OECD average: 6% vs. 2%.

> oecd.org/education/education-at-a-glance/EAG2019_CN_EST.pdf

In ten years, the total number of students has decreased by approximately one third, mostly due to demographic reasons. In 2019, there were 45,178 higher education students, including 81% in non-fee-paying student places.

When the National Audit Office of Estonia assessed the outcomes of the transition to free higher education carried out in 2013, it found them patchy compared to the declared goals. Although it takes students less time to graduate and the interruption rate has decreased, the universities' opportunities for earning extra revenue have become scarce and the higher education funding model has become outdated.

Students work as much as they did before the reform. According to the OSKA analyses, among areas where the need for new specialists is the greatest, admission numbers have increased only in ICT, medicine and healthcare. The situation is the worst in the curriculum group of engineering, manufacturing and technology, where admissions have been decreasing since 2012. One recommendation of the National Audit Office to the minister of education and research was to review the list of speciality-based grants. Extending the grants could promote choosing curricula where the need for specialists is the greatest.

> riigikontroll.ee/tabid/206/Audit/2489/language/et-EE/Default.aspx

In 2018–2020, the government grants three million euros per year to support ICT research and development at Tallinn University of Technology and the University of Tartu to promote the creation and implementation of innovative solutions in different areas of life. This grant measure is a part of the IT Akadeemia (StudyITin.ee) programme coordinated by the Information Technology Foundation for Education (HITSA).

> hitsa.ee/ikt-haridus/ita/teadusmeede

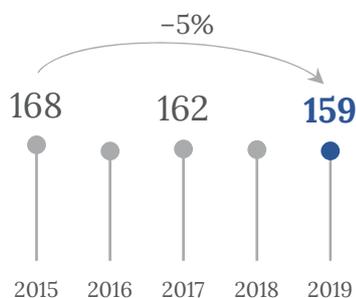
The minister of education and research signed the contracts for allocation of **activity support** with six public universities for 2019–2021. The universities' fields of responsibility, main goals and the activities for achieving them were agreed upon. It was agreed to cut admissions in areas where the number of graduates exceeds the estimated labour market demand, such as in bachelor's and professional higher education studies in business and administration. There is a plan to increase admissions in areas where OSKA and other analyses have indicated a shortage of qualified specialists – such as the curricula of computer science, information technology, speech therapy and special education.

TEACHING AND STUDY

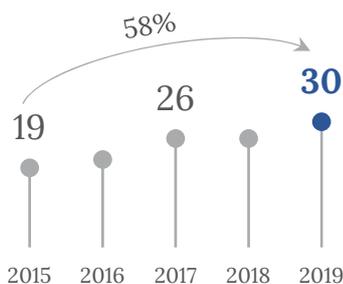


- First level (56)
- Master's studies (70)
- Doctoral studies (33)

Number of curricula (incl. joint curricula) to which new students were admitted in 2019 at the University of Tartu



Number of curricula (incl. joint curricula) to which new students were admitted in 2015-2019



Number of English-taught curricula opened for admissions at the first and second level of higher education in 2015-2019 (incl. joint curricula)

Curricula

In 2019, **students were admitted to 159 curricula**. The number of curricula open for admissions has decreased 5% over four years. The university continues to regularly review and update curricula.

Number of curricula by levels in the 2015/2016 and 2019/2020 academic year

	Curricula to which new students were admitted		Curricula with enrolled students	
	2015/2016	2019/2020	2015/2016	2019/2020
First level of higher education	61	56	75	71
Master's studies	73	70	91	92
Doctoral studies	34	33	35	34
Total	168	159	201	197

In 2019, seven new Estonian-taught curricula were opened for admissions. At the first level of higher education, three bachelor's curricula were opened based on former curricula at Narva College:

- “Languages and Multilingualism in School”,
- “Youth Work”,
- a programme for adult learners “Entrepreneurship and Digital Solutions”.

At the master's level, four Estonian-taught curricula were opened based on former curricula:

- “Biology and Eco-innovation”,
- “Teacher of Languages in a Multilingual School”,
- “Analysis of Society and Information Processes”,
- “Molecular Biosciences”.

A2020 objective: the university develops existing curricula and creates new international curricula based on strong research fields, providing students with a motivating international learning environment of excellent quality and competitiveness in the labour market

In 2019, **students were admitted to 30 English-taught curricula**, incl. 27 master's curricula. In bachelor's studies, the university follows the principle that an English-taught curriculum may be opened only if it is also possible to study in Estonian in the particular field of study. Four English-taught master's curricula were opened in 2019:

- “Contemporary Asian and Middle Eastern Studies”,
- “Sound and Visual Technology”,
- “Bioengineering”,
- “Materials Science and Technology”, which is based on the former Estonian-taught curriculum.

To facilitate student mobility, a **study abroad module** was introduced in the curricula of the first and second level of study with the support from the UT development fund. Included in curricula starting from the 2020/2021 academic year, the study abroad module helps students to consider which part of the curriculum they could complete abroad and better plan their studies both before and after studies abroad. The university also aims to get a better overview of the programmes its partners offer and in future cooperate primarily with international universities who teach programmes that better match the curricula of the University of Tartu.

Admissions

The university is working to raise the applicants' awareness of the curricula it offers and to guide them to carefully consider their choices. By participating in the **student shadowing project**, launched in 2009, people interested in applying can familiarise themselves with the specialisation of interest at their convenience, attend lectures and seminars, and get feedback directly from students of the same specialisation. In the 2018/2019 academic year, 943 young people, 24% more than in the previous year, participated in student shadowing. A record number of pupils – about 2,000 – attended the **UT Open Doors Day** in March 2019.

7,749 pupils completed general upper secondary education in Estonia in 2019. 3,653 of them (47%, i.e. 5% less than the year before) continued studies at a higher education institution (HEI) in Estonia. The proportion of those who enrolled in the University of Tartu remained more or less the same as in the previous year: 18% of new school-leavers continued studies here in 2018, and 17% (1,310 people) in 2019. 36% of pupils who had just left school and applied for a place in an Estonian HEI chose the University of Tartu.

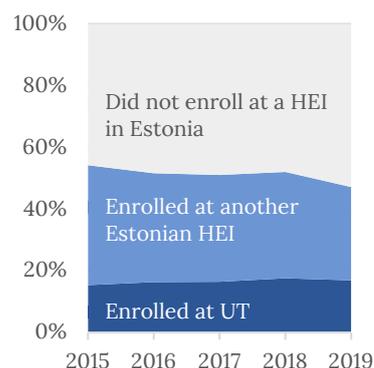
In 2019, a total of **4,179 students started their studies** at the University of Tartu at the three levels of higher education. **2,468 students started at the first level**: 1,779 in bachelor's studies, 390 in professional higher education, and 299 in integrated bachelor's and master's studies. Recent upper secondary school graduates made up 53% of the students admitted to the first level of higher education in 2019. Compared to 2015, the number of students admitted to the first level of higher education at the University of Tartu in 2019 increased in all fields of study. Only in the field of business, administration and law, the number of admitted students was 7% smaller than four years ago. In the field of ICT, admissions have increased by a third over five years. While in 2015–2018 admissions to the University of Tartu increased about 3–4% every year, in 2019 the university deliberately halted the growth in admissions due to problems in higher education funding.

The contract for allocating the higher education activity support for 2019–2021 specified the curricula in which the university can open part-time study groups. While so far, part-time study was possible only in the curriculum of Strategic Management, three more student-financed part-time study groups were opened in 2019. A total of 54 students were admitted to the block-mode study of the bachelor's curriculum of Law in Tartu and Tallinn (60 student places were planned in total), and 17 students were admitted to the block-mode study of Entrepreneurship and Project Management in Pärnu College (18 student places planned).

The number of new **master's students** in 2019 was **1,534** (1% less than the year before). 50% of students admitted to master's studies at the University of Tartu in 2019 had completed their previous studies elsewhere, incl. 28% at a university abroad, 6% at Tallinn University, 5% at Tallinn University of Technology and 1% at Estonian University of Life Sciences.

PERFORMANCE AGREEMENT: the university increases admission to programmes of the informatics and information technology curriculum group by 10% a year, and increases the extent of teaching speciality-specific ICT skills in other curricula

Compared to 2017, the admission of ICT students increased by 9%. The whole university aims to develop professional digital competence. Among other things, the UT development fund covers the self-financing part to support projects that have received grants from the Information Technology Foundation for Education (speciality-based ICT teaching and application skills in non-ICT programmes). In 2019, there were four such projects, amounting to a total of 315,000 euros. The projects are implemented in all faculties.

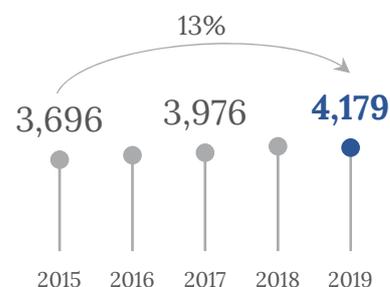


Percentage of those who continued studies among people who completed general upper secondary education in Estonia in 2015–2019

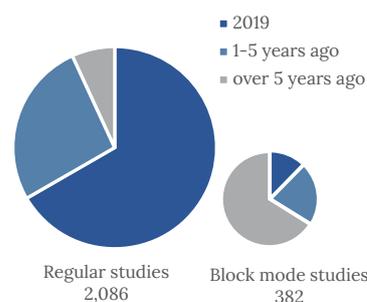


- First level (2,468)
- Master's studies (1,534)
- Doctoral studies (177)

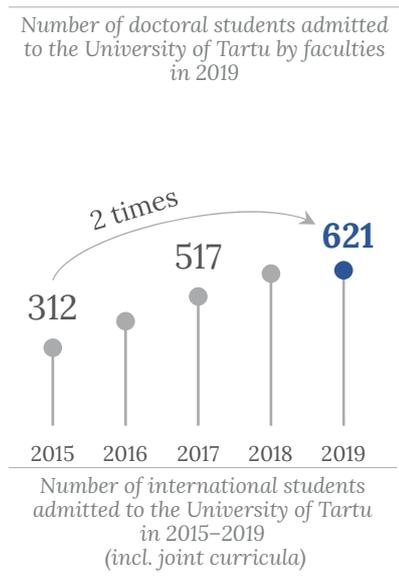
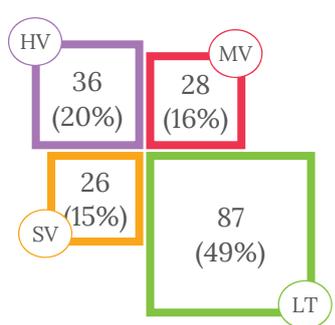
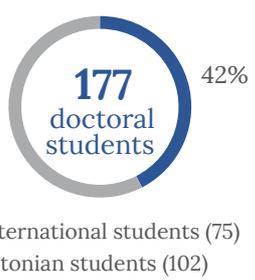
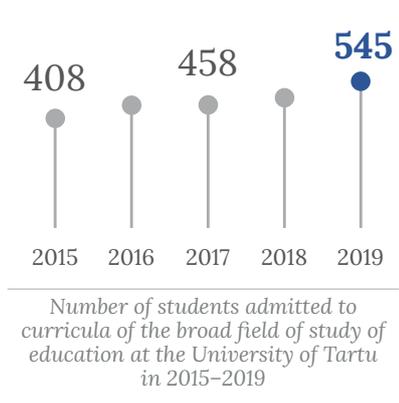
Number of students admitted to the University of Tartu by levels in 2019



Number of students admitted to the University of Tartu in 2015–2019



Distribution of students admitted to the first level of higher education at the University of Tartu in 2019 by form of study and time of completion of upper secondary education



PERFORMANCE AGREEMENT: the university helps to ensure raising the new generation of teachers, creates flexible opportunities for teacher education and extends the network of partner schools for teacher education outside the city of Tartu

In 2019 admissions, the university placed a special emphasis on teacher education. To promote teacher education curricula, a special web app **opetaja.ut.ee** was created. Compared to 2018, the number of students admitted to teacher education curricula rose by 6% and the number of applicants by 20%. The planned number of student places was filled in most curricula (19/24). Also, the university launched a special programme “The Experienced to School”, which brought 15 mathematicians to complete teacher training while working as a teacher.
> opetaja.ut.ee

PERFORMANCE AGREEMENT: the university increases admission to the master’s curriculum Special Education and Speech Therapy by at least 25% and opens a speech therapy group in block mode starting in the 2019/2020 academic year

Admission to the master’s curriculum Special Education increased from 40 in 2017 to 64, i.e. 60%. From 2019, it is possible to study speech therapy in block mode. 34 of 67 applicants were admitted.

PERFORMANCE AGREEMENT: the university discontinues admission to the master’s curriculum Social Work and Social Policy and redesigns the programme as a curriculum of the Faculty of Social Sciences; reduces admission in the detailed field of study of library, information and archival studies in the journalism and information curriculum group by 10%; reduces the admission of non-paying students to the first level of the business and administration curriculum group by 33% over three years; does not increase admission to full-time study in the psychology curriculum group

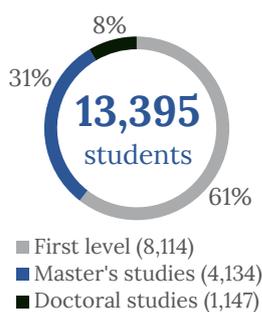
2019 was the last admission to the curriculum Social Work and Social Policy and the curriculum will be closed. In the business and administration curriculum group, the number of admitted students at the first study level was reduced from 131 to 80, i.e. 39%. Admission to psychology curricula has been stable in recent years.

PERFORMANCE AGREEMENT: the university creates at least 164 doctoral student places in 2019

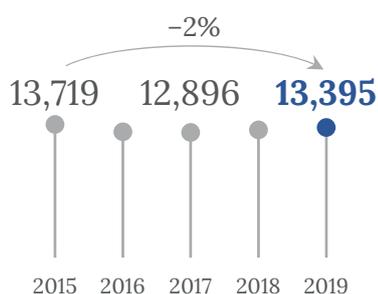
177 doctoral students started their studies in 2019. This is 20 fewer than in 2018. The Dora Plus funding ended in 2018 and therefore the university opened fewer student places funded outside the activity support in 2019. In the contract for allocation of activity support, it is agreed that in 2019–2021, the university creates at least 164 doctoral student places every year.

621 international students started their degree studies at the UT in 2019. The share of international students of all admitted students has increased from 8% to 15% over five years but the number of admitted international students remains stable compared to 2018. The university is not aiming to significantly increase international admissions. In 2019, admission to tuition-waiver student places in English-taught programmes decreased by 10%, i.e. 36 places. The number for tuition-waiver study places are to be cut down further in the following years. By study levels, the percentage of admitted international students in 2019 was the following: 5% at the first level of higher education, 27% in master’s studies and 42% in doctoral studies. The majority of newly matriculated international students came from Russia (79), Ukraine (49), Azerbaijan (38), India (34) and the USA (27).

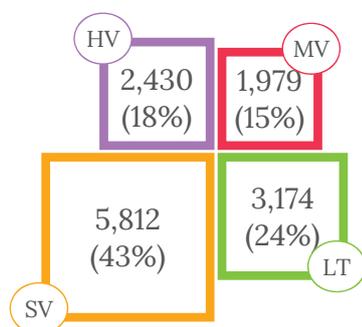
Studying



Number and percentage of students at the University of Tartu by levels in 2019



Number of students at the University of Tartu in 2015–2019



Number of students at the University of Tartu by faculties in 2019

Central support services for students:

- 2 student advisors,
- 4 student mobility advisors,
- 2 psychologists,
- 2 career counsellors,
- 1 entrepreneurship counsellors,
- 95 tutors.

There were **13,395 students** at the University of Tartu in 2019. 84% of them studied in state-financed student places. Over the last four years, the number of students has gradually grown. Master's and doctoral students accounted for 39% of the university's student body in 2019.

In 2019, students studied in four faculties in a total of 197 curricula, incl. five joint curricula. The largest number of students (5,812) studied in the Faculty of Social Sciences. 153 students studied in joint curricula coordinated by the University of Tartu, and 233 students in joint curricula coordinated by other higher education institutions.

Students may take courses at other Estonian higher education institutions and transfer the received credits to their home university. In the 2018/2019 academic year, only 32 UT students took courses at other institutions, mostly at Tallinn University of Technology and Pallas University of Applied Sciences. 315 students of other Estonian higher education institutions took courses at the University of Tartu. Most of them were from the Estonian University of Life Sciences (105) and Estonian Aviation Academy (89).

E-learning

A2020 objective: the university supports innovation and the use of technology and cooperation in studies

The university aims to modernise methods and forms of teaching and study. To that end, online study opportunities are created and developed. E-learning is mostly used in combination with face-to-face classes to facilitate students' individual work. In 2019, 4,892 degree programmes had full or partial online support, which was 69% of all curricula (1.3 times more compared to 2018).

In 2019, the UT offered 17 massive open online courses (MOOCs), two of which were taught twice during the year. A total of 7,275 learners participated in the courses and 2,949 learners completed a MOOC in 2019.

E-learning at the University of Tartu

	2015	2016	2017	2018	2019
Web-based courses					
Number of courses (percentage of all courses)	2,049 (25%)	2,413 (30%)	2,737 (35%)	3,738 (49%)	4,892 (69%)
Incl. number of fully web-based courses	130	122	116	120	123
Number of participants	56,761	64,996	74,789	100,076	125,522
Online continuing education					
Number of participants in online continuing education	9,525	16,452	22,559	18,493	17,029
Number of MOOCs	6	10	15	20	19
Number of MOOC participants	3,111	8,001	11,935	8,991	7,275
Number of Moodle courses	3,535	3,910	5,010	6,054	7,421
Number of videos					
In UTTV video portal	4,045	4,260	5,166	6,997	7,470
In Panopto video platform			1,236	4,319	5,719

15 courses of the University of Tartu were awarded the **e-course quality mark** by HITSA in 2019.

> hitsa.ee/uudised-1/e-kursuse-kvaliteedimark-2019

To share good practice both in and outside the university as in 2018, the UT organised the second e-learning experience seminar.

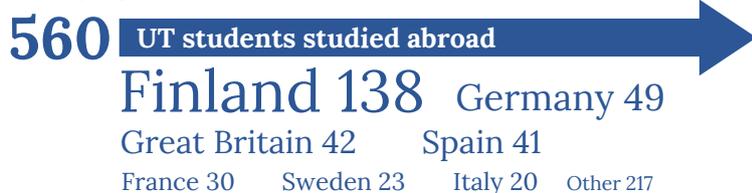
International studies

A2020 objective: the university supports the academic mobility of students and employees and values a diverse international and cultural learning and working environment

In 2019, the UT had **1,660 international students**, which accounts for 12% of all students. Compared to 2018, the number of international students increased by 14%. Of all international students of the UT, 58% were master's students and 17% doctoral students. International students came **from 100 countries**.

Over the last five years, the percentage of international students has increased the most in the Faculty of Science and Technology. 41% of all international students studied in the Faculty of Science and Technology, 36% in the Faculty of Social Sciences, 13% in the Faculty of Arts and Humanities, and 9% in the Faculty of Medicine. The majority of international students are students of the IT curricula, and they are also the most likely to work in Estonia after graduation.

In the 2018/2019 academic year, **560 UT students went abroad as exchange students**, incl. 251 for traineeship. Compared to the previous academic year, the number rose by 3%. The most popular destinations were Finland (25%) and Germany (9%). 331 students, i.e. 59% of all students who studied at a foreign university or did their traineeship abroad, used the EU Erasmus+ higher education programme.



613 international visiting students studied at the University of Tartu – 2% less than the year before. Under the Erasmus+ programme, a total of 397 visiting students studied at the University of Tartu. One in three students using the Erasmus+ programme came from a partner university in Germany. Italian and French students were also highly interested in studying at the University of Tartu.



The university has taken various steps to encourage academic mobility. For example, in 2019–2022, the University of Tartu with the University of Helsinki and the University of Stavanger participate in SkillMill, an Erasmus+ strategic partnership project led by Uppsala University. The project aims to develop a method that helps students to identify the general skills acquired during study abroad, for example, adaptability, and teamwork, communication and problem-solving skills. Students can also get inspiration for finding traineeship opportunities abroad from the UT traineeship blog, which shares the experiences of students who have returned from traineeship abroad.

> uu.se/en/about-uu/international/collaboration-projects
> uttraineeshipblog.com
> [instagram.com/unitartustudyabroad](https://www.instagram.com/unitartustudyabroad)

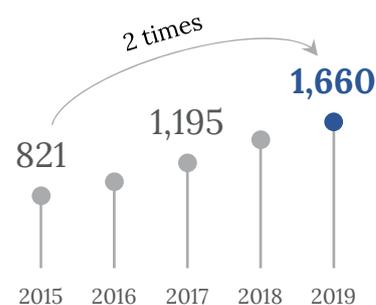
At the beginning of each semester, international (visiting) students are offered a short orientation course introducing the city and the University of Tartu. Also, international student tutors and support persons aid the adaption of international (visiting) students. Since 2019, tutor training is also provided in English.

12%
international
students

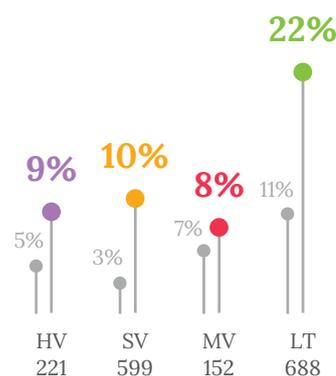


- First level (415)
- Master's studies (961)
- Doctoral studies (284)

Number of international students at the University of Tartu by study levels in 2019



Number of international students at the University of Tartu in 2015–2019



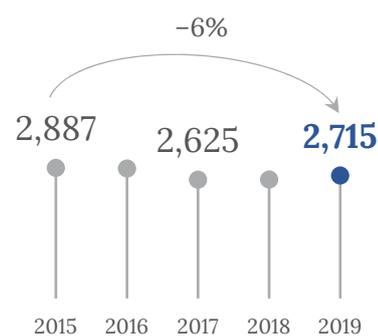
Number and percentage of international students at the University of Tartu by faculties in 2019. For comparison, the percentage of international students in 2015 is shown in grey

Graduation and interruption of studies

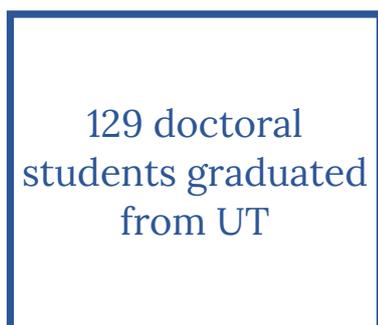


- First level (1,261)
- Master's studies (1,325)
- Doctoral studies (129)

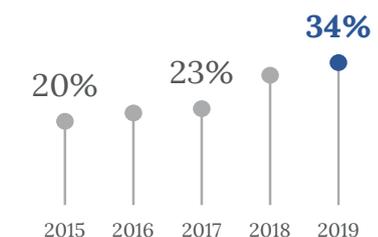
Number of graduates of the University of Tartu by levels of study in 2019



Number of graduates of the University of Tartu in 2015-2019



Number of PhD graduates from public universities in 2019. Source: EHIS



Percentage of doctoral students at the University of Tartu graduating within six years (standard period + two years) of all doctoral students who started studies in the same year

2,715 students graduated from the University of Tartu in 2019. There were 319 cum laude graduates. The highest proportion of graduates were students in the field of business, administration and law (22%).

In 2019, 36% of the UT graduates of the first level of higher education continued in master's studies here in the same year. By fields of study, most of all, the graduates in the field of natural sciences, mathematics and statistics (63%) and business, administration and law (46%) continued in master's studies at the UT.

In 2019, 235 doctoral dissertations were defended in Estonia, more than a half of them at the University of Tartu. **129 doctoral students graduated from the UT**, seven more than in 2018.

According to EHIS, the average interruption rate in Estonian higher education institutions in 2019 was 15.3%, incl. 13.6% at the UT. The lowest interruption rate at the UT was in the field of health and welfare (7.8%).

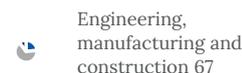
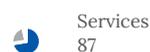
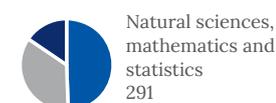
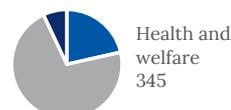
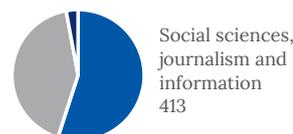
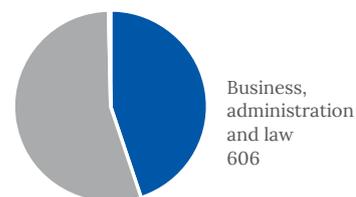
1,781 students interrupted their studies at the University of Tartu in 2019. Interruption rate at the first level of higher education was 14%, in master's studies 13% and doctoral studies 11%.

However, part of the students continued their studies at the UT within a year. Therefore, comparing the numbers for two consecutive academic years (2018 and 2019), we can say that 11% of students interrupted their studies at the UT in 2019.

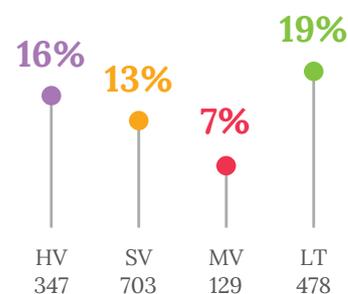
The main reasons for interrupting studies in 2019 were as follows:

- at the student's request (44%),
- expiry of the study period (24%),
- insufficient academic progress (15%).

- First level of higher education
- Master's studies (incl. integrated studies)
- Doctoral studies



Number of graduates of the University of Tartu by areas of study in 2019



Interruption rate and number of interruption cases at the University of Tartu at the first and second level of higher education by faculties in 2019

Using feedback

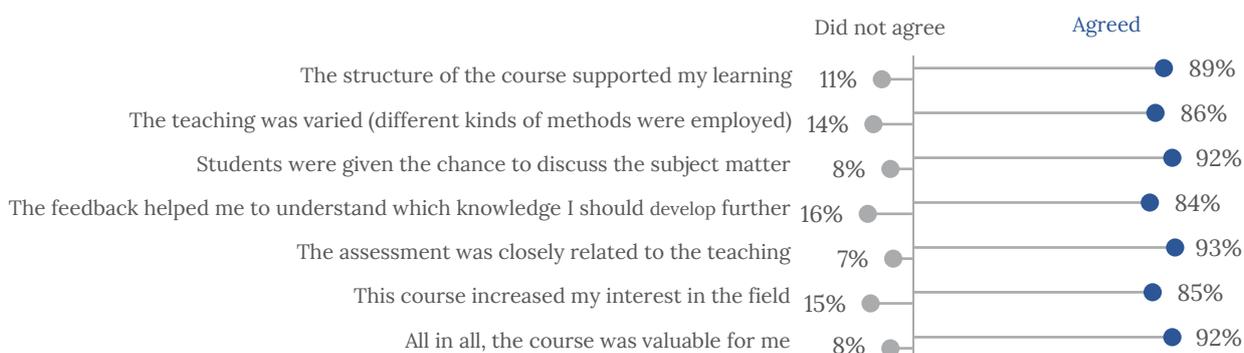
A2020 objective: in improving the quality of studies, the university proceeds from the principle of supporting the development of students for the benefit of society

In 2018, work on revising the annual students' feedback survey started at the university. In 2019, the course feedback survey for degree-seeking students was moved to a scientific basis, so it would take into account the research results of higher education teaching and give useful information to all parties (student, teaching staff, programme director, head of structural unit), but first and foremost would help teaching staff to develop their course. The statements in the survey are phrased so that teaching staff and heads of units can draw conclusions on the advantages and weaknesses of the course. Students rate their readiness to learn, the contribution of teaching staff to creating good learning opportunities as well as the overall value of the learning experience. The results

can be used by teaching staff and programme directors in their work and are taken into account as an element in the performance-based financing of curricula.

In the 2018/2019 spring semester 24,614 and in the autumn semester 40,677 questionnaires of the new survey were completed. In the teaching part of the survey (on the structure of the course, varied teaching, discussing the subject matter, compliance of feedback and assessment with the teaching), respondents most often agreed that the assessment complied with what had been taught and that during the course it was possible to discuss the subject matter. Much less they agreed with the statement that the feedback helped the learner sufficiently.

While 92% of the respondents said that all in all, the course was valuable for them, somewhat fewer learners (85%) agreed that the course had increased their interest in the field of study.



Results of the course feedback survey in the 2018/2019 academic year (percentage of agreement and disagreement with the statement)

The UT presents **annual best teaching staff awards** to acknowledge excellence in teaching and recognise those who receive the highest scores in the student feedback survey. Students evaluate the teaching based on the UT good practice of teaching and make proposals to recognise the teachers with the best teaching staff of the year award. One person in each faculty is awarded. In 2019, the best teaching staff award of the University of Tartu was granted to **Maria-Kristiina Lotman**, **Alar Kilp**, **Daisy Volmer** and **Kaido Lätt**.

The University of Tartu **award for improving the quality of teaching** was granted to Viljandi Culture Academy, who have systemically and successfully developed the creative entrepreneurship module and added entrepreneurship studies to all their professional higher education curricula.

The programme director of the year awards went to **Kristi Jõeste**, programme director of the master's curriculum "Native Crafts", **Stefano Braghioli**, programme director of the master's curriculum "European Union - Russia Studies", **Rita Nõmmela**, programme director of the integrated curriculum "Dentistry", and **Meelis Käärrik**, programme director of the master's curriculum "Actuarial and Financial Engineering".



Maria-Kristiina Lotman
Associate Professor of Classical Philology, Faculty of Arts and Humanities



Alar Kilp
Lecturer in Comparative Politics, Faculty of Social Sciences



Daisy Volmer
Associate Professor of Social Pharmacy, Faculty of Medicine



Kaido Lätt
Lecturer in Mathematics, Faculty of Science and Technology

Continuing education

A2020 objective: the university provides various target groups with flexible learning opportunities in both degree studies and continuing education

In 2019, a total of 36,607 continuing education learners studied in 1,307 UT courses: 35,778 took continuing education courses and 829 courses of degree programmes. Income from continuing education was 6 million euros (growth 7% compared to 2018). Also, the university organised 132 in-service training courses attended by 1,944 university employees. According to the Ministry of Education and Research, the UT is the largest provider of continuing education in Estonia. There were 2.7 continuing education learners per each student at the university.

Compared to 2018, the total number of continuing education learners dropped by 6%, while the number of continuing education learners who took courses of degree programmes grew by 22%. The typical duration of training course is 27–80 hours.

Number of continuing education courses and participants at the UT in 2019

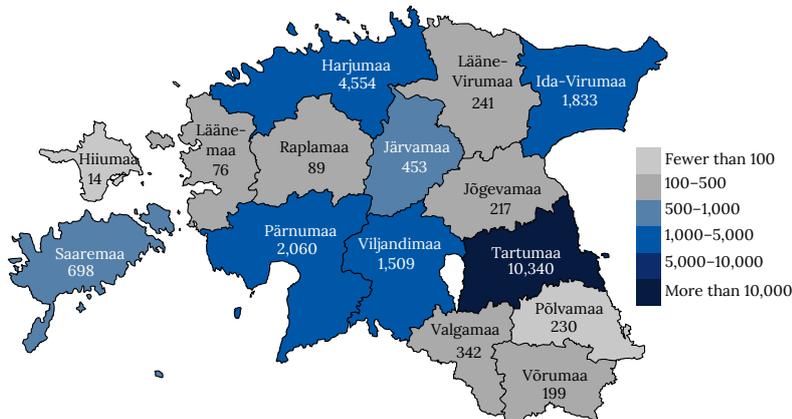
	Participants	Courses
Continuing education in total	36,607	1,307
Continuing education courses	35,778	932
incl. web-based courses (in brackets: percentage of all continuing education programmes and participants)	17,029 (48%)	368 (40%)
incl. MOOCs	7,275	19
incl. correspondence courses	218	7
incl. international continuing education	4,516	53
Degree study courses	829	375

The university as a continuing education provider continued cooperation with the public and private sector, including BLRT Grupp AS, Ericsson Eesti AS, Estonian Unemployment Insurance Fund, Union of Estonian Healthcare Professionals, Agency of Medicines, Estonian Defence Forces, several agencies and ministries, healthcare institutions and numerous educational institutions.

In the area of **international continuing education** (incl. MOOCs), the UT offered 53 courses to 4,516 participants.

A2020 objective: the university contributes to the designing of Estonian regional policy by strengthening the colleges in Viljandi, Narva and Pärnu as centres of regional development and cooperation

Following the strategic objective, continuing education was also successfully provided outside Tartu. The highest participation rates in continuing education were in the counties of Harju, Ida-Viru, Pärnu, Saare and Viljandi, i.e. mostly in regions where the university has a college or an office.



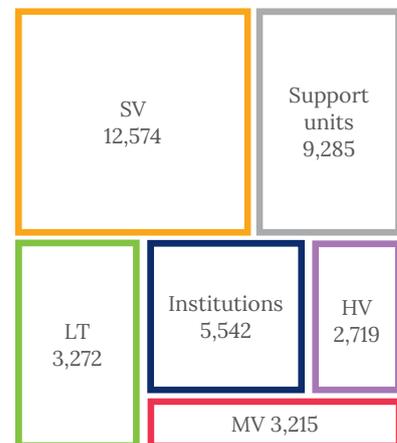
Participation in UT continuing education courses by counties in 2019 (excl. international, online and correspondence courses)

In 2019, **36,607** learners participated in the **continuing education courses** of the UT



- Continuing education courses (932)
- Degree study courses (375)

Number of UT continuing education courses in 2019



Number of participants in UT continuing education courses by structural units that organised courses in 2019

In autumn 2019, the UT opened the academic year of the University of the Third Age with 12 programmes in Tartu, Tallinn (in Estonian and Russian), Viljandi, Pärnu, Narva (in Russian), Türi, Kuressaare, Keila and Valga. New programmes of the University of the Third Age started in Põlva and Viimsi.



In April, the 10th anniversary of the UT University of the Third Age was celebrated with the conference "Active through Life" in Pärnu

RESEARCH

Financing

A2020 objective: in the conditions of the rapid development of research and technology and global competition, the university preserves and strengthens its position on the international research and education landscape

In 2019, Estonian research and development institutions received 74 million euros from main national funding programmes. 52% of the amount was allocated to the UT.

Research funding allocated to Estonian R&D institutions from main national financing programmes* for 2015 and 2019 in million euros

R&D institution	2015	2019	Change
UT	22.7	38.0	15.3 (67%)
TUT	8.3	15.7	7.4 (89%)
TU	1.9	4.7	2.8 (147%)
EULS	2.7	4.6	1.9 (70%)
Other	6.0	10.8	4.8 (80%)
Total	41.7	73.8	32.1 (77%)

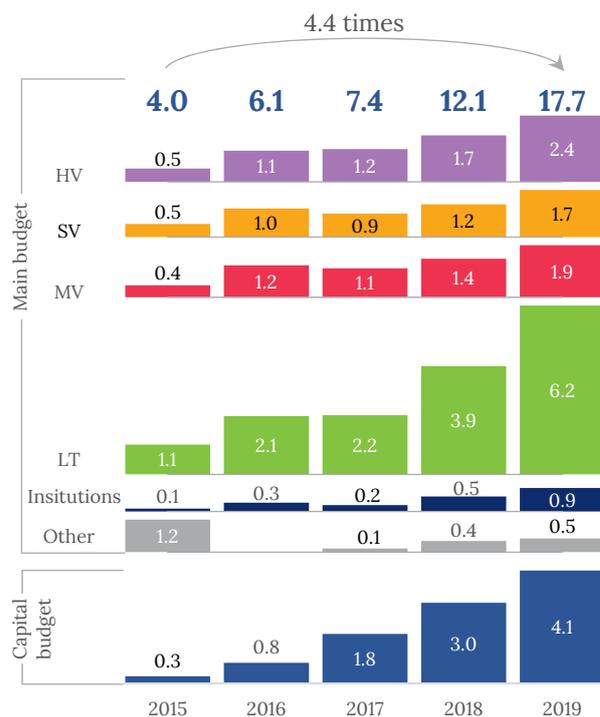
* Targeted funding of research topics, institutional research funding (amounts without overhead), Estonian Science Foundation grants, personal research funding and basic funding. Sources: MoER and ETIS

The amount of **basic funding** allocated from the state budget to the University of Tartu and its percentage in the UT research revenue has increased considerably in recent years – in 2019 it was 17.7 million euros, i.e. 19% of research revenue.

The university council allocated the part of basic funding designed to support national disciplines to the Faculty of Arts and Humanities. The main part of the basic funding was distributed as follows:

- 50% to academic units according to their contribution to earning the basic funding;
- 26% for investments in academic and research buildings,
- 16% to the UT development fund;
- 8% to the rector for performance-based financing of academic units.

After the distribution of performance-based amounts and

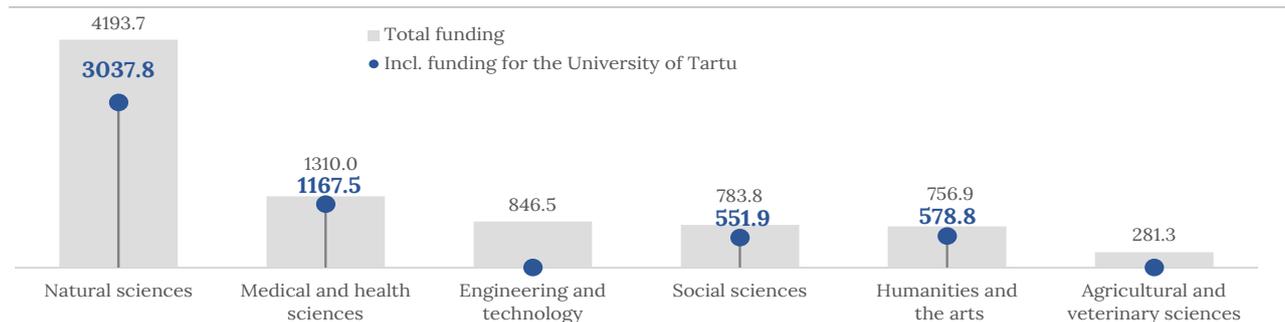


Distribution of basic funding for research in 2015–2019 between the university's main budget and capital budget after distribution of performance-based grants and allocations from the development fund (in million euros)

making allocations from the development fund, 73.8% of the 2019 basic funding was directed to the budgets of academic units. Labour costs accounted for 26% of the costs covered from basic funding in 2019 (4.7 million euros).

The total financial value of **institutional research funding (IUT)** for research themes in Estonia in 2019 was 16.5 million euros (without overhead). At the University of Tartu, work on 59 research themes was conducted with the support of IUT in 2019, totalling at 8.8 million euros.

The total financial value of **personal research funding (PUT)** projects started in 2019 in Estonia was 8.2 million euros (including team and start-up grants). The UT researchers are leading 39 projects with total funding of 5.3 million euros. In 2019, also the projects of 97 earlier PUT team and start-up grants continued and were given 6.3 million euros.



Funding for PUT start-up and team grants started in 2019 by fields of research, in thousand euros

In 2019, R&D contracts were signed in the value of **€49.3m** (except for IUT and PUT),

including **76 international contracts** in the value of **€24.1m**

The financial volume of R&D contracts signed in 2019 exceeded that of 2018 by 7 million euros. The largest part of the increase, 5.9 million euros, came from contracts signed with foreign funders. **The volume of international contracts signed in 2019 was the largest in the UT history.** The success of our researchers was enhanced by the project writing service. New foreign funding projects run over several years, so the university's research budget will be supported by that income for a number of years.

Most international contracts are funded by the EU Framework Programme for Research and Innovation Horizon 2020. In 2019, 28 new contracts were signed under Horizon 2020, with a total volume of 17 million euros. From 2014 to 2019, the UT received 51.2 million euros from this programme. This gives the UT the second place in absolute terms among the universities of Central and Eastern Europe (EU13) and the 18th place among Nordic and Baltic universities.

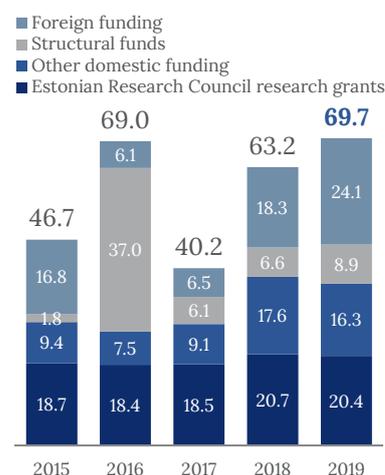
In 2019, the University of Tartu joined five new **partnerships of Horizon 2020**:

- European innovation network EIT Urban Mobility,
- European cooperation network of innovative manufacturing technologies EIT Manufacturing,
- European Cyber Security Organisation (ECSO),
- Fuel Cells and Hydrogen 2 Joint Undertaking (FCH 2),
- Bio-Based Industries Joint Undertaking (BBI).

Active participation in existing networks continued and a transition to the partnerships of the next research and innovation framework programme Horizon Europe started. From the 14 projects of five networks of Horizon 2020, the university received 1.3 million euros of foreign funding in 2019. From 2015 to 2019, the UT received a total of 4.6 million euros from the R&D partnerships of Horizon 2020, including the ERA-NET Cofund by the European Commission. Of all Horizon 2020 funding of the university (51 million euros), the percentage of income from partnerships has increased from 7.8% to 9.1% in the period 2015–2019.

The UT has received the most **European Research Area Chair (ERA Chair)** grants among all European institutions: seven projects with a total volume of 17.3 million euros. Other European institutions have no more than two such projects. In 2019, UT researchers received three ERA Chair grants from the European Commission with a total value of nearly 7.5 million euros.

- In the project “ERA Chair in e-Governance and Digital Public Services” (ECePS) of the Johan Skytte Institute of Political Studies, e-governance and digital public services will be studied and developed over the next five years.
- In the project “Materials in Extreme Environments” (MATTER), the Institute of Technology will hire a team of excellent researchers to establish a joint centre for studying materials in extreme environments. The project will make the Institute of Technology a leading institution in materials science in Europe.
- In the project “Computational Imaging and Processing with High Resolution” (CIPHR) of the Institute of Physics, the Centre of Photonics and Computational Imaging is established at the UT. The university's existing high-level knowledge in photonics is developed further in a new working group to be led by a top researcher in the field of computational imaging.



The value of R&D contracts of the University of Tartu concluded in 2015–2019 (in million euros)

In 2019, Professor of Information Systems of the UT Institute of Computer Science **Marlon Gerardo Dumas Menjivar** received a European Research Council (ERC) Advanced Grant of 2.3 million euros to develop IT solutions that allow automated improvement of business processes. As a result of the project, a business-process tool called Pix will be created that enables users to regularly review their workflows.

From ERC projects funded earlier, CerQuS led by Professor of Cryptography **Dominique Unruh**, Phosphoprocessors led by Professor of Molecular Systems Biology **Mart Loog** and GlioGuide led by Professor of Nanomedicine **Tambet Teesalu** continued in 2019.



Marlon Dumas



Dominique Unruh



Mart Loog



Tambet Teesalu

Publications

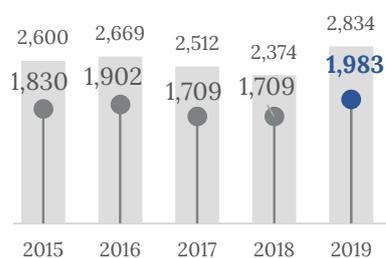
According to the Estonian Research Information System (ETIS), UT members published **2,834 research publications** in 2019, 1,983 of which were classified as high-level. Thus the average number of high-level publications published per academic staff member (FTE) was 1.31.

As at September 2019, 16.1% of publications by UT researchers published in the past five years (2014–2018) and indexed in the Web of Science database have reached the top 10% most cited publications in their field. Also according to the Scopus database, the publications of the UT have been cited 60% more than the average in several fields.

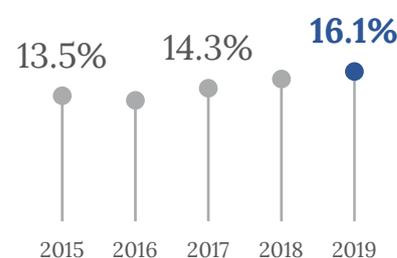
According to the research database Essential Science Indicators (ESI), 52 researchers affiliated with the University of Tartu (listed below) ranked among the 1% most cited researchers in their field of science in 2019. Seven of them (marked with an asterisk) have been included for their research impact in the “2019 Highly Cited Researchers Report”, which is compiled annually based on ESI data and lists the 6,000 most influential researchers of the world.

Kessy Abarenkov*	Aveliina Helm	Andres Merits	Margus Punab
Helene Alavere	Heikki Junninen*	Andres Metspalu	Meelis Pärtel
Jüri Allik	Mikk Jürisson	Ene Metspalu	Anu Realo
Mohammad Bahram*	Allen Kaasik	Mait Metspalu	Maido Remm
Mikhail Brik	Toomas Kivisild	Lili Milani	Lauri Saag
Mikael Brosche	Hannes Kollist	Mari Moora*	Martin Zobel*
Vinay Choubey	Tiit Kutser	Rene Mõttus	Mari-Liis Tammesoo
Alexander John Davison	Urmas Kõljalg*	Reedik Mägi	Kaido Tammeveski
Marlon Dumas	Triinu Kõressaar	Mari Nelis	Tiit Teder
Tõnu Esko	Maris Laan	Risto-Kalervo Näätänen	Leho Tedersoo*
Krista Fischer	Ülo Langel	Elin Org	Richard Villems
Toomas Haller	Ivo Leito	Leopold Parts	Jaak Vilo
	Jaan Liira	Pärt Peterson	Maarja Öpik
	Ülo Mander		

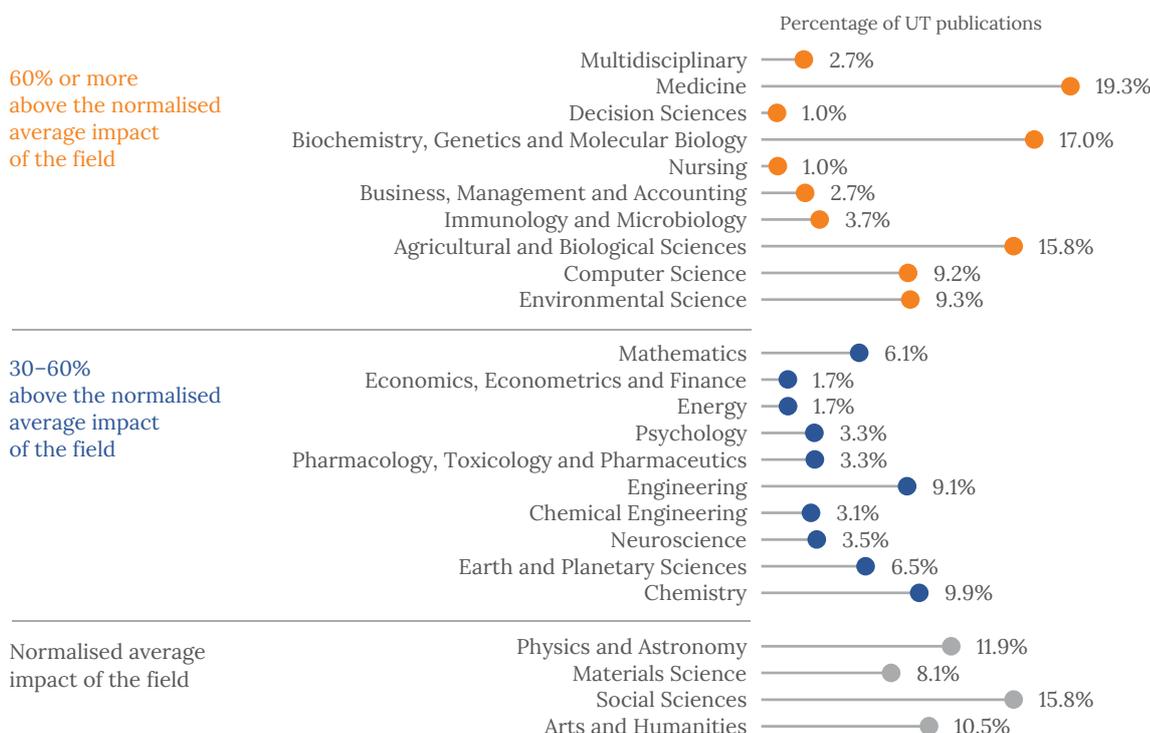
■ Number of publications
● incl. number of high-level publications



Research publications by UT members, incl. the number of high-level research publications in 2015–2019. Source: ETIS



Percentage of UT-affiliated publications ranking in the top 10% by citations for their field of all UT publications in 2015–2019



Research fields of the largest volume of research publications of the University of Tartu in the period 2009–2018 (the percentage on the column indicates the share of publications of this field of all UT publications) and their impact compared to the average impact of the same field according to the Scopus database

ENTREPRENEURIAL UNIVERSITY

A2020 objective: one of the key factors of the development of the university is its members' entrepreneurial attitude

The Accreditation Council for Entrepreneurial and Engaged Universities (ACEEU) awarded the UT with the **international Entrepreneurial University Accreditation**. The evaluation committee that visited the UT in 2018 highly appreciated support activities for university members, which help communicate the initiatives of students and staff outside the university (for example, the Startup Day, cooperation with Spark Makerlab), the variety of entrepreneurship studies (for example, the Starter programme, MOOCs, the Kaleidoskoop competition), UT's participation in local business life and the impact of the UT's entrepreneurship-oriented activities.

In 2019, a new support action was tested within the university, aiming to further develop operational ideas emerged at the final part of research projects. 31 ideas were submitted for the action, of which the evaluation committee selected six. The total funding given was 175,000 euros. By the end of the year, all teams had considerably developed their possible applications and as many as 11 companies were interested in these solutions.

A2020 objective: the university inspires businesses to more actively use the research infrastructure of the university and the knowledge and skills of academic staff

11.4 million euros was the value of business contracts signed by the University of Tartu in 2019

The volume of UT **business contracts** increased by nearly one million euros in 2019. The total volume of business contracts was 11.4 million euros. The public sector continues to contract more R&D services than the private sector, but 2019 shows the balance is shifting towards companies. Services contracted by the public sector made up 54% of the volume of all business contracts in 2019. In 2017 and 2018, this figure was around 60%. The volume of contracts by companies increased by 1.17 million euros while that of the public sector decreased by 200,000 euros.

To contract R&D services from the university, both companies and the public sector actively use **national innovation support measures**. Of all contracts with companies, 65% of projects used the NUTIKAS support measure. 50% of public sector projects were supported by the RITA programme. During the four years the state has run the NUTIKAS support measure, 51 projects have been supported. The NUTIKAS measure has led to 25 companies to contract services from the UT for a total of 11.4 million euros. The largest contract, signed with Milrem Robotics, amounts to 1.6 million euros and is implemented until 2021 by the Institute of Computer

Science and the Institute of Technology.

A2020 objective: the university increases the interest in and awareness of innovation and science among Estonian residents and businesses through various forms of cooperation

60 enterprises are involved in the UT's **partnership programme** and contribute to the university's study and research. In 2019, enterprises in the partnership programme contracted R&D services from the university in the total value of 500,000 euros. The most active partners include Eesti Energia, Swedbank, Graanul Invest and Väraska Sanatoorium. Chemi-Pharm and the Swedish Chamber of Commerce in Estonia participating in the partnership programme offer traineeship opportunities, diploma thesis topics and scholarships to UT students. Partners also contribute to research popularisation by supporting the UT Youth Academy.

Adapter is a cooperation network comprising 12 Estonian R&D institutions and managing the adapter.ee R&D services ordering portal for companies. The services database of Adapter includes the descriptions of a total of 568 services in Estonian and 385 in English. In 2019, companies submitted 245 requests, leading to 60 cooperation agreements. Ten of the latter were related to the UT. Each year, partners of Adapter have also organised a cooperation festival to update entrepreneurs on cooperation opportunities with research institutions and new trends. The cooperation festival of 2019 was organised together with the Estonian Food Industry Association and focused on the food industry, environment and nutrition.

A2020 objective: the university contributes to the creation and growth of knowledge-based businesses and innovation

In 2019, two new enterprises were added to the list of the University of Tartu **spin-offs**: OÜ BlueRay and Prudens OÜ. The first develops virtual reality applications and the latter operates in the field of experimental and applied psychology. Two enterprises were deleted from the list as

54 enterprises were in the list of the University of Tartu spin-offs by the end of 2019

they had ended their economic activity.

At the 2019 Entrepreneurship Awards Gala of the city of Tartu, the title of the best UT spin-off company of the year was given to AS Airel that builds scientific equipment. The biotechnology company TBD Biodiscovery managed to attract the largest investment in 2019: 4.5 million euros from a Dutch investment company.

The economic results of UT spin-offs increased significantly in 2018*. The total sales revenue increased to 37 million euros (30 million euros in 2017). At the end of

*The 2019 review will be made in summer 2020

2018, the UT spin-offs employed 460 people.

A2020 objective: the university enables students to develop their general and area-related business competencies based on their needs and interests

The students of all curricula can study entrepreneurship courses. The School of Economics and Business Administration has developed a package enabling students to choose either one comprehensive entrepreneurship course or an entire module, or study entrepreneurship as a minor.

The **UT Startup Lab** (former IdeaLab) organises pre-incubation activities i.e. the development of business ideas for students. In the workshops of the **Starter pre-incubation programme** within “Edu ja tegu” entrepreneurship education programme, participants could develop their idea into a business model with the support of mentors and, if desired, set up a business. The Starter programme led by the UT takes place for the fifth year already in cooperation with Tallinn University and the Tallinn University of Technology. In 2019, the programme



The University of Tartu's team *io_developers* won the second prize and an award of 2,000 US dollars at the pitching competition of the international business development programme **NGAL®** (Network Globally, Act Locally). *io_developers* develops app-controlled optical eyeglasses enabling to adjust focus. Team members – student of Innovation and Technology Management **Elchin Aghazada** and student of Software Engineering **Murad Mammadov** – also won the business ideas competition **Kaleidoskoop** in spring 2019

involved 133 teams including 505 students across Estonia.

In cooperation with Garage48, UT Institute of Computer Science and IT Akadeemia (StudyITin.ee), the annual Student Startup Camp is organised, where teams



DreamField, the winning team of the Student Startup Camp, found a solution to the over-fertilisation problem using a novel method of soil analysis

are helped to turn their business ideas into working prototypes and taught the fundamental truths about the startup business. In 2019, 120 students participated in the camp, developing 14 business ideas.

In October, the international hackathon Space Apps Challenge took place in Tartu. This world's largest hackathon is held in about 200 cities at the same time. This was the second time the event took place in Estonia, involving Estonian students and foreign students from 17 countries. Compared to other hackathons organised in Estonia, Space Apps Challenge is more research-intensive and aims to solve societal problems. The winning team SpaceBeavers developed the application Floody that allows creating more detailed flood risk maps people could use when buying a house or a plot.

The Startup Lab participates in the development cooperation project “Transforming Estonian Best Practice of Practical Entrepreneurship Studies to Ukrainian Universities”, funded by the Ministry of Foreign Affairs. In cooperation with Ukrainian partners and relying on Startup Lab's experience, the educational programme “Yep! Starter” was created to offer the practical skills for developing a business idea and the knowledge required to set up a company. Approximately 200 members



“Yep! Starter” ended in March with a reception at the Estonian Embassy in Kyiv. In the photo: Startup Lab Manager **Maret Ahonen**, Programme Manager **Piret Arusaar** and project partners **Andriy Zaikin** and **Valeria Holierova**

of teaching staff from Ukrainian higher education institutions participated in the seminar organised in spring. This was also the project's last seminar for teaching staff.

Intellectual property protection

In 2019, the UT researchers announced of 21 new objects of intellectual property of potential commercial value. 12 patent applications and two trade mark applications were submitted to the Patent Office. By the end of 2019, the university had 64 active patents and patent applications. The largest users of UT's intellectual property rights were VF Bioscience SAS, Tere AS and Icosagen AS. The UT has 23 active licence agreements, eight of which brought revenue in 2019.

Researchers' awareness of intellectual property has improved. More and more, the objects potentially needing protection are considered already in the stage of grant applications. Also, more attention is given to regulating students' intellectual property rights when involving them

CONTRIBUTION TO SOCIETY

Knowledge sharing

A2020 objective: the university ensures the competitive level of the development of national sciences

The responsibility of the University of Tartu as Estonia's national university is to preserve and develop the Estonian language and culture. The **eleven national sciences professorships** help to perform the task of the national university.

For many-sided intellectual and creative development of the members of the university, the position of the **professor of liberal arts** has been created in the Faculty of Arts and Humanities. Every year, a prominent Estonian creative person, whose activities relate to the traditional fields of activity of the University of Tartu, is invited to fill this position for one academic year. In 2019, jewellery designer and graphic artist, Doctor of Arts **Kärt Summatavet** was elected as UT Professor of Liberal Arts.

With the "**Contribution to Estonian National Identity**" award, the UT annually recognises individuals whose creative work has made an outstanding contribution to promoting the national identity of Estonians and Estonia. In 2019, the award went to poet, publisher and essayist **Hando Runnel**.



Hando Runnel



Kärt Summatavet

A2020 objective: the university improves innovation and research communication, increasing the interest in and awareness of innovation and science among Estonian residents and businesses through various forms of cooperation

Estonia's major media channels published 6,046 stories on research at the UT in 2019. Entrepreneurship topics were covered by the media on 914 occasions, IT topics on 819 occasions. In 2019, the ERR Novaator research news portal, co-managed with Estonian Public Broadcasting, published 314 research news items from the UT, incl. 188 by the UT editors. On average, articles by UT editors and authors attracted 30% more readers than in 2018 (the average number of readings per article increased from 825 to 1,068).

A2020 objective: the university actively participates in developing and implementing policies required for the development of health care in Estonia

The Government of Estonia allocated 5 million euros for 2018 to the joint gene project of the UT Estonian Genome Centre, the National Institute for Health Development and the Ministry of Social Affairs. For 2019, the project received funding to involve additional 50,000 gene donors.

The collecting, genotyping and primary analysis of gene samples is conducted by the **UT Estonian Genome Centre**, which holds the gene samples of more than 200,000 Estonian people, including the 52,414 samples collected in 2019. To link genetic data to the national health information system, 5 million euros are invested from the European Regional Development Fund in 2019–2022. First, a solution will be created allowing the doctor to receive information on the interaction of a particular medicine and the patient's genetic data to offer the most appropriate medicines.

> geenivaramu.ee

A2020 objective: the university intensifies cooperation with schools to generate scientific interest in pupils and to involve talented pupils in research

In the 2018/2019 academic year, a total of 2,268 pupils studied in the 51 courses of the **Youth Academy**. In the 2019/2020 academic year, 2,300 students from 230 schools started learning in 49 Youth Academy courses and 782 learners from 65 schools registered for workshops. 819 pupils participated in the finals of olympiads in 13 subjects in 2019. 107 Estonian pupils participated in international subject competitions and olympiads and won 7 gold, 19 silver and 23 bronze medals.

In addition to olympiads, the Youth Academy organised open competitions in astronomy, mathematics, computer science, chemistry and physics. These attracted 810 participants in total. Pupils continue to highly appreciate the online competitions Kobras, Spekter, Pulsar and Kuubik, while by far the most popular was the mathematics contest Känguru, in which 25,476 pupils from 403 schools took part in 2019. 85 pupils from 50 schools across Estonia took place in the three-day science camp on technology organised by the Youth Academy. The project was financed by the ETAg Open Call for Science Communication Projects.

601 secondary school leavers completed the Youth Academy programme in 2019. 229 of them (38%) enrolled in the UT in the same year, most of them to the Faculty of Science and Technology (90) and the Faculty of Medicine (70).

> teaduskool.ut.ee

A2020 objective: the university supports the development of the memory institutions of the university and the research and preservation of national cultural assets and heritage

The University of Tartu **Museum** hosted 53,962 visitors in 2019. Thanks to the jubilee year, the museum earned its largest own revenue from ticket sales, rent, programmes, projects and grants – 614,232 euros, which is 45% of the museum's budget.

Many of the museum's projects in 2019 were related to the anniversary of Estonia's national university. The annual exhibition of the museum "Estonia of Ideals. 100 Years of Quests" critically analyses the central role of national university in the development of the Estonian state and society. The new permanent exhibition "The University of Our Lives" covers the university's story through four centuries and explores how the UT has affected the lives of every one of us. Both exhibitions received the annual award of the Cultural Endowment of Estonia.



Permanent exhibition "The University of Our Lives" of the UT Museum

The museum offered the schools of Tartu active learning programmes in the humanities, science and technology. There were 968 programmes and study tours to 20,513 participants in 2019. In May, 700 pupils from 37 schools took part in the fifth Crazy Scientist's conference organised by the museum. The museum continued its successful cooperation with theatres: the performance "All souls' night" was brought on stage together with the labyrinth theatre group G9 and Tartu Uus Teater.



Crazy Scientist's 5th scientific conference "Go to forest!"

Three books by the employees of the museum were published: *Ars Academica. 100 Works of Art of the University of Tartu*, *Academic freedom. Studentdom of the University of Tartu through the ages* and *A hundred faces of the University of Tartu*. *Ars Academica* was chosen among the top 25 of the most beautiful books published in Estonia in 2019.

> muuseum.ut.ee



The exhibition "The World in a Rucksack" of the Natural History Museum, dedicated to the anniversary of Estonia's national university, observes the development of natural science in Estonia during the last 100 years by looking at the natural science expeditions undertaken by the country's researchers

A total of 145,275 people visited the UT **Natural History Museum and Botanical Garden** in 2019. 474 programmes were organised for a total of 9,112 participants.

Led by the Natural History Museum and Botanical Garden, the fifth **Nature Festival** was held in 2019, engaging 3,000 people in nature-related activities. During the marathon of nature observations, more than 3,000 entries were added to the eBiodiversity data portal from all over Estonia.



In summer, to celebrate the 100 years of Estonia's national university, Rector **Toomas Asser** planted a Scots pine – a clone of the world's tallest pine growing in Ootsipalu, Põlva county – in the UT Botanical Garden

Led by the Natural History Museum and Botanical Garden, the 45th General Meeting of the Consortium of European Taxonomic Facilities (CETAF) was held in Tartu for the first time, bringing more than 50 heads of natural history museums and botanical gardens to discuss the topics of endangered species and the importance of open data in protecting biodiversity.

> natmuseum.ut.ee
> botaanikaed.ut.ee

By the end of 2019, the **library** had 30,933 registered users, 31% of them from outside the UT. Students accounted for 62% of the total number of readers. During the year, the main building of the library was visited 207,895 times; 3.8 million virtual visits were registered. By the end of 2019, access to 119 online databases had been created via the library. The databases mainly comprise full texts of scientific journals, reference books, and the electronic versions of monographs by the world's leading science publishers.

> utlib.ut.ee

Feedback from society



Peeter Saari

The Government of Estonia gives **national research awards** to Estonian researchers and research groups for outstanding results in eight fields of research.

The award of 40,000 euros for **outstanding lifetime achievements in research and development** was given to Head of Laboratory and Professor of Wave Optics of the UT Institute of Physics, Academician **Peeter Saari**. The world of physics knows Peeter Saari as the founder of the research area of non-diffractive light pulses.



Mart Ustav



Arvet Pedas

Professor of Biomedical Technology at the UT Institute of Technology, Academician **Mart Ustav** received the research award of 50,000 euros for an **outstanding scientific discovery** for his R&D project “From the study of the molecular mechanisms of the reproduction of DNA oncoviruses to the design of development and production technologies of biological medicines”.



Tõnu Esko



Reedik Mägi

Arvet Pedas received the **award in exact sciences** for his research cycle “Effective numerical methods for solving fractional differential equations and singular integral equations”.

Tõnu Esko, Reedik Mägi, Krista Fischer and **Lili Milani** received the **award in chemistry and molecular biology** for their series of works “Basic research on genetics and genomics for the implementation of personal medicine in Estonia”.



Krista Fischer



Lili Milani

Allen Kaasik received the **award in medical science** for his R&D project “The role of mitochondria in diseases of the nervous system”.

Urmas Saarma received the **award in geology and biology** for the series of works “Complex studies on life-threatening zoonotic pathogens and their carnivore hosts in Estonia and globally”.



Allen Kaasik



Urmas Saarma

The Academies of Sciences of Estonia, Latvia and Lithuania recognised **Maris Laan**, UT Professor of Human Genetics, for her research in reproductive medicine and genetics with the **Baltic Academies of Sciences medal**. Laan is the first female scientist to receive the medal awarded since 1999.



Maris Laan



Maaja Vadi

Economist, psychologist and UT Professor of Management **Maaja Vadi** was awarded the **Order of the White Star, 4th class**. She was one of the initiators of the research field of organisational behaviour and has fostered research in this field. Her role in developing the Estonian terminology of economics is invaluable.



Ljubov Kisseljova

The **Order of the White Star, 4th class**, was also awarded to **Ljubov Kisseljova**, literary researcher and UT Professor of Russian Literature. Her main fields of research are the history of the Russian literature of the 18th and the first half of the 19th century, the works of Vasily Zhukovsky and Russian literature in the cultural context of other nations, the history of the University of Tartu and the legacy of Juri Lotman.



Helle Karro

Medical researcher and UT Professor of Obstetrics and Gynaecology **Helle Karro** was awarded the **Order of the Estonian Red Cross, 2nd class**. Her ongoing research on women's infertility is definitely noteworthy.



Kai Part

The **Order of the Estonian Red Cross, 4th class**, was awarded to **Kai Part** and **Made Laanpere**, UT Lecturers in Obstetrics and Gynaecology. Kai Part studies the factors influencing adolescents' sexual health and behaviour. Made Laanpere's main field of research is the analysis of factors influencing women's sexual health and behaviour.



Made Laanpere



Jaanus Villiko

Jaanus Villiko, Administrative Manager of the UT Narva College, was awarded the **Order of the White Star, 5th class**, for promoting local life in Narva.



Jaan Aru

The **Young Scientist Award** was given to UT Research Fellow in Computational Neuroscience **Jaan Aru**, who studies the computational principles the work of the brain is based on and how these algorithms differ from those of modern artificial intelligence.



Andres Metspalu

The European Movement International conferred Professor **Andres Metspalu** the **title of European of the Year**. The title is given to Estonians who have made an outstanding contribution to foster the relations between Estonia and Europe, supported the development of civil society and helped to increase European awareness in the Estonian society.



Toomas Asser

President of the Republic of Latvia bestowed Latvian state decoration, the **Cross of Recognition, 3rd class**, on UT Rector **Toomas Asser**, and the **Cross of Recognition, 4th class**, on UT Professor of History and Dialects



Karl Pajusalu

ORGANISATION



- Academic staff (1,518)
- Teaching staff (748)
- Research staff (770)
- Support staff (1,440)

Number of employees (FTE) of the University of Tartu in 2019

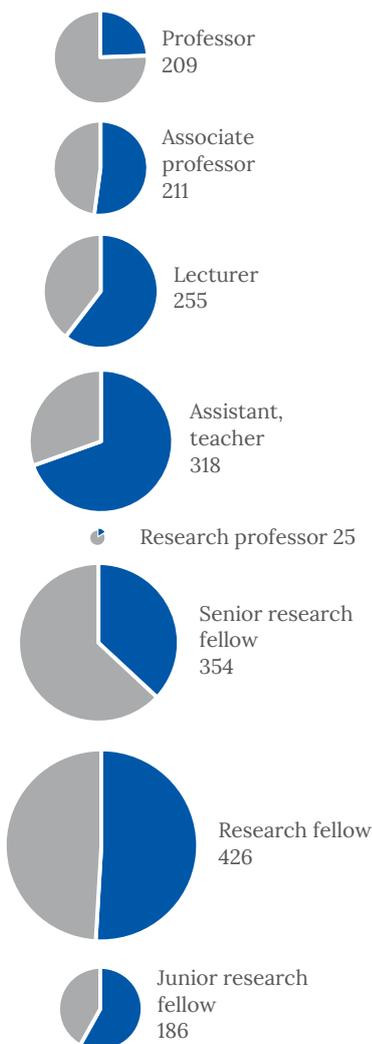
Employees

3,635 people worked at the University of Tartu at the end of 2019

At the end of the year, the UT employed **209 professors**, incl. 51 women (24%).

325 foreign nationals from 60 countries worked at the University of Tartu

Men Women



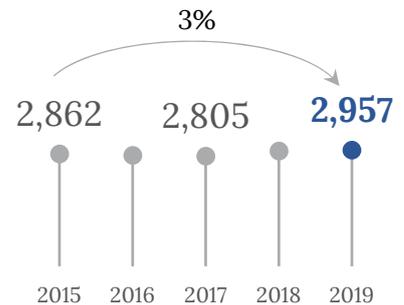
Number and gender ratio of academic staff by positions in 2019

258 international staff members held an academic position. International teaching and research staff accounted for nearly 13% of the total number of UT academic staff. Most of them (72 persons) worked as research fellows. 31 foreigners were employed as professors (15% of professors).

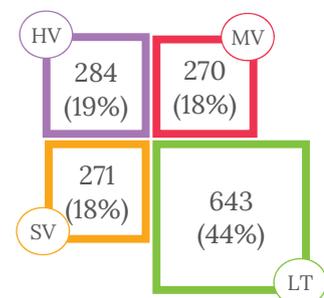
72% of the academic staff hold a **PhD**

1,378 academic staff members of the University of Tartu hold a PhD. The requirement to hold a PhD or an equivalent qualification applies to professors, associate professors, research professors, senior research fellows and lecturers.

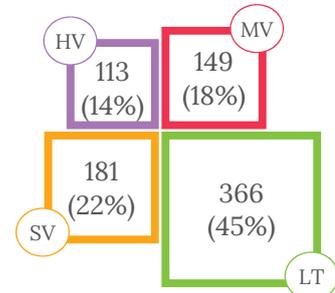
56% of support staff worked in faculties, 27% in the support structure and 17% in the UT institutions.



Number of employees (FTE) of the University of Tartu in 2015–2019

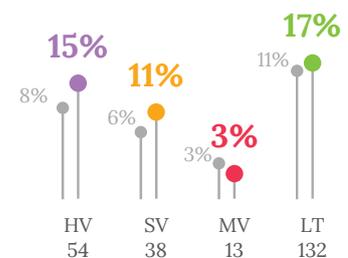


Academic staff in faculties



Support staff in faculties

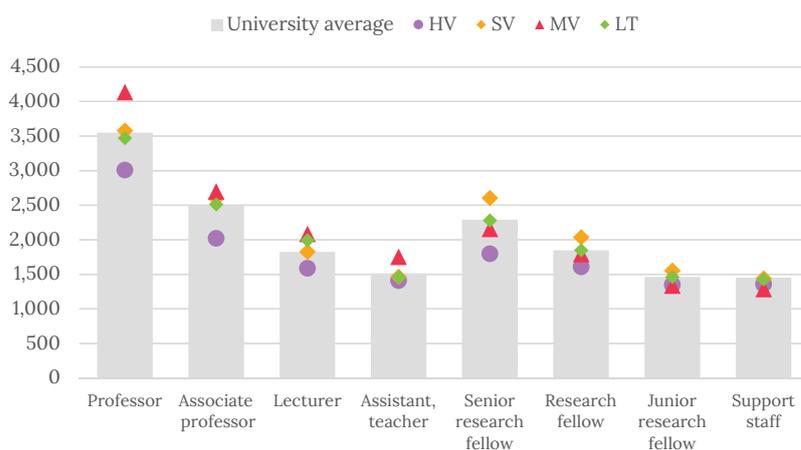
Number of academic and support staff members (FTE) and their division by faculties in 2019



Percentage of international academic staff by faculties in 2019. For comparison, the percentage of international staff in 2015 is shown in grey

1,813 euros was the average gross monthly salary of UT employees

The average gross monthly salary at the UT increased by 7.2% in a year. In 2019, the average gross salary of research staff increased the most (8.2%), followed by that of the teaching staff (7.3%) and support staff (6.6%). In academic positions, the salary increase was the biggest for associate professors (10%), junior research fellows (9.6%), research fellows (9.5%) and lecturers (8.5%). The average salary of research professors increased by 7.8%, that of assistants and teachers by 7.2%, that of senior research fellows by 5.6% and that of professors by 4.7%.

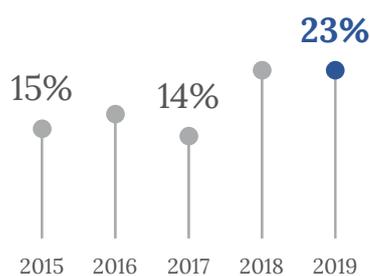


Average salary of UT employees (euros) by positions and faculties in 2019

Training courses for employees

A2020 objective: the university supports the development of the teaching and supervising skills of academic staff

The UT supports the development of the teaching and supervising skills of academic staff by offering training courses, counselling, collegial feedback and teaching conferences. Teaching staff members who want to enhance their teaching skills can get support from the **academic developers of each faculty, and instructional designers**. 185 **teaching development seminars** were organised for teaching staff in 2019. 23% of academic staff participated in long-term teaching development activities. This percentage was the highest in the Faculty of Social Sciences, where 33% of academic staff were involved in teaching development activities.



Percentage of academic staff who participated actively in teaching-related development activities in 2015–2019

The UT offers **base training courses** for developing teaching and supervising skills: “Learning and Teaching in Higher Education”, “Supervising Student Papers”, “Teaching Science and Technology at the University” and the English-taught “University Teaching”. There are many other courses on teaching-related topics, including support for using the Moodle e-learning environment, using the plagiarism detection system Urkund, workshops on balanced curriculum development, the art of self-expression for teaching staff, and understanding and

supporting students experiencing excessive anxiety and stress.

In 2019, there were four **collegial feedback communities** at the University of Tartu. Recipients of the good teaching grant also held meetings throughout the year. As in the previous years, the UT allocated 12 grants for systematic development and research of teaching skills.

Together with earlier recipients of the **grant**, the university has now supported 60 teaching staff members in professional development, organising their research on teaching and sharing the results.

In 2019, the annual **conference “From Lecturer to Lecturer”** was dedicated to the topic “Dialogues of Learning”. This proceeded from the idea that learning is by nature a dialogue: between students and teaching staff, between students, between students and the learning material, between the society and the university. 224 people participated in the conference, incl. 175 from the UT.

A2020 objective: the university values the high-level Estonian language skills of its employees and students and supports foreign employees and students in learning the Estonian language and cultural history

To promote good language use and spelling, 12 training courses and seminars were organised, attended by 136 UT employees (215 participation times). Also, a series of seminars introducing different religions and worldviews was started. The participants of these seminars discussed what to bear in mind for smooth communication with representatives of another culture, worldview or religion. Four seminars with a total of 96 participants took place.

The UT supports the Estonian language learning of its international staff. 67 international employees and eight family members learned Estonian.

A2020 objective: the university plays an important role in transforming Tartu into an international learning, working and living environment

In the seminar series “Tartu – rich in culture”, international staff and students introduce the culture and customs of their country to university members and public. In 2019, the culture evenings introduced Mexican and Spanish culture. 80 people took part in these events. Also, there were other events like the sports day, seminars introducing Tartu, life and work at the UT, the Estonian culture, etc., and opportunities were created for the international staff and family members to widen their social network. 165 people took part in these events. International staff of the UT can also participate in Euraxess networking events.



Spanish and Mexican culture evening at the UT

A2020 objective: the university supports the constant improvement of specialised and professional knowledge and skills of employees, incl. the development of managerial skills

For the **professional development of UT employees**, 214 training courses and seminars took place in 2019. English language courses, especially for the development of conversation skills, continue to be popular. Also training courses on creating a positive work environment, incl. those on work-related stress and mental health, were in high demand.

Management training and development programmes also continued. In spring, the second class of the management development programme for heads of units and team leaders completed their training. The programme helps to develop the skills and knowledge good managers most often need in their everyday work, offers support for starting managers and helps to build a supportive network. 45 people participated in nine training days. 18 managers from different faculties, institutions and support units completed the full training programme. The third class of the programme started in the autumn semester.

In 2019, the UT reached an agreement on its future participation in the **U4Society Academic Leadership programme** and started preparing the session taking place at the University of Tartu. The series offers a great training opportunity for experienced (top-level) executives. The programme comprises five 3-day sessions, one at each U4Society Network university.

In autumn, the first **leadership and management skills course** was organised for academic group leaders. The

programme was offered by hfp consulting. The four-day course focused on developing leadership skills. The majority of participants were senior research fellows and newly elected professors of the UT, but there were also learners from other Estonian universities.

In 2019, ten heads of units cooperated with a development partner – an experienced mentor or a colleague from the UT who has undergone a coaching programme. There were 21 professional leadership training courses with 196 employees participating (392 participation times).

UT employees actively use the **Erasmus+ staff training and academic staff exchange programmes**. In 2019, a total of 179 UT employees delivered lectures or participated in training courses at universities abroad, which is slightly less than in 2018. The reason for the decline lies in the slightly smaller volume of the International Credit Mobility compared to 2018.

114 employees used the **European Mobility programme**. Most often they went to Germany, Sweden and Spain. 65 employees used the **International Credit Mobility**, most often to go to Serbia, India and Canada.

Work environment

Annual university-wide surveys have been conducted since 2011 to improve the work environment, governance, the work of support units and availability of services. 1,663 employees, i.e. 46% of all university employees, responded to the job satisfaction survey in 2019.

93% of employees are proud to work at the University of Tartu

Employee satisfaction at the UT mostly depends on interesting work, salary and work atmosphere. Other important factors are the importance of one's work and sufficient time for personal life. Most of all, university members are satisfied that their work is interesting – 97% of respondents agreed with that statement. Employees are also satisfied with work equipment (94%) and the rooms and physical work environment (87%).

In 2019, the employees expressed most dissatisfaction with the following aspects: fairness of salary (32% dissatisfied), the balance of work and personal life (19%), receiving feedback (18%) and perceived recognition (18%). Over the past five years (2015–2019), the evaluation of the fairness of salary has not significantly changed. In other mentioned aspects, there has been a slight but statistically significant change for the better over the past five years. The measures taken at the level of units and the university as a whole have had a positive effect.

For years, recognition and feedback have been among aspects in which reality does not meet expectations. Over the years, however, these figures have also gradually improved. Three employees in four (76%) perceive sufficient recognition and four employees in five (79%) get an appropriate amount of feedback.

Estonia's national university



The University of Tartu of the Republic of Estonia was born together with the state. After the end of World War I in December 1918, the German military forces delegated power over the university to **Peeter Põld**, a representative of the Estonian government. On 1 December 1919, the opening ceremony of the University of Tartu of the Republic of Estonia was held. The university, teaching in Estonian, primarily intended for Estonian students and serving the Estonian society, started operation.

In 2019, the UT **celebrated the centenary of Estonia's national university**. Throughout the year, books introducing the university's history and researchers were presented and art and history exhibitions took place. In May, an alumni get-together brought a record number of UT graduates to Tartu. At the get-together, also the newly restored version of the 1932 documentary "Alma Mater Tartuensis" by **Theodor Luts** was screened. A radio programme series on the university was broadcast on Raadio Kuku and a special TV series was screened on Eesti Televisioon. Eesti Pank issued a two-euro circulating coin and Eesti Post issued a stamp.

The highlight of the celebrations was in November and December. A new permanent exhibition on the university history was opened at the UT Museum and a composition "...windship with oars of light..." by **Pärt Uusberg** premiered in Vanemuine Concert Hall. The traditional torchlight procession took place and the light show "The Spirit of Tartu" was performed in cathedral ruins on Toome hill. On 30 November, the Estonian National Museum hosted the anniversary ball and on 1 December, the ceremony to mark the anniversary of Estonia's national university was held at the UT assembly hall. During the jubilee year, also the new strategic plan of the UT was prepared, setting the direction of alma mater for 2020–2025.

The anniversary of Estonia's national university was dedicated to the Republic of Estonia and the Estonian language. The centenary celebrations and other events embodied the gratitude and gift of the university community to all people of Estonia.

> 100.ut.ee



18 April

Opening of the exhibition "The University of Tartu Main Building in Art"



18 May

Brainstorming on Toome hill at the alumni get-together



2 September

Opening of the photo exhibition "Faces of the University III" on the wall of Von Bock House



18 May

The largest-ever UT alumni get-together



2 September

Opening ceremony of the academic year at Kassitoome



26 September

UT Memorial Day in Raadi cemetery



18 October

Presentation of the book "A Hundred Faces of the University of Tartu"



19 November

Presentation of Estonia's National University 100 stamp and coin



30 November

Light show "The Spirit of Tartu" on cathedral towers



30 November

Anniversary ball "Roots of the Future" at the Estonian National Museum



4 December

The university's appreciation event at which awards to the best teaching staff, the best programme directors and the Award for Improving the Quality of Teaching as well as the scholarships of the UT Foundation for the autumn semester were presented



1 November

Opening of the exhibition "Ars Academica. The University of Tartu Art Collection" at Kadrioru Art Museum



30 November

Premiere of **Pärt Uusberg**'s composition "...windship with oars of light..." at Vanemuine Concert Hall Performed by University of Tartu Symphony Orchestra, Academic Women's Choir and Chamber Choir of the University of Tartu and Tartu Academic Male Choir



30 November

Torchlight procession



1 December

Ceremony to mark the 100th anniversary of Estonia's national university



8 December

Concert performance "The Patterns of Being" by the University of Tartu Folk Dance Ensemble in Narva

International cooperation

<p>22 January</p> <p>The UT hosted the representatives of the universities and the Ministry of Education and Science of the Republic of Tajikistan who were in Estonia for a study visit.</p>	<p>6 March</p>  <p>Ambassador of Georgia to Estonia Tea Akhvediani met with Rector Toomas Asser and opened the photo exhibition “50 Women of Georgia” at the UT Library. The photo exhibition paid tribute to Georgian women – painters, writers and public figures – who redefined woman’s role in the Georgian society of the 19th and the 20th century.</p>
<p>22 March</p>  <p>In the framework of the “German Spring” festival, a delegation from Mecklenburg-Vorpommern state led by Minister for Energy, Infrastructure and Digitalisation Christian Pegel visited Tartu and the UT. In March, the UT hosted more high-level guests from Germany: on 26 March, members of the Committee on Education, Research and Technology Assessment of the Bundestag and on 28 March a delegation of executives of Bavarian State Chancellery.</p>	<p>11 April</p>  <p>During his state visit to Estonia, President of the Republic of Latvia Raimonds Vējonis also visited the UT. In his speech at the UT assembly hall, Vējonis emphasised the role of knowledge and especially higher education in defending our freedoms.</p>
<p>15–18 April</p> <p>As a member of the Estonian delegation, Rector Toomas Asser accompanied the President of the Republic on her state visit to Portugal, also visiting the University of Lisboa.</p>	<p>3–4 May</p>  <p>At the meeting of the LERU-CE7 network held at the UT, the rectors of the central European universities belonging to the network discussed what needs to be done to increase the financing of research and people’s awareness of the need for scientific investment and to support the spread in the society of opinions rooted in fact.</p>
<p>28 September</p> <p>Rector Toomas Asser hosted the descendants of his predecessor, theologian Andreas Virginius (1596–1664), who was the first invited professor of the University of Tartu and elected as rector four times.</p> 	<p>17 May</p>  <p>Ambassador of Latvia to Estonia Raimonds Jansons presented the Latvian state decoration, the Cross of Recognition, 3rd class, to Rector Toomas Asser.</p>
<p>12–13 June</p> <p>In June, a meeting of the contact persons of the Guild of European Research-Intensive Universities was held in Tartu. The participants discussed assessing the impact of the network, improving communication and intensifying cooperation.</p>	<p>22 May</p> <p>As a part of the campaign for Estonia’s candidature for a non-permanent seat on the UN Security Council, a delegation of permanent representatives to the UN visited Tartu. The rector gave them an overview of Tartu as a research and university town.</p>

28–29 October

Representatives of nine European universities met in Tartu to launch the **ENLIGHT consortium**, aiming to promote the quality of life, sustainability and global engagement through higher education transformation.

29–30 October

The **U4Society Annual Conference** took place in Tartu. Rectors of the U4Society universities introduced the closest development priorities of their universities and explained how participation in U4Society fosters the internationalisation of research and studies.



11–12 December

Celebrations of the centenary of Estonia's national university outside Estonia culminated in the visit of the rector and UT delegation to Sweden. On 11 December, a ceremony and a reception were held to mark the centenary in the Estonian House in Stockholm. On the next day, the delegation visited Lund University, where they discussed collaboration in research and development and teaching with **Stacey Ristinmaa Sörensen**, the pro vice-chancellor for research of Lund University. During the visit, the delegation also paid their respects to two former rectors buried in Sweden – **Johan Köpp** in Stockholm Forest Cemetery and **Edgar Kant** in Lund Northern Cemetery.

23–27 October



UT delegation led by Rector **Toomas Asser** met with the representatives of the University of Toronto and the Estonian community in Toronto to celebrate the centenary of Estonia's national university. The highlight of the visit was the anniversary ceremony in the hall of the University of Toronto Tartu College. **Toomas Asser** also met with President of the University of Toronto **Meric Gertler** and discussed extending cooperation to different research areas, starting research exchange, and creating more flexible mobility opportunities for students.

2–3 December



The High-Level Education Policy Seminar for the rectors and vice rectors of the **Coimbra Group** of European classical research universities took place at the UT. On two consecutive days, participants discussed the role of universities as drivers of socio-academic integration in multilingual Europe.

During 2019, the **UT also hosted** the rectors of Pskov State University, the University of Turku, Åbo Akademi and Aalto University as well as the delegation of Southeast University (China). Ambassadors of Georgia, Canada, Latvia, Germany, France, Japan and Sweden visited the university, as well as the Consul of Russia and the new Chargé d'Affaires of the US Embassy.

University rankings



Times Higher Education World University Rankings

301–350

The University of Tartu results in THE ranking by subjects in 2019

Subject	Position
Life sciences	176–200
Computer science	201–250
Business & economics	201–250
Arts & humanities	251–300
Social sciences	301–400
Clinical, pre-clinical & health	301–400
Education	301–400
Physical sciences	301–400



Academic Ranking of World Universities

301–400



QS World University Rankings

301

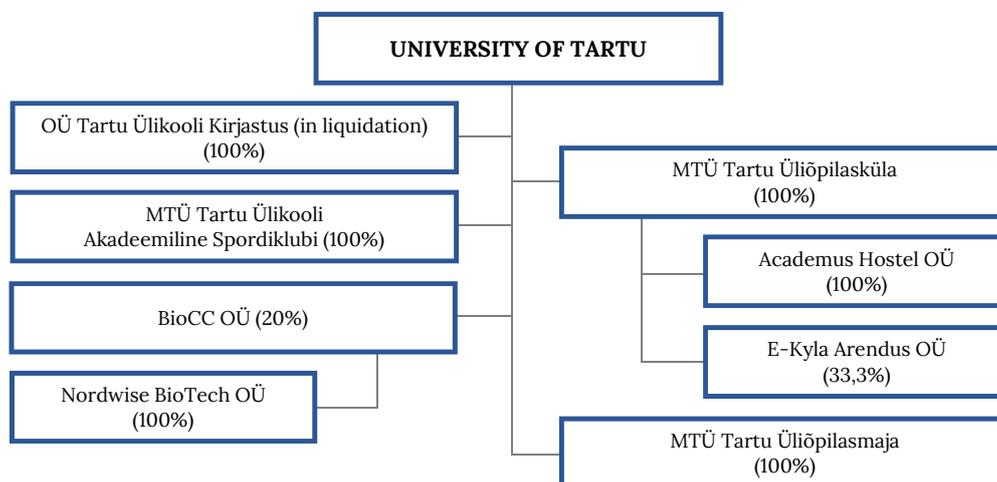
The University of Tartu results in QS ranking by subjects in 2019

Subject	Position	Subject	Position
Politics and international studies	101–150	Biological sciences	251–300
Philosophy	151–200	Medicine	351–400
Geography	151–200	Education & training	251–300
Agriculture & forestry	151–200	Law	251–300
Linguistics	151–200	Computer science & information systems	351–400
Communication & media studies	151–200	Business & management	401–450
English language & literature	251–300	Chemistry	451–500
Modern languages	251–300	Physics & astronomy	551–600

Financial activities

OBJECTIVE: the university considers financial sustainability when making choices

In 2019, the consolidation group of the University of Tartu consisted of the university and eight other legal entities. The liquidation of the private limited company Tartu Ülikooli Kirjastus (UT Press) was started and publishing activities were transferred to the university. The associate BioCC OÜ founded a subsidiary Nordwise BioTech OÜ. The operating revenue of the group in the 2019 fiscal year was 205 million euros.



Main indicators of the field and volume of activity of the legal entities in the consolidation group in thousand euros

Legal person in public law	Field of activity	Operating revenue	Total net gain / loss	Balance sheet total	Net assets
Tartu Ülikool	Higher education, research	200,248	11,284	321,333	254,481
OÜ Tartu Ülikooli Kirjastus (in liquidation)	Publishing	333	-62	136	134
Academus Hostel OÜ	Accommodation	289	-109	84	83
E-Kyla Arendus OÜ	Software development for student residences	28	-4	56	52
BioCC OÜ	Research in natural sciences	1,815	44	3,874	3,325
MTÜ Tartu Üliõpilasküla	Student accommodation	3,631	215	1,704	975
MTÜ Tartu Ülikooli Akadeemiline Spordiklubi	Students' sports activities	2,913	3	153	-34
MTÜ Tartu Üliõpilasmaja	Students' cultural activities	580	-12	267	232
University of Tartu group		204,793	11,207	323,664	255,927

The university has concentrated its financial policy in four directions:

- diversification and focusing of revenue,
- implementation of economy measures,
- continuous management of the policy for covering overhead expenses,
- improving the efficiency of financial management at all management levels.

In 2019, the university achieved the objectives set in the Financial Strategy.

- Objective: cash flow from economic activities is positive; actual result: +16.7 million euros.
- Objective: share of the university's net assets in the balance sheet is at least 75%; actual result: 79%.
- Objective: loan burden is less than 25% of annual revenue; actual result: 13.5%.

Main indicators (consolidated)

FINANCIAL INDICATORS in thousand euros	2015	2016	2017	2018	2019
Operating revenue	161,895	137,989	153,817	191,087	204,793
Operating expenses	157,890	147,306	162,522	184,022	193,421
Financial revenue and expenses	-135	-59	-56	-72	-135
Annual total net gain/loss	3,864	-9,382	-8,772	6,993	11,207
Balance sheet total	290,866	281,803	269,281	305,983	323,664
Current assets	48,897	51,390	45,211	60,816	64,596
Fixed assets	241,969	230,413	224,070	245,167	259,068
Current liabilities	27,299	25,968	24,935	33,601	44,156
Long-term liabilities	8,802	10,452	7,736	27,662	23,581
Net assets	254,765	245,383	236,610	244,720	255,927
Loans from banks	11,730	13,352	10,446	32,135	27,662

RATIOS	2015	2016	2017	2018	2019
Operating expenses / operating revenue	98	107	106	96	94
Loans / operating revenue	7	10	7	17	14
Current assets / current liabilities	179	198	181	181	146
Fixed assets / balance sheet total	83	82	83	80	80
Loans / balance sheet total	4	5	4	11	9
Net assets / balance sheet total	88	87	88	80	79

OBJECTIVE: the university develops infrastructure, following the principle of ensuring the quality of study and research and optimal use of resources

Main investments in 2019:

- the construction of Delta academic building was completed (cost 24.8 million euros),
- the design and planning of the Liivi 2 academic building was started to adapt it for the Institute of Ecology and Earth Sciences,
- the design and planning of the Jakobi 5 / Lutsu 1 / Munga 4 academic building for the Institute of Education was started,
- the renovation of Biomedicum continued,
- the construction of Delta business building continued,
- the construction of student hostel of Narva College continued.



Delta academic building

Main investments in 2020:

- the construction of Delta business building will be completed (estimated cost 5.5 million euros),
- the construction of student hostel of Narva College will be completed (estimated cost 3.8 million euros),
- the ventilation works at Vanemuise 46 will be completed (estimated cost 1.3 million euros),
- the alteration of the Liivi 2 academic building will start (estimated cost 8.3 million euros),
- the reconstruction of the Jakobi 5 / Lutsu 1 / Munga 4 academic building will start (estimated cost 6.3 million euros),
- the design and planning of the renovation of the Lossi 3 academic building will start.



Construction of student hostel of Narva College



University of Tartu

Consolidated
financial
statements
2019

CONTENTS OF CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF FINANCIAL POSITION	44
CONSOLIDATED STATEMENT OF FINANCIAL PERFORMANCE	45
CONSOLIDATED STATEMENT OF CASH FLOWS	46
CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS	47
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS	48
NOTE 1. SIGNIFICANT ACCOUNTING POLICIES	48
NOTE 2. SUBSIDIARIES OF THE GROUP	58
NOTE 3. CASH AND CASH EQUIVALENTS	58
NOTE 4. RECEIVABLES AND PREPAYMENTS	58
NOTE 5. GRANTS RECEIVABLE	59
NOTE 6. INVENTORIES	60
NOTE 7. INVESTMENTS IN ASSOCIATES	60
NOTE 8. INVESTMENT PROPERTY	61
NOTE 9. PROPERTY, PLANT AND EQUIPMENT	62
NOTE 10. INTANGIBLE ASSETS	63
NOTE 11. BORROWINGS	63
NOTE 12. FINANCE AND OPERATING LEASES	64
NOTE 13. LOANS AND ASSETS PLEDGED AS LOAN COLLATERAL	65
NOTE 14. PAYABLES AND DEFERRED INCOME	66
NOTE 15. DEFERRED GRANT AND CO-FINANCING INCOME	67
NOTE 16. PROVISIONS	67
NOTE 17. REVENUE FROM SALE OF GOODS AND PROVISION OF SERVICES	68
NOTE 18. STATE BUDGET FUNDING FOR EDUCATION ACTIVITIES	68
NOTE 19. STATE BUDGET FUNDING FOR RESEARCH ACTIVITIES	68
NOTE 20. GRANTS RELATED TO ASSETS	69
NOTE 21. GRANTS RELATED TO INCOME	70
NOTE 22. OTHER INCOME	70
NOTE 23. GOODS, MATERIALS AND SERVICES USED	70
NOTE 24. OPERATING EXPENSES	71
NOTE 25. STAFF COSTS	71
NOTE 26. DEPRECIATION, AMORTISATION AND IMPAIRMENT LOSSES	71
NOTE 27. LOSS ON WRITE-OFF OF PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS	72
NOTE 28. OTHER EXPENSES	72
NOTE 29. RELATED PARTY DISCLOSURES	73
NOTE 30. CONTINGENT ASSETS AND LIABILITIES	75
NOTE 31. ASSETS ACCOUNTED FOR OFF THE STATEMENT OF FINANCIAL POSITION	75
NOTE 32. EVENTS AFTER THE REPORTING PERIOD	76
NOTE 33. PRIMARY FINANCIAL STATEMENTS OF THE PARENT	77
INDEPENDENT AUDITOR'S REPORT	81
SIGNATURES TO ANNUAL REPORT 2019	83

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

In thousands of euros As at 31 December	Note	2019	2018
ASSETS			
Current assets			
Cash and cash equivalents	3	43,063	41,969
Receivables and prepayments	4	21,389	18,664
Inventories	6	144	183
Total current assets		64,596	60,816
Non-current assets			
Investments in associates	7	91	83
Investments in financial assets		2	2
Receivables and prepayments		0	2
Investment property	8	1,412	1,461
Property, plant and equipment	9	249,922	237,792
Intangible assets	10	7,641	5,827
Total non-current assets		259,068	245,167
TOTAL ASSETS		323,664	305,983
LIABILITIES AND NET ASSETS			
Liabilities			
Current liabilities			
Borrowings	11	4,094	4,474
Payables and deferred income	14	39,819	28,797
Provisions	16	243	330
Total current liabilities		44,156	33,601
Non-current liabilities			
Borrowings	11	23,581	27,662
Total non-current liabilities		23,581	27,662
Total liabilities		67,737	61,263
Net assets			
Capital of the university		144,182	144,182
Accumulated surpluses		100,538	93,545
Surplus for the period		11,207	6,993
Total net assets		255,927	244,720
TOTAL LIABILITIES AND NET ASSETS		323,664	305,983

The notes on pages 48 to 80 are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL PERFORMANCE

In thousands of euros	Note	2019	2018
Revenue			
Revenue from sale of goods and provision of services	17	24,777	22,197
State budget funding for education activities	18	74,775	69,096
State budget funding for research activities	19	32,095	32,339
Grants related to assets	20	19,407	18,736
Grants related to income	21	53,548	48,113
Other income	22	191	606
Total revenue		204,793	191,087
Expenses			
Goods, materials and services used	23	-20,245	-18,075
Operating expenses	24	-45,147	-44,757
Scholarships and study grants		-14,447	-12,530
Staff costs	25	-96,235	-90,301
Depreciation, amortisation and impairment losses	26	-15,157	-16,466
Other expenses	28	-2,190	-1,893
Total expenses		-193,421	-184,022
Surplus on operating activities		11,372	7,065
Share of profit of associates	7	8	5
Interest income		20	14
Interest expense		-163	-91
Surplus before income tax		11,237	6,993
Income tax expense		-30	0
Surplus for the period		11,207	6,993

The notes on pages 48 to 80 are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

In thousands of euros	Note	2019	2018
Cash flows from operating activities			
Surplus on operating activities		11,372	7,065
Adjustments for			
Depreciation, amortisation and impairment losses	26	15,157	16,466
Other non-cash transactions with non-current assets		13	0
Gain on sale of non-current assets	22	-15	-271
Non-monetary grants related to assets		-63	-6,849
Change in provisions	16	-87	330
Grants related to assets received		-19,343	-11,887
Grants related to assets passed on		1,038	763
Change in receivables and prepayments		-3,337	-2,387
Change in inventories		39	-3
Change in payables and deferred income		12,165	4,680
Interest paid		-163	-86
Corporate income tax paid		-30	0
Net cash from operating activities		16,746	7,821
Cash flows from investing activities			
Paid on acquisition of property, plant and equipment		-3,960	-4,653
Proceeds from sale of property, plant and equipment		17	486
Proceeds from sale of investment property		14	0
Paid for assets under construction		-23,005	-21,030
Prepayments made for property, plant and equipment	9	-176	-460
Paid on acquisition of intangible assets		-2,081	-3,004
Proceeds from government grants related to assets		19,112	10,868
Government grants related to assets paid (partners)		-1,110	-718
Collection of a non-current receivable		2	2
Interest received		16	18
Net cash used in investing activities		-11,171	-18,491
Cash flows from financing activities			
Proceeds from loans received	13	0	24,400
Repayment of loans received	11, 13	-4,473	-2,711
Payment of finance lease principal	12	-8	-5
Cash acquired in mergers with research institutions		0	540
Net cash used in/from financing activities		-4,481	22,224
Net cash flow		1,094	11,554
Cash and cash equivalents at beginning of period	3	41,969	30,415
Increase in cash and cash equivalents		1,094	11,554
Cash and cash equivalents at end of period	3	43,063	41,969

The notes on pages 48 to 80 are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS

In thousands of euros	Capital of the university	Accumulated surpluses	Deficit/surplus for the period	Total
As at 31 December 2017	144,182	101,200	-8,772	236,610
Transfer of deficit	0	-8,772	8,772	0
Other changes	0	1,117	0	1,117
Surplus for the period	0	0	6,993	6,993
As at 31 December 2018	144,182	93,545	6,993	244,720
Transfer of surplus	0	6,993	-6,993	0
Surplus for the period	0	0	11,207	11,207
As at 31 December 2019	144,182	100,538	11,207	255,927

The notes on pages 48 to 80 are an integral part of these consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1. SIGNIFICANT ACCOUNTING POLICIES

1.1. GENERAL INFORMATION

The consolidated financial statements of the University of Tartu as at and for the year ended 31 December 2019 (the financial statements) have been prepared in accordance with the Estonian Financial Reporting Standard, which is a set of requirements for general purpose financial statements that is based on internationally recognised accounting and reporting principles. The main requirements of the Estonian Financial Reporting Standard are set out in the Estonian Accounting Act and more specific guidance is provided in the Public Sector Financial Accounting and Reporting Guidelines (the Reporting Guidelines).

The financial statements have been prepared using the going concern basis, i.e., assuming that the University of Tartu and the group's subsidiaries (the group) are going concerns. The going concern basis does not apply to OÜ Tartu Ülikooli Kirjastus, which at 31 December 2019 was in liquidation. The financial year began on 1 January 2019 and ended on 31 December 2019. The financial statements are presented in thousands of euros.

The financial statements have been prepared on the historical cost basis unless stated otherwise in these accounting policies.

The consolidated statement of financial performance has been prepared using Income Statement Format 1 in Annex 2 to the Estonian Accounting Act. Certain account titles in the statements of financial performance and changes in net assets as well as the structure of the statements have been modified to represent the nature of the operations of the University of Tartu group more faithfully.

In the consolidated statement of cash flows, cash flows from operating activities have been reported using the indirect method. Cash flows from investing and financing activities have been reported using the direct method.

1.2. Preparation of consolidated financial statements

1.2.1. Basis of consolidation

In preparing consolidated financial statements, the financial statements of the parent and all the subsidiaries under its control are combined line by line. Intra-group balances and transactions and any resulting unrealised profits are eliminated. Unrealised losses are also eliminated unless the costs cannot be recovered. The accounting policies of the subsidiaries are adjusted where necessary to ensure consistency with the policies adopted by the group.

These financial statements comprise the financial information of the University of Tartu (the parent), its subsidiaries OÜ Tartu Ülikooli Kirjastus (in liquidation), Academus Hostel OÜ, MTÜ Tartu Üliõpilasküla, MTÜ Tartu Üliõpilasmaja and MTÜ Tartu Ülikooli Akadeemiline Spordiklubi and its associates BioCC OÜ and E-Kyla Arendus OÜ.

1.2.2. Subsidiaries

A subsidiary is an entity controlled by the University of Tartu. Control is presumed to exist when the parent holds, directly or indirectly, over 50% of the voting power of an entity or has the power to govern an entity's operating and financial policies by some other means.

The term 'subsidiary' also covers foundations and non-profit associations. The existence of control of foundations and non-profit associations is determined considering, among other factors, whether the assets of the entity will transfer to the parent when the entity is liquidated. When the parent has control of a foundation or a non-profit association (generally over 50% of voting power), the investment is accounted for as a wholly-held investment.

Information on subsidiaries is disclosed in note 2.

1.2.3. Associates

An associate is an entity over which the University of Tartu or its subsidiary has significant influence but not control. Significant influence is presumed to exist when the University of Tartu or its subsidiary holds 20 to 50% of the voting power of an entity.

When the University of Tartu or its subsidiary has significant influence (generally 20 to 50% of voting power) in a foundation or non-profit association, neither an investment in an associate nor a financial asset is recognised in the consolidated statement of financial position. Contributions to the investee's capital are recognised as an expense (a transfer made).

Investments in associates are accounted for using the equity method. Under the equity method, an investment is initially recognised at cost and its carrying amount is subsequently adjusted to recognise the investor's share of changes in the investee's net assets (both changes in the investee's profit or loss and other items of net assets), depreciation, and amortisation of the difference identified in the purchase price allocation between the fair value and carrying amount of the investee's assets, liabilities and contingent liabilities.

At each reporting date the group assesses whether there is any indication that the recoverable amount of an investment may have decreased below its carrying amount. If such indication exists, the investment is tested for impairment. The recoverable amounts of investments are estimated as described in subsection 1.11. *Impairment of assets*.

Information on associates is disclosed in note 7.

1.2.4. Interests in foundations

The University of Tartu is a founding member in the following foundations:

- Tartu University Hospital Foundation
- Science Centre AHHA Foundation
- Information Technology Foundation for Education
- Tartu Science Park Foundation
- University of Tartu Foundation
- Estonian Agrenska Foundation
- Viljandi Centre for Creative Industries Foundation.

The University of Tartu has significant influence over the following foundations:

In thousands of euros	Domicile	Net assets As at 31 December		Representation of the university in terms of council members
		2019	2018	
Tartu University Hospital Foundation	Estonia	159,438	146,566	3 members of 8
Science Centre Ahhaa Foundation	Estonia	8,853	9,431	2 members of 6
Tartu Science Park Foundation	Estonia	4,340	4,367	3 members of 9
University of Tartu Foundation	Estonia	3,799	3,526	2 members of 8
Estonian Agrenska Foundation	Estonia	1,243	1,203	1 member of 5
Viljandi Centre for Creative Industries Foundation	Estonia	-115	-14	1 member of 5

1.2.5. Investments in financial assets

Current and non-current investments in shares and other equity instruments (except for investments in subsidiaries and associates) whose fair value cannot be measured reliably are measured at cost less any impairment losses.

The University of Tartu group has interests in two companies:

- Tervisetehnoloogiate Arenduskeskus AS 7.69% interest
- STACC OÜ 2% interest.

1.2.6. Parent's separate primary financial statements presented in the notes

The notes to the consolidated financial statements include the separate primary financial statements of the group's parent (the consolidating entity): the statements of financial position, financial performance, cash flows and changes in net assets. The parent's primary financial statements are prepared using the same accounting policies as those applied on the preparation of the consolidated financial statements. In the parent's primary financial statements presented in the notes to these financial statements, investments in subsidiaries and associates are measured at deemed cost less any impairment losses. If the deemed cost of an investment recognised in the parent's financial statements exceeds the interest in the investee's net assets, which have decreased due to a dividend distribution, a loss incurred, or for some other reason, the deemed cost of the investment is written down to the interest in the investee's net assets. When the interest in the investee's net assets subsequently increases, the write-down is reversed and the carrying amount is increased to the lower of deemed cost and interest in the investee's net assets.

1.3. Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, balances on current accounts (excluding overdrafts), term deposits with a short maturity (up to three months) and card payments in transit. In the consolidated statement of financial position, overdrafts are classified as current borrowings.

1.4. Receivables and prepayments

Trade receivables, accrued income and other current and non-current receivables (including loans provided and deposits) are measured at their amortised cost. The amortised cost of current receivables is generally equal to their nominal value (less any write-down for impairment). Therefore, current receivables are measured at the amount that is expected to be collectible. Non-current receivables are recognised initially at the fair value of the consideration receivable. After initial recognition, they are measured at amortised cost using the effective interest method. Non-current receivables that do not bear interest are measured at their present value by applying a discount rate of 4% per year.

The collectibility of receivables is estimated using the approximation technique which is based on historical experience. On the application of the approximation technique, receivables which are 90-180 days past due are written down by 50% and receivables which are more than 180 days past due are written down in full (100%). Doubtful receivables are carried within trade receivables until they are collected or considered uncollectible and written off the statement of financial position.

When it appears that the collection of a receivable is impracticable, the item is considered uncollectible and written off the statement of financial position. A receivable is considered uncollectible when the group has no means for collecting it (the debtor has been liquidated or gone bankrupt and the assets in the bankrupt's estate are insufficient for settling the debt, etc.) or when the costs of collecting the receivable would exceed estimated income from its collection.

When a doubtful receivable is subsequently collected, the previously recognised impairment loss is reversed by reducing expenses from impairment of receivables in the period in which the item is collected.

1.5. Impairment of financial assets

At each reporting date the group assesses whether there is any indication that a financial asset or a group of financial assets measured using the amortised cost or cost method may be impaired. If such indication exists, financial assets measured at amortised cost are written down to the present value of their expected future cash flows (discounted at the financial asset's original effective interest rate) and financial assets measured at cost are written down to the amount that could reasonably be expected to be collected if the financial asset were sold at the reporting date. An impairment loss is recognised as an expense in the consolidated statement of financial performance.

1.6. Inventories

Inventories are assets, which are: held for sale in the ordinary course of economic activity; in the process of production for such sale; or in the form of materials or supplies to be consumed in the production process or the rendering of services. Inventories comprise not only goods purchased for sale, materials, work in progress and finished goods but also equipment and real estate held for resale and capitalised expenses directly attributable to the provision of services for which revenue cannot yet be recognised using the stage of completion method.

Inventories are initially measured at cost, which comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Expenditure on fuel excise duty incurred on the acquisition of inventories is capitalised and included in the cost of the inventories.

Borrowing costs are not included in the cost of inventories. In line with the Reporting Guidelines, non-recoverable levies and taxes paid on the acquisition of inventories are recognised as an expense.

The cost of goods is assigned using the FIFO formula. In the consolidated statement of financial position, inventories are measured at the lower of cost and net realisable value.

1.7. Investment property

Investment property comprises property (land or a building or a part of a building) that the group leases out to a non-public sector entity to earn rentals or holds for capital appreciation and which is not used in the operating activity of any public sector entity. Buildings and premises that are used by public sector entities are recognised as items of property, plant and equipment.

An investment property is measured initially at its cost that includes any expenditure directly attributable to its acquisition (e.g., notary's fees, stamp duties, legal and advisory fees, and other expenditures without which the transaction would probably not have occurred). Borrowing costs are not included in the cost of investment property. In line with the Reporting Guidelines, non-recoverable levies and taxes incurred on the acquisition of investment property are recognised as an expense. In line with the Reporting Guidelines, after initial recognition, investment property is measured at cost less any accumulated depreciation and any impairment losses.

Depreciation is charged using the straight-line method. Each investment property is assigned a depreciation rate that corresponds to its useful life. Where an investment property consists of significant parts that have different useful lives, the parts are accounted for separately and assigned depreciation rates that correspond to their useful lives. In 2019, the depreciation rates assigned to the group's investment properties ranged from 2 to 3% per year. Exceptions included properties without buildings (plots of land), which are not depreciated.

Subsequent costs on an investment property are added to the carrying amount of the property when it is probable that future economic benefits associated with the costs will flow to the group and the costs can be measured reliably. The costs of day-to-day maintenance and repair of investment properties are recognised as an expense as incurred. When a part of an investment property is replaced, the cost of the new part is added to the carrying amount of the property if it meets the definition of investment property and the recognition criteria and the carrying amount of the replaced part is written off the statement of financial position.

An investment property is derecognised on disposal or when no future economic benefits are expected from its use or disposal. Gains and losses arising from derecognition of investment property are recognised in the period in which the property is derecognised in the consolidated statement of financial performance within *Other income* and *Other expenses* respectively.

When the purpose of use of an investment property changes, the property is reclassified. From the date of reclassification, the investment property is accounted for using the accounting policies applied to the class of assets the property was transferred to.

1.8. Property, plant and equipment

Property, plant and equipment are assets which the group uses for meeting its statutory responsibilities, rendering services or administrative purposes and expects to use for a period exceeding one year, and which have a cost of at least 5,000 euros.

As an exception, land, assets acquired for library collections (see subsection 1.9), assets belonging to museum collections (museum objects) and assets belonging to and in the possession of the University of Tartu group that have been entered in the national register of cultural property are recognised as items of property, plant and equipment regardless of cost.

Assets acquired for museum collections are recognised as items of property, plant and equipment in an aggregated set (total amount). Accounts in unit and title terms are kept in the museums' information systems. Items of artistic value that are not recognised as assets of museum collections or assets entered in the national register of cultural property are recognised as items of property, plant and equipment, provided their cost exceeds the threshold for recognition as items of property, plant and equipment, and depreciated over their estimated useful lives.

Assets whose useful lives exceed a year but cost is less than 5,000 euros are recognised as an expense on implementation. Items of immaterial value that have a cost of 2,000 to 4,999.99 euros are accounted for off the statement of financial position.

An item of property, plant and equipment is initially recognised at cost, which comprises the purchase price and any costs directly attributable to bringing the item to the location and condition necessary for it to be capable of operating in the intended manner. Costs not included in the cost of an item of property, plant and equipment include the costs of opening a new facility, the costs of introducing a new product or service (including the costs of advertising activities), the costs of conducting business in a new location or with a new class of customer (including staff training expenses), administration and other general overhead costs and borrowing costs. In line with the Reporting Guidelines, non-recoverable levies and taxes are not capitalised as part of the cost of an item of property, plant and equipment. In the consolidated statement of financial position, items of property, plant and equipment are carried at cost less any accumulated depreciation and any impairment losses. Assets held under finance leases are accounted for similarly to assets that have been purchased.

Subsequent costs on an item of property, plant and equipment are capitalised and added to the carrying amount of the item if they meet the definition of property, plant and equipment and the recognition criteria (including it being probable that they will participate in the generation of future economic benefits) and their cost exceeds the threshold for recognising assets as items of property, plant and equipment (5,000 euros). Other repair and maintenance costs are recognised as an expense as incurred.

Depreciation is charged using the straight-line method. Each item of property, plant and equipment is assigned a depreciation rate that corresponds to its useful life. In the case of assets with significant residual value only the depreciable amount (cost less residual value) is charged to expenses over the useful life of the asset. When an asset's residual value increases to an amount greater than the asset's carrying amount, depreciation of the asset is discontinued.

Where an item of property, plant and equipment consists of significant parts that have different useful lives, the parts are accounted for separately and assigned depreciation rates that correspond to their useful lives.

In 2019, the group assigned classes of property, plant and equipment the following annual depreciation rates:

- Land 0%
- Buildings 2-40%
- Equipment and vehicles 7-50%
- Library collections 0%
- Other items of property, plant and equipment 2-50%.

Assets with an unlimited useful life (land, assets entered in the national register of cultural property, assets belonging to museum collections and items belonging to library collections) are not depreciated. Assets acquired for decor and design that do not have permanent value and assets transferred to auxiliary museum collections which are replaced after certain periods are depreciated over their estimated useful lives.

Depreciation of an asset begins when it is available for use (i.e., in the location and condition necessary for it to be operating in the intended manner). Depreciation of an asset ceases when the asset's depreciable amount has been fully depreciated or the asset is permanently retired from use. Depreciation rates and methods and residual values are reviewed at each reporting date.

As a public sector entity that applies the Estonian Financial Reporting Standard, the University of Tartu group does not conduct impairment tests or recognise impairment losses for items of property, plant and equipment that are required for rendering public service unless the value of such an item has declined due to damage or the item has been partly or fully retired from use due to some other reason. Other items of property, plant and equipment are tested for impairment whenever there is any indication or reason to believe that the value of the asset has decreased. When the recoverable amount of an item of property, plant and equipment (i.e., the higher of its net selling price and value in use) has decreased below its carrying amount, the item is written down to its recoverable amount (see also subsection 1.11).

When there is indication that the useful life or residual value of an asset has changed significantly, depreciation accounting is adjusted prospectively.

The carrying amount of an item of property, plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal. Gains and losses from derecognition of items of property, plant and equipment are recognised in the consolidated statement of financial performance in the period of derecognition.

1.9. Library collections

Section 41, clause 2 of subsection 2, of the Reporting Guidelines provides that public libraries whose core activity is the storage and lending of library items may, by way of an exception, recognise library items as items of property, plant and equipment regardless of cost. In line with the provision of the Reporting Guidelines, the group's statement of financial position includes items acquired for the library collections of the University of Tartu since January 2004. Items acquired for library collections are recognised as items of property, plant and equipment in an aggregated set (total amount). Accounts in unit and title terms are kept in the library's information system. In the consolidated statement of financial position, library collections are measured at cost.

The following collections of the library of the University of Tartu have been recognised as items of property, plant and equipment in the group's statement of financial position:

- Library items that the University of Tartu has acquired since 2004
- Library items received from other libraries by means of exchange (measured at their cost in the library's exchange collection)
- Library items paid for by the ELNET consortium that have been acquired for the University of Tartu (recognised as revenue from non-monetary grants related to assets).

The following library collection items whose cost is unknown and fair value cannot be measured reliably are accounted for in unit terms off the statement of financial position:

- Library items acquired before 2004
- Library items received through donations
- Legal deposit copies sent to the library of the University of Tartu by Estonian publishing houses.

Library collections recognised in the consolidated statement of financial position are not depreciated. Library items are recognised as an expense in full when they are retired from use or it is determined that they have been lost.

1.10. Intangible assets

An intangible asset is an identifiable non-monetary asset without physical substance that is expected to be used for more than one year and has a cost that exceeds the threshold for recognition as a non-current asset. An intangible asset (software, a right of use or another intangible asset) is recognised in the consolidated statement of financial position when the group controls the asset, it is probable that future economic benefits attributable to the asset will flow to the group, the cost of the asset can be measured reliably and the asset did not result from internal expenditures on research and development. Research and development expenditures are recognised as an expense as incurred. An intangible asset is measured initially at cost, which comprises its purchase price and other directly attributable costs of acquisition. After initial recognition, an intangible asset is carried at cost less any accumulated amortisation and any impairment losses.

The group's intangible assets include the biological material databases of the Institute of Genomics, software, rights and licences, and other intangible assets. Detailed accounts of the biological material databases are kept in the information system of the Institute of Genomics.

All of the group's intangible assets are assumed to have finite useful lives. Intangible assets are amortised on a straight-line basis over their estimated useful lives. Each intangible asset is assigned an amortisation rate that corresponds to its useful life. When the useful life of an intangible asset cannot be estimated reliably, it is assumed that the useful life is up to ten years. Amortisation rates and methods are reviewed at each reporting date.

In 2019, the group applied the following annual amortisation rates:

- Biological material databases and DNA bank 2-5%
- Software 20-25%
- Other intangible assets 20%.

When there is indication that the useful life or residual value of an asset has changed significantly, amortisation accounting is adjusted prospectively (see also subsection 1.11).

1.11. Impairment of assets

As a public sector entity that applies the Estonian Financial Reporting Standard, the University of Tartu group does not conduct impairment tests or recognise impairment losses for non-current assets required for rendering public service unless the value of an asset has declined due to damage or the asset has been partly or fully retired from use due to some other reason. In the case of other non-current assets, items of property, plant and equipment with unlimited useful lives (land, assets entered in the national register of cultural property, assets belonging to museum collections and items belonging to library collections) are re-measured at each reporting date and depreciable and amortisable assets are assessed at each reporting date to determine whether there is any indication of impairment. When there is indication of impairment, the group estimates the asset's recoverable amount and compares it to the asset's carrying amount.

An impairment loss is recognised in an amount by which an asset's carrying amount exceeds its recoverable amount. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use. Recoverable amount is determined for an individual asset or the smallest group of assets that generates largely independent cash flows. An impairment loss is recognised as an expense in the period in which it is incurred.

At the end of each reporting period the group assesses whether there is any indication that the recoverable amount of an asset written down in an earlier period may have increased (except for goodwill whose impairment losses are not reversed). If an impairment test indicates that the recoverable amount of an asset or a group of assets (a cash-generating unit) has risen above its carrying amount, the previously recognised impairment loss is reversed and the asset's carrying amount is increased to an amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised in prior years. A reversal of an impairment loss is recognised in the consolidated statement of financial performance by reducing expenses from impairment losses.

1.12. Financial liabilities

Upon initial recognition financial liabilities (trade payables, borrowings, accrued expenses, and other current and non-current payables) except for derivative financial instruments with a negative fair value are measured at their cost which includes any directly attributable transaction costs. After initial recognition, financial liabilities are measured at their amortised cost. Derivative financial instruments are measured at their fair value. Derivative financial instruments with a negative fair value are recognised as financial liabilities.

The amortised cost of current financial liabilities is generally equal to their nominal value. Therefore, current financial liabilities are measured in the amount payable. Non-current financial liabilities are recognised initially at the fair value of the consideration received (less any transaction costs). Thereafter they are measured at their amortised cost using the effective interest method. Interest expense on financial liabilities is recognised on an accrual basis within *Interest expense* in the consolidated statement of financial performance.

A financial liability is classified as current when it is due to be settled within 12 months after the reporting date or the group does not have an unconditional right to defer settlement for at least 12 months after the reporting date. Liabilities which become payable on demand at the reporting date due to a breach of the provisions of the loan contract are also classified as current. A financial liability is derecognised when it is discharged or cancelled or expires.

1.13. Leases

A finance lease is a lease that transfers all significant risks and rewards of ownership of an asset to the lessee. In line with the Reporting Guidelines, a lease is also classified as a finance lease when the leased asset cannot be easily replaced with another asset. All other leases are classified as operating leases.

1.13.1. The group as a lessee

The group recognises finance leases as assets and liabilities in the consolidated statement of financial position at amounts equal to the fair value of the leased property or, if lower, 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. Interest expense on a lease is recognised in the period in which it is incurred within *Interest expense* in the consolidated statement of financial performance. The finance lease liability (net of the finance charge) is classified into current and non-current borrowings.

Assets held under finance leases are depreciated similarly to assets that are owned, over the shorter of their estimated useful life and lease term. Depreciation expense is recognised within *Depreciation, amortisation and impairment losses* in the consolidated statement of financial performance.

Operating lease payments are recognised as an expense on an accrual basis over the lease term.

1.13.2. The group as a lessor

Assets leased out under operating leases are presented in the group's statement of financial position according to their nature, i.e., similarly to other assets recognised in the group's statement of financial position. Assets leased out under operating leases are depreciated using a depreciation policy consistent with the group's normal depreciation policy for similar assets. Operating lease payments received are recognised as income on a straight-line basis over the lease term.

1.14. Deferred income

Deferred income comprises prepaid grants and co-financing, advances received under research and development contracts and other deferred income that has not been recognised as income of the reporting period.

When a grant or co-financing has been received but has not yet been used for incurring expenses or acquiring assets, it is recognised as deferred income (see subsection 1.15).

1.15. Grants

Grants comprise resources (grants) received through non-exchange transactions, i.e., without directly giving goods or services in exchange, and resources transferred (grants provided or passed on) through non-exchange transactions, i.e., without directly receiving goods or services in exchange. Grants are accounted for in accordance with the principles outlined in the Reporting Guidelines.

Grants comprise:

- Government grants (hereafter 'grants') – grants received and provided on a project basis for particular purposes that have a specified goal along with milestones for monitoring the achievement of the goal, a timeframe, and a monetary budget and where the provider of the grant (the donor) requires from the recipient (the beneficiary) detailed reporting on the use of funds received and any surplus funds have to be returned to the provider of the grant
- Operational funding grants (hereafter 'operational funding') – funding received and provided based on the functions and tasks outlined in the statutes and the goals outlined in the development documents of the recipient.

Grants are divided into:

- Domestic grants
- International grants.

A grant is recognised in the consolidated statement of financial position when cash has been transferred or received or on the date when the receivables, liabilities, income and expenses associated with the grant are recognised. Grants are classified into grants related to income and grants related to assets. The main condition for grants related to assets is that the group as the grant recipient has to purchase, build or otherwise acquire a certain asset. A grant is recognised as income in the period in which the operating costs are incurred or the non-current asset is acquired unless the conditions of the grant involve the risk that the grant may be reclaimed or may not be received.

Operational funding is recognised as income when the cash has been received.

When a grant provider or intermediary provides a grant using simplified reimbursement of expenditures (standardised unit costs, payments of specific amounts, reimbursements of indirect expenditures compensated at a uniform rate) without requiring expense documents, grant income is recognised in the period in which the grant is provided.

On recognising grants in the consolidated statement of financial performance, the group differentiates between grants received and grants passed on (as an intermediary). Grants passed on are grants received for passing on to another party, not for covering the group's own operating expenses or acquiring assets. When the group acts as a grant intermediary, income from grants received for passing on equals expenses from grants passed on.

Non-monetary grants are measured at the fair value of the goods and services received. Assets received from other public sector entities by way of non-monetary grants are measured at their fair value or, if this cannot be determined, at their carrying amount in the transferor's financial statements.

When it appears that some conditions attaching to the grant have not been met and the group as the grant intermediary or recipient is liable to the grant provider for the recipient's compliance with the conditions attaching to the grant and the use of the funds for their designated purpose, the group recognises at the date the breach of contract is identified a receivable from the grant recipient and/or a liability to the grant provider, and reduces income from grants received and/or expenses from grants provided.

1.16. Provisions and contingent liabilities

A provision is recognised when the group has a present legal or constructive obligation as a result of a past obligating event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. A provision is recognised in the consolidated statement of financial position in an amount which is management's best estimate of the expenditure required to settle the underlying obligation at the end of the reporting period. When it is probable that the provision will be used within more than 12 months after the reporting date, it is measured at its discounted value unless the effect of discounting is immaterial.

Other possible or present obligations whose realisation is not probable or amount cannot be measured sufficiently reliably are disclosed in the notes to the consolidated financial statements as contingent liabilities.

1.17. Revenue and expenses (excluding grants)

Revenue and expenses are recognised on an accrual basis.

Revenue is measured at the fair value of consideration received or receivable for the sale of goods or rendering of services in the ordinary course of the group's activities, taking into account any discounts and rebates allowed.

Revenue from the rendering of education services comprises tuition fees collected and to be collected by the University of Tartu from its students, participants in continuing education programmes, etc. Relevant revenue is recognised in the same period in which the service is rendered.

Revenue from the rendering of other services is recognised when the service has been rendered or, if the service is rendered over an extended period, using the stage of completion method. Revenue from services rendered over an extended period is recognised by reference to the stage of completion of the service at the end of the reporting period, assuming that the outcome of the transaction (i.e., the revenue and costs associated with the transaction) can be estimated reliably and it is probable that the economic benefits associated with the transaction will flow to the group. When the outcome of a contract or project involving the rendering of services cannot be estimated reliably but it is probable that the group will at least recover the costs incurred, revenue is recognised to the extent of costs incurred.

Revenue from the sale of goods is recognised when all significant risks of ownership of the goods have been transferred to the buyer, the amount of revenue and the costs incurred or to be incurred in respect of the transaction can be measured reliably and it is probable that the economic benefits associated with the transaction will flow to the group. Interest income is recognised when it is probable that it will be received and its amount can be measured reliably.

1.18. Corporate income tax

Under the Estonian Income Tax Act, corporate earnings are not subject to tax. Instead, income tax is levied on dividend distributions, fringe benefits, gifts, donations, entertainment expenses, expenses not related to the taxpayer's business and transfer price adjustments. The tax rate for dividend distributions is 20% (the amount of tax payable is calculated as 20/80 of the amount of the net dividend). The income tax payable on a dividend distribution is recognised as a liability and an expense in the period in which the dividend is declared regardless of the period for which the dividend is declared or the period in which the dividend is actually distributed. The obligation to pay income tax arises on the 10th day of the month following the disbursement of the dividend.

From 2019, dividend distributions may be taxed at the rate of 14% (the amount of tax payable is calculated as 14/86 of the net distribution). The more favourable rate may be applied to a dividend distribution which amounts to up to three prior financial years' average dividend distribution on which income tax has been paid at the rate of 20% (20/80 of the net distribution). In calculating the average dividend distribution of the three prior years, 2018 is the first year that is taken into account.

1.19. Foreign currency transactions

The functional currency of all group entities is the euro. The consolidated financial statements are presented in euros.

A transaction in a foreign currency is recorded by applying to the foreign currency amount the exchange rate of the European Central Bank at the date of the transaction. At the reporting date, foreign currency monetary assets and liabilities are translated into the functional currency using the exchange rates of the European Central Bank ruling at that date. Exchange gains and losses arising on translation are recognised in the consolidated statement of financial performance in the period in which they arise. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency using the exchange rates of the European Central Bank quoted at the date the fair value was determined. Non-monetary foreign currency assets and liabilities that are not measured at fair value are not translated at the reporting date but are continuously measured using the exchange rates of the European Central Bank quoted at the dates of the transactions.

1.20. Events after the reporting period

The financial statements reflect all adjusting events that occurred between the reporting date and the date on which the financial statements were authorised for issue. The effects of material non-adjusting events after the reporting period are disclosed in the notes to the financial statements.

NOTE 2. SUBSIDIARIES OF THE GROUP

	Domicile	Ownership interest (%)	
		31 December 2019	31 December 2018
OÜ Tartu Ülikooli Kirjastus (in liquidation)	Estonia	100	100
Academus Hostel OÜ	Estonia	100	100
MTÜ Tartu Üliõpilasküla	Estonia	100	100
MTÜ Tartu Üliõpilasmaja	Estonia	100	100
MTÜ Tartu Ülikooli Akadeemiline Spordiklubi	Estonia	100	100

The group has control of (over 50% of voting power in) all subsidiaries that are non-profit associations (MTÜs). Accordingly, non-profit associations are fully consolidated.

On 17 June 2019, the council of the University of Tartu decided to liquidate the subsidiary OÜ Tartu Ülikooli Kirjastus (University of Tartu Press) in which the University of Tartu was the sole shareholder (council resolution no. 11). The subsidiary that was in liquidation prepared a liquidation report for the period 1 January 2019–30 September 2019. From 1 October 2019 it began to operate as a new support unit of the University of Tartu accountable to the academic secretary. The assets, rights, liabilities and contracts required for the operation of the new unit were transferred to the parent company under a contract on the transfer of business.

NOTE 3. CASH AND CASH EQUIVALENTS

In thousands of euros	31 December 2019	31 December 2018
Cash on hand	86	99
Current accounts and overnight deposits	32,406	38,240
Term deposits with a short maturity	10,571	3,630
Total	43,063	41,969

In 2019, interest income on current accounts and term deposits with a short maturity amounted to 19,838 euros (2018: 13,433 euros). Interest rates for term deposits and current accounts ranged from 0.01 to 1.25% (2018: from 0.01 to 1.25%).

NOTE 4. RECEIVABLES AND PREPAYMENTS

In thousands of euros	31 December 2019	31 December 2018
Trade receivables	3,733	3,031
Accounts receivable	4,247	3,060
Allowance for impairment	-514	-29
Grants receivable (note 5)	14,995	13,333
Other receivables	41	74
Prepayments	2,346	1,866
Prepaid grants and co-financing	1,345	855
Prepayments to suppliers	972	993
Prepayments to staff	29	18
Prepaid and refundable taxes	274	360
Total	21,389	18,664

NOTE 5. GRANTS RECEIVABLE

In thousands of euros	31 December	
	2019	2018
Activities supporting the activity 'Institutional development programme for R&D and higher education institutions' (ASTRA) (Ministry of Education and Research)	2,787	1,603
EU framework programme for research and innovation Horizon 2020	1,585	1,585
Centres of excellence projects (Ministry of Education and Research)	1,467	1,033
Projects of sub-measure for modernising research infrastructure of national importance (Archimedes Foundation)	1,372	1,183
Projects of the European Territorial Cooperation Programme	1,274	1,245
Mobilitas Pluss support for mobility (Estonian Research Council)	1,187	859
Projects funded by the European Maritime and Fisheries Fund (Agricultural Registers and Information Board)	960	437
ASTRA project PER ASTRA (Investment in the IT Centre) (Ministry of Education and Research)	750	1,422
Programme Dora Pluss (Archimedes Foundation)	661	478
Projects funded by the Environmental Investment Centre	634	304
Projects of measures for education activities administered by the Ministry of Education and Research	563	619
International aid projects	562	1,156
Projects funded by the Information Technology Foundation for Education	421	443
Projects of the EU 7 th Framework Programme	166	308
Programme for higher education scholarships and grants in smart specialisation growth areas (Archimedes Foundation)	157	282
Programme for systematic development of entrepreneurship and entrepreneurial studies at all levels of education (Ministry of Education and Research)	152	173
Programme for implementing personalised medicine in Estonia (National Institute for Health Development)	116	0
Projects funded by Enterprise Estonia	27	28
Projects for supporting research and development in specific areas (RITA 4) (Estonian Research Council)	19	83
Projects of sub-activity "Teeme+" for popularisation of science (Ministry of Education and Research)	18	23
Other projects funded by Archimedes Foundation	54	11
Other projects funded by the Estonian Research Council	0	36
Other	63	22
Total	14,995	13,333

NOTE 6. INVENTORIES

In thousands of euros	31 December 2019	31 December 2018
Goods purchased for resale	93	91
Finished goods	34	71
Materials	16	21
Prepayments to suppliers	1	0
Total	144	183

No inventories were written down because their net realisable value had decreased below cost and no unusable goods were recognised as an expense in 2019 or in 2018.

In 2019 and 2018, no prior period inventory write-downs were reversed.

NOTE 7. INVESTMENTS IN ASSOCIATES

In thousands of euros	BioCC OÜ	E-Kyla Arendus OÜ	Total
Group's share of profit for 2017	8	0	8
Carrying amount at 31 December 2017	59	19	78
Cost at 31 December 2017	1	15	16
Group's share of profit/loss for 2018	5	0	5
Carrying amount at 31 December 2018	64	19	83
Cost at 31 December 2018	1	15	16
Group's share of profit/loss for 2019	9	-1	8
Carrying amount at 31 December 2019	73	18	91
Cost at 31 December 2019	1	15	16
Group's ownership interest			
As at 31 December 2018	20%	33.33%	
As at 31 December 2019	20%	33.33%	

All associates operate in Estonia. None of the associates is a listed company.

BioCC OÜ ended the financial year with a profit of 43,983 euros, which increased the value of the investment of the University of Tartu by 8,797 euros. E-Kyla Arendus OÜ ended the financial year with a loss of 4,121 euros.

The table below provides an overview of movements in the associates' equity.

In thousands of euros	BioCC OÜ	E-Kyla Arendus OÜ	Total
As at 31 December 2018			
Share capital	6	5	11
Share premium	0	41	41
Statutory capital reserve	1	0	1
Retained earnings (prior periods)	289	12	301
Profit/loss for the period	27	-2	25
Total equity	323	56	379
Group's share of equity	64	19	83
Group's ownership interest	20%	33.33%	
As at 31 December 2019			
Share capital	6	5	11
Share premium	0	41	41
Statutory capital reserve	1	0	1
Retained earnings (prior periods)	316	10	326
Profit/loss for the period	44	-4	40
Total equity	367	52	419
Group's share of equity	73	18	91
Group's ownership interest	20%	33.33%	

NOTE 8. INVESTMENT PROPERTY

In thousands of euros	Riia 191, Tartu city	Ülikooli 20, Tartu city	Total
Cost			
As at 31 December 2017	94	1,953	2,047
Rental income for 2018	0	23	23
Property management expenses for 2018	0	27	27
Of which expenses re-invoiced to tenants	0	17	17
As at 31 December 2018	94	1,953	2,047
Sale of investment property	-1	0	-1
Rental income for 2019	0	24	24
Property management expenses for 2019	0	29	29
Of which expenses re-invoiced to tenants	0	19	19
As at 31 December 2019	93	1,953	2,046
Depreciation			
As at 31 December 2017	0	537	537
Depreciation for the period (note 26)	0	49	49
As at 31 December 2018	0	586	586
Depreciation for the period (note 26)	0	48	48
As at 31 December 2019	0	634	634
Carrying amount			
As at 31 December 2017	94	1,416	1,510
As at 31 December 2018	94	1,367	1,461
As at 31 December 2019	93	1,319	1,412

NOTE 9. PROPERTY, PLANT AND EQUIPMENT

In thousands of euros	Land	Buildings	Equipment and vehicles	Library collections	Other items	Assets under construction	Prepayments for property, plant and equipment	Total
Cost								
As at 31 December 2017	2,500	246,527	82,237	10,034	3,175	7,663	0	352,136
Additions	1	6,864	12,000	349	373	22,203	462	42,252
<i>Of which acquired through merger</i>	0	0	7,922	0	331	0	2	8,255
Reclassification	0	19,196	749	0	417	-19,900	-462	0
Sales and write-off	-12	-8,402	-2,147	-340	-131	0	0	-11,032
As at 31 December 2018	2,489	264,185	92,839	10,043	3,834	9,966	0	383,356
Additions	0	14	3,761	660	87	22,549	176	27,247
Reclassification	0	25,446	372	0	0	-25,769	-49	0
Charged to expenses	0	0	0	0	-13	0	0	-13
Sales and write-off	-2	-391	-1,152	-35	-5	0	0	-1,585
As at 31 December 2019	2,487	289,254	95,820	10,668	3,903	6,746	127	409,005
Depreciation								
As at 31 December 2017	0	76,165	54,233	0	2,304	0	0	132,702
Depreciation for the period (note 26)	0	7,921	5,741	0	109	0	0	13,771
Depreciation acquired through non-monetary acquisition (merger)	0	0	7,311	0	276	0	0	7,587
Depreciation of items sold and written off	0	-6,267	-2,100	0	-129	0	0	-8,496
As at 31 December 2018	0	77,819	65,185	0	2,560	0	0	145,564
Depreciation for the period (note 26)	0	8,376	6,135	0	141	0	0	14,652
Depreciation acquired through non-monetary acquisition (merger)	0	0	195	0	0	0	0	195
Depreciation of items sold and written off	0	-189	-1,134	0	-5	0	0	-1,328
As at 31 December 2019	0	86,006	70,381	0	2,696	0	0	159,083
Carrying amount								
As at 31 December 2017	2,500	170,362	28,004	10,034	871	7,663	0	219,434
As at 31 December 2018	2,489	186,366	27,654	10,043	1,274	9,966	0	237,792
As at 31 December 2019	2,487	203,248	25,439	10,668	1,207	6,746	127	249,922

NOTE 10. INTANGIBLE ASSETS

In thousands of euros	Biological material databases	Software	Other intangible assets	Acquisitions in stages	Prepayments for intangible assets	Total
Cost						
As at 31 December 2017	3,786	1,022	182	0	0	4,990
Additions	3,949	85	0	24	0	4,058
<i>Of which acquired through merger</i>	954	44	0	0	0	998
Write-off	0	-30	-9	0	0	-39
As at 31 December 2018	7,735	1,077	173	24	0	9,009
Additions	0	28	10	1,992	0	2,030
Reclassification	1,826	190	0	-2,016	0	0
Write-off	0	-8	0	0	0	-8
As at 31 December 2019	9,561	1,287	183	0	0	11,031
Amortisation						
As at 31 December 2017	887	901	160	0	0	1,948
Amortisation for the period (note 26)	275	72	22	0	0	369
Amortisation acquired through non-monetary acquisition (merger)	864	40	0	0	0	904
Amortisation of assets written off	0	-30	-9	0	0	-39
As at 31 December 2018	2,026	983	173	0	0	3,182
Amortisation for the period (note 26)	149	67	0	0	0	216
Amortisation of assets written off	0	-8	0	0	0	-8
As at 31 December 2019	2,175	1,042	173	0	0	3,390
Carrying amount						
As at 31 December 2017	2,899	121	22	0	0	3,042
As at 31 December 2018	5,709	94	0	24	0	5,827
As at 31 December 2019	7,386	245	10	0	0	7,641

NOTE 11. BORROWINGS

In thousands of euros	31 December 2019	31 December 2018
Current borrowings		
Finance lease liabilities (note 12)	6	1
Current portion of non-current loans (note 13)	4,088	4,473
Total	4,094	4,474
Non-current borrowings		
Finance lease liabilities (note 12)	7	0
Loans (note 13)	23,574	27,662
Total	23,581	27,662

NOTE 12. FINANCE AND OPERATING LEASES

Finance leases – the group as a lessee

In thousands of euros	Equipment and vehicles
As at 31 December 2018	
Cost at 31 December 2018	20
Accumulated depreciation as at 31 December 2018	-15
Of which depreciation for 2018	-4
Carrying amount at 31 December 2018	5
Principal payments made in 2018	5
Interest payments made in 2018	0
As at 31 December 2019	
Cost at 31 December 2019	19
Accumulated depreciation as at 31 December 2019	-4
Of which depreciation for 2019	-4
Carrying amount at 31 December 2019	15
Principal payments made in 2019	6
Interest payments made in 2019	0
Finance lease liabilities at 31 December 2018	1
Finance lease liabilities at 31 December 2019	13
Payments due not later than 1 year	6
Payments due later than 1 and not later than 5 years	7
Interest rates	2.15%
Maturity date	2022
Base currency	EUR

Operating leases – the group as a lessor

In thousands of euros	Buildings and structures	
	31 December 2019	31 December 2018
Operating lease income for the reporting period	198	153
Rental income due not later than 1 year	73	56
Rental income due later than 1 and not later than 5 years	95	92
Rental income due later than 5 years	95	115
Cost of assets leased out	6,250	6,190
Carrying amount of assets leased out	4,035	4,126

Operating lease income includes rental income on both investment property and property, plant and equipment. Where part of an asset has been leased out under an operating lease, the cost and carrying amount of the asset are included in the cost and carrying amount of assets leased out based on the proportion of the area that has been leased out.

Under the Creation of Usufruct and Real Right Contract No. 716, signed between the University of Tartu and Tehvandi Sports Centre Foundation on 22 March 2012, a fixed-term usufruct of 50 years was created on the Kääriku property for the benefit of Tehvandi Sports Centre Foundation as from 1 April 2012. The usufruct is without charge until 31 December 2021. From 1 January 2022, the University of Tartu may charge a usufruct fee, the amount of which is to be agreed between the University of Tartu and Tehvandi Sports Centre Foundation on 31 December 2020 at the latest.

Operating leases – the group as a lessee

In thousands of euros	Buildings and structures	Equipment and vehicles
As at 31 December 2018		
Operating lease payments made in 2018	316	24
Payments due not later than 1 year	99	16
Payments due later than 1 and not later than 5 years	0	26
As at 31 December 2019		
Operating lease payments made in 2019	321	13
Payments due not later than 1 year	107	10
Payments due later than 1 and not later than 5 years	0	9

NOTE 13. LOANS AND ASSETS PLEDGED AS LOAN COLLATERAL

The group uses bank loans to finance long-term investments and the construction and renovation of buildings. The loans (1-6) in the tables below have been taken by the University of Tartu. Other members of the group have not taken loans.

In 2019, the University of Tartu did not take any new loans. The loan taken from AS SEB Pank (1) was repaid.

In thousands of euros	Balance at 1 Dec 2019	Repayable			Maturity date	Base currency/ interest rate
		Within 12 months	Between 1 and 5 years	In over 5 years		
AS SEB Pank (1)	0	0	0	0	4 Nov 2019	EUR6 ² + 0.49%
OP Corporate Bank plc Estonian branch (2)	440	440	0	0	28 Dec 2020	EUR3 ² + 0.80%
OP Corporate Bank plc Estonian branch (3)	1,200	600	600	0	8 Dec 2021	EUR3 ² + 0.96%
OP Corporate Bank plc Estonian branch (4)	742	168	574	0	22 May 2024	EUR3 ² + 0.82%
Luminor Bank AS (5)	3,280	480	1,920	880	20 Oct 2026	EUR3 ² + 0.64%
OP Corporate Bank plc Estonian branch (6)	22,000	2,400	9,600	10,000	20 May 2028	EUR3 ² + 0.52%
Total	27,662	4,088	12,694	10,880		

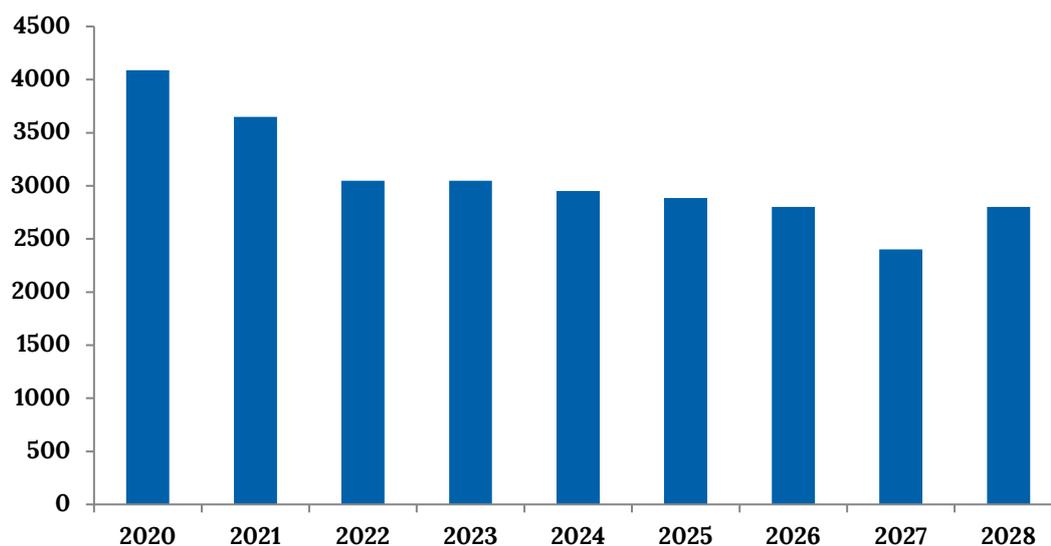
In thousands of euros	Balance at 1 Dec 2018	Repayable			Maturity date	Base currency/ interest rate
		Within 12 months	Between 1 and 5 years	In over 5 years		
AS SEB Pank (1)	345	345	0	0	4 Nov 2019	EUR6 ² + 0.49%
OP Corporate Bank plc Estonian branch (2)	920	480	440	0	28 Dec 2020	EUR3 ² + 0.80%
OP Corporate Bank plc Estonian branch (3)	1,800	600	1,200	0	8 Dec 2021	EUR3 ² + 0.96%
OP Corporate Bank plc Estonian branch (4)	910	168	672	70	22 May 2024	EUR3 ² + 0.82%
Luminor Bank AS (5)	3,760	480	1,920	1,360	20 Oct 2026	EUR3 ² + 0.64%
OP Corporate Bank plc Estonian branch (6)	24,400	2,400	9,600	12,400	20 May 2028	EUR3 ² + 0.52%
Total	32,135	4,473	13,832	13,830		

¹The contractual interest rates of all the loans are equal to their effective interest rates.

² Euribor® – European commercial banks' 3 or 6 month average money market loan interest rate.

The loans from OP Corporate Bank plc Estonian branch (2, 3, 4, 6) are secured with mortgages of two immovable properties. The first is a property with a building located at Raatuse 22, Tartu city. The mortgage amounts to 4.32 million euros. At 31 December 2019, the carrying amount of the property was 4.07 million euros (31 December 2018: 4.22 million euros). The second is a property with a building located at Lossi 36, Tartu city. The mortgage amounts to 5.94 million euros. At 31 December 2019, the carrying amount of the property was 4.96 million euros (31 December 2018: 5.17 million euros).

The loan agreements include covenants that require the University of Tartu to maintain certain financial ratios at certain levels. If the University of Tartu breaches a loan covenant, the bank may immediately call in the loan. At 31 December 2019, the University of Tartu was in compliance with all loan covenants.



Repayments of loan principal by year in thousands of euros

NOTE 14. PAYABLES AND DEFERRED INCOME

In thousands of euros	31 December 2019	31 December 2018
Security deposit liabilities	540	468
Trade payables	5,192	5,766
Payables to staff	3,281	2,891
Taxes payable	4,223	4,075
Social security tax	2,512	2,262
Personal income tax	1,367	1,214
Value added tax	22	318
Unemployment insurance contributions	167	150
Statutory funded pension contributions	115	102
Corporate income tax	40	29
Other payables	932	1,810
Grants and co-financing payable by the group as an intermediary	763	1,612
National education allowances and scholarships	151	184
Miscellaneous payables	18	14
Deferred income	25,651	13,787
Deferred grant and co-financing income (note 15)	25,270	13,367
Prepaid tuition fees	362	324
Advances under research and development contracts	0	76
Other deferred income	19	20
Total	39,819	28,797

NOTE 15. DEFERRED GRANT AND CO-FINANCING INCOME

In thousands of euros	31 December 2019	31 December 2018
Deferred income from Estonian residents		
Estonian Research Council	2,233	1,370
Archimedes Foundation	1,911	2,329
Environmental Investment Centre	248	108
Ministry of Education and Research	209	59
Ministry of Foreign Affairs	192	171
Ministry of Defence	125	84
Ministry of Justice	66	0
Information Technology Foundation for Education	62	59
Ministry of Finance	22	0
Swedbank AS	19	15
Ministry of Social Affairs	6	6
Cultural Endowment of Estonia	0	51
Ministry of the Environment	0	3
Other domestic grants	320	325
Deferred income from non-residents		
EU 7 th Framework Programme and framework programme for research and innovation Horizon 2020	18,847	7,346
Other international grants	1,010	1,441
Total	25,270	13,367

NOTE 16. PROVISIONS

In thousands of euros	Provisions for grants
As at 31 December 2017	0
Provisions used during the period	0
Provisions reversed during the period	0
Provisions recognised during the period	330
As at 31 December 2018	330
Provisions used during the period	0
Provisions reversed during the period	87
Provisions recognised during the period	0
As at 31 December 2019	243

As a rule, projects are funded with grants on a reimbursement basis. The University of Tartu as a grant recipient first incurs expenditures using its own funds and then the provider or intermediary of the grant reimburses the expenditures on the basis of a relevant application and supporting documents. The implementation of projects and the receipt of grants are influenced by the grant provider's or intermediary's assessment of the eligibility of project expenditures incurred. Grants used for expenditures that are deemed to be ineligible have to be repaid to the provider or intermediary.

By 31 December 2019, the University of Tartu had reversed 87,436 euros of the provisions for grants recognised as at 31 December 2018 because, based on financial correction decisions submitted to the University of Tartu, the implementing agency, Archimedes Foundation, had considered the expenditures on Apple computer products acquired under a framework agreement partly ineligible.

The University of Tartu has challenged the financial correction decision on the acquisition of travel services under a framework agreement recognised as at 31 December 2018. Therefore, the corresponding portion of the grant of 243,001 euros was also recognised at 31 December 2019. It is possible that the provision will be used in 2020.

NOTE 17. REVENUE FROM SALE OF GOODS AND PROVISION OF SERVICES

In thousands of euros	2019	2018
Research and development activities	11,780	9,614
Education activities	5,630	5,557
Lease and rental activities	5,026	4,909
Sale of goods	368	53
Other services	1,973	2,064
Total	24,777	22,197

Revenue from sale of goods and provision of services by geographical area:

In thousands of euros	2019	2018
Estonia	22,800	20,679
Other countries of the European Union	1,580	1,410
Other countries	397	108
Total	24,777	22,197

NOTE 18. STATE BUDGET FUNDING FOR EDUCATION ACTIVITIES

In thousands of euros	2019	2018
Funding for higher education	55,568	52,370
Funding for medical residents	19,084	16,583
Other state budget funding	123	143
Total	74,775	69,096

NOTE 19. STATE BUDGET FUNDING FOR RESEARCH ACTIVITIES

In thousands of euros	2019	2018
Baseline funding for research institutions	17,659	12,151
Institutional research support	8,752	13,298
Funding for maintenance of institutional research support infrastructure	2,427	3,689
Funding for national programmes	1,065	1,037
State budget funding for research information for the library	899	845
Funding for core infrastructure	524	526
Funding for research activities	419	420
Operational funding for merged research institutions	350	373
Total	32,095	32,339

NOTE 20. GRANTS RELATED TO ASSETS

In thousands of euros	2019	2018
ASTRA project PER ASTRA (Investment in the IT Centre) (Archimedes Foundation)	11,515	3,485
Acquisition of non-current assets in the framework of the activity for the acquisition and modernisation of education and research infrastructure of programme ASTRA (Archimedes Foundation)	2,281	1,821
Compensation of ineligible VAT paid on the acquisition of non-current assets (Archimedes Foundation)	1,636	692
Acquisition of non-current assets in projects of sub-measure for modernising research infrastructure of national importance (Archimedes Foundation)	1,349	2,083
Retention of the database data and tissue samples of the Estonian Genome Centre (Ministry of Social Affairs)	1,183	0
Increase and improvement of the biological material and health records database (National Institute for Health Development)	802	3,494
Acquisition of non-current assets in projects of the EU 7 th Framework Programme and framework programme for research and innovation Horizon 2020	158	6
Acquisition of study equipment (Information Technology Foundation for Education)	133	31
Acquisition of non-current assets in projects funded by the Environmental Investment Centre	107	23
Acquisition of non-current assets in an innovation support project for fisheries (Agricultural Registers and Information Board)	89	24
Acquisition of research equipment for centres of excellence (Archimedes Foundation)	39	42
Acquisition of property through the merger with Tartu Observatory (free of charge) (Ministry of Education and Research)	0	3,459
Acquisition of property through the merger with Estonian Biocentre (free of charge) (Ministry of Education and Research)	0	3,390
Acquisition of non-current assets in a project of an ICT development programme (Ministry of Economic Affairs and Communications)	0	113
Acquisition of non-current assets in projects of the Mobilitas Plus programme (Estonian Research Council)	0	19
Other domestic grants related to assets	63	13
Other international grants related to assets	52	41
Total	19,407	18,736

NOTE 21. GRANTS RELATED TO INCOME

In thousands of euros	2019	2018
Domestic grants related to income	20,082	16,387
Including		
Grants from the Estonian Research Council	11,397	8,037
Grants from the Ministry of Social Affairs	2,396	2,308
Grants from the Information Technology Foundation for Education	1,842	1,731
Grants from the Environmental Investment Centre	824	481
Grants from the Ministry of Economic Affairs and Communications	470	148
Grants from the Ministry of Justice	434	42
Grants from the Ministry of Education and Research	235	1,530
Grants from Archimedes Foundation	218	267
International grants related to income	33,466	31,726
Including		
Grants passed on by the Ministry of Education and Research	10,105	833
Grants from the European Union and its institutions	9,902	9,666
Grants passed on by Archimedes Foundation	4,174	12,054
Grants passed on by the Estonian Research Council	3,224	2,532
Grants passed on by Innove Foundation	204	1,211
Total	53,548	48,113

Due to recovery claims received, in 2019 the University of Tartu as a recipient and intermediary of grants reduced income from grants related to income by 16,442 euros (2018: 9,918 euros). The reduction was recognised within income from grants related to income.

NOTE 22. OTHER INCOME

In thousands of euros	2019	2018
Donations from individuals and legal persons	79	26
Membership fees	65	65
Gain on sale of non-current assets	15	271
Contractual penalties	0	200
Miscellaneous income	32	44
Total	191	606

The sales price of the investment property and property, plant and equipment sold in 2019 was 31,476 euros.

NOTE 23. GOODS, MATERIALS AND SERVICES USED

In thousands of euros	2019	2018
Services purchased	19,931	17,913
Materials purchased	221	128
Goods purchased	93	34
Total	20,245	18,075

NOTE 24. OPERATING EXPENSES

In thousands of euros	2019	2018
Expenses on education and research activities	12,826	13,648
VAT expense	8,352	9,047
Work-related travel expenses	3,676	3,625
Utilities and maintenance expenses (excluding heating and electricity)	2,520	2,629
Office expenses and expenses on fixtures and fittings	2,495	2,129
Electricity expenses	2,129	2,177
Office equipment maintenance and software expenses	1,709	1,548
Expenses on research equipment maintenance and supplies	1,670	1,082
Repair expenses	1,640	997
Heating expenses	1,258	1,223
Transport expenses	956	907
Lease and rental expenses	907	1,072
Expenses on purchase of assets of immaterial value	677	676
Advertising expenses	539	455
Expenses on professional publications and literature	453	818
Telecommunications and postal expenses	159	179
Miscellaneous operating expenses	3,181	2,545
Total	45,147	44,757

NOTE 25. STAFF COSTS

In thousands of euros	2019	2018
Remuneration expenses	71,537	67,169
Other pay and benefits	537	521
Taxes on staff costs	24,161	22,611
Total	96,235	90,301
Average number of staff converted to full-time equivalent	2,932	3,001

NOTE 26. DEPRECIATION, AMORTISATION AND IMPAIRMENT LOSSES

In thousands of euros	2019	2018
Depreciation of property, plant and equipment (note 9)	14,652	13,771
Amortisation of intangible assets (note 10)	216	369
Loss on write-off of property, plant and equipment (note 27)	206	1,937
Depreciation of investment property (note 8)	48	49
Write-off of items of library collections (note 9)	35	340
Total	15,157	16,466

NOTE 27. LOSS ON WRITE-OFF OF PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

In thousands of euros	2019	Reason for write-off
Buildings	202	
Narva mnt 89, Tartu city	100	Write-off of parts replaced during renovation
Lossi 25, Tartu city	59	Write-off of parts replaced during renovation
Turu 7, Viljandi city	23	Write-off of parts replaced during renovation
Ravila 19, Tartu city	20	Write-off of parts replaced during renovation
Land	0	
Equipment and vehicles	4	Write-off of unusable items
Other items of property, plant and equipment	0	Write-off of unusable items
Total	206	

In thousands of euros	2018	Reason for write-off
Buildings	1,925	
W. Struve 1, Tartu city	1,108	Write-off of parts replaced during renovation
Ujula 4, Tartu city	378	Write-off of parts replaced during renovation
Ülikooli 18, Tartu city	246	Write-off of parts replaced during renovation
Ravila 19, Tartu city	193	Write-off of parts replaced during renovation
Land	0	
Equipment and vehicles	10	Write-off of unusable items
Other items of property, plant and equipment	2	Write-off of unusable items
Total	1,937	

NOTE 28. OTHER EXPENSES

In thousands of euros	2019	2018
Entertainment expenses	1,108	994
Expenses on doubtful receivables	514	29
Membership fees	440	444
Expenses on provisions for grants (note 16)	-87	330
Awards and gifts	137	80
Miscellaneous expenses	78	16
Total	2,190	1,893

NOTE 29. RELATED PARTY DISCLOSURES

For the purposes of these financial statements, related parties include:

- the group's associates;
- non-profit associations that are not part of the University of Tartu group but are under the group's significant influence;
- foundations in which the University of Tartu group is a founder;
- members of the executive and higher management of the University of Tartu (members of the council, the rector, vice rectors, deans, and heads of functions) and foundations, non-profit associations and companies under their control or significant influence;
- members of the management boards of the subsidiaries of the University of Tartu and foundations, non-profit associations and companies under their control or significant influence;
- close family members of the members of the executive or higher management of the University of Tartu and the members of the management boards of the subsidiaries including spouses, domestic partners and children, and foundations, non-profit associations and companies under their control or significant influence

The group has disclosed in these financial statements all transactions with related parties. In 2019, there were no transactions that did not comply with the law or the group's internal regulations or were not conducted on market terms.

In thousands of euros	Sales		Purchases	
	2019	2018	2019	2018
Services	509	523	7 854	6 850
Associates	1	1	15	4
State authorities governed by a ministry	26	1	0	0
Non-profit associations	10	14	78	50
Foundations	423	460	7,726	6,759
Companies	49	46	35	37
Individuals	0	1	0	0
Goods	2	0	3	5
Foundations	1	0	1	2
Companies	1	0	1	2
State authorities governed by a ministry	0	0	1	1
Property, plant and equipment	0	0	0	0
Total	511	523	7,857	6,855

In the consolidated statement of financial performance, sales of goods and services to related parties are included in *Revenue from sale of goods and provision of services* and purchases from related parties are included in *Goods, materials and services used* and *Operating expenses*.

In thousands of euros	Receivables		Liabilities	
	31 December 2019	31 December 2018	31 December 2019	31 December 2018
Non-profit associations	1	0	0	1
Foundations	36	35	34	618
Companies	2	1	0	2
Total	39	36	34	621

In the consolidated statement of financial position, receivables from and prepayments made to related parties are included in *Receivables and prepayments* and liabilities to and advances received from related parties are included in *Payables and deferred income*.

In thousands of euros	Grant income			
	Grants related to assets		Grants related to income	
	2019	2018	2019	2018
State authorities governed by a ministry	0	0	319	309
Non-profit associations	0	0	0	88
Foundations	133	31	1,978	1,734
Total	133	31	2,297	2,131

In the consolidated statement of financial performance, grant income from related parties is included in *Grants related to assets* and *Grants related to income*.

In thousands of euros	Grants receivable		Grants payable		Deferred grant income	
	2019	2018	2019	2018	2019	2018
As at 31 December						
State authorities governed by a ministry	131	5	0	0	0	0
Non-profit associations	0	18	0	0	0	0
Foundations	421	443	135	94	62	59
Total	552	466	135	94	62	59

In the consolidated statement of financial position, grants receivable from related parties are included in *Receivables and prepayments* and grants payable to and deferred grant income from related parties are included in *Payables and deferred income*.

Remuneration provided to group entities' council and management board members:

In thousands of euros	2019	2018
MTÜ Tartu Ülikooli Akadeemiline Spordiklubi	112	102
University of Tartu	85	70
MTÜ Tartu Üliõpilasküla	39	37
MTÜ Tartu Üliõpilasmaja	36	42
OÜ Tartu Ülikooli Kirjastus (in liquidation)	29	29
Academus Hostel OÜ	5	5
Total	306	285

The University of Tartu has no obligation to provide termination benefits to members of its council. Subsidiaries' management board members are entitled to termination benefits in accordance with the terms and conditions of their service contracts. At 31 December 2019, contingent termination benefits payable to members of group entities' executive and higher management totalled 63,972 euros (31 December 2018: 72,822 euros).

In 2019 and 2018, no receivables from related parties were written down.

NOTE 30. CONTINGENT ASSETS AND LIABILITIES

Possible liabilities from tax audits

The tax administrator may audit the group's tax accounting within five years after the deadline for the submission of a tax return. On the detection of a misstatement or omission, the tax administrator may charge additional tax, late payment interest and penalty payments. The group's management is not aware of any circumstances that might cause the tax administrator to assess a significant amount of additional tax to be paid by the group.

Mortgages

The group has created two mortgages for the benefit of Swedbank AS on its properties at Vanemuise 46 and Pepleri 14, Tartu city. The mortgage on Vanemuise 46 amounts to 1.60 million euros and collateral claims may total 0.16 million euros. The mortgage on Pepleri 14 amounts to 0.32 million euros and collateral claims may total 0.03 million euros.

The group has also created two mortgages for the benefit of AS SEB Pank. The mortgage on the property at Nooruse 1, Tartu city, amounts to 4.79 million euros. The mortgage on the property with three buildings with the addresses Ülikooli 16, Jakobi 2 and Lossi 3, Tartu city, amounts to 4.79 million euros and collateral claims may total 0.48 million euros.

At the end of 2019, the University of Tartu did not have any outstanding contractual obligations that were secured by the above mortgages.

Other contingent liabilities

In accordance with the Creation of Usufruct and Real Right Contract No. 716, signed between the University of Tartu and Tehvandi Sports Centre Foundation on 22 March 2012, a fixed-term usufruct of 50 years was created on the Kääriku property for the benefit of Tehvandi Sports Centre Foundation as from 1 April 2012. Under the agreement, on the expiry of the usufruct the University of Tartu will compensate Tehvandi Sports Centre Foundation for all capital investments that have been agreed with the University of Tartu in writing. The compensation will be calculated using a 3% annual depreciation rate. Investments that have not been agreed with the University of Tartu need not be compensated on the expiry of the usufruct. Nor is there any obligation to pay compensation for investments or expenditures financed with non-refundable support provided by the EU structural funds or other donors. The University of Tartu has agreed with Tehvandi Sports Centre Foundation capital investments of 8.27 million euros which the University of Tartu will compensate on the expiry of the usufruct. The agreed capital investments are depreciated at the contractually agreed rate of 3% per year from the month of implementation. At 31 December 2019, the carrying amount of investments to be compensated was 7.89 million euros (31 December 2018: 2.83 million euros).

NOTE 31. ASSETS ACCOUNTED FOR OFF THE STATEMENT OF FINANCIAL POSITION

In 2019, assets with a cost of 2,000 euros to 4,999.99 euros were accounted for off the statement of financial position. At the reporting date, the total cost of such assets was 9.67 million euros (31 December 2018: 9.56 million euros).

The library items of the library of the University of Tartu are accounted for in detail in the library information system ESTER. At 31 December 2019, the estimated total value of the library's collections was 43.12 million euros (31 December 2018: 41.29 million euros), of which 10.67 million euros (31 December 2018: 10.04 million euros) was recognised in the consolidated statement of financial position (see note 9).

At the reporting date, the collection of the University of Tartu Botanical Gardens included 11,853 taxonomic units (species and varieties) of trees, bushes and other plants (31 December 2018: 11,563 taxonomic units).

Detailed accounts of items stored in museum collections are kept by the museums. From 2011, the assets included in museum collections are recognised in the consolidated statement of financial position in aggregated sets. At the reporting date, the total carrying value of the museum collections was 0.13 million euros (31 December 2018: 0.13 million euros). Altogether, at the reporting date the museums had 1,363,730 storage items (31 December 2018: 1,329,761 storage items): the History Museum had 98,161 storage items (31 December 2018: 82,118 storage items), the

Art Museum had 34,201 storage items (31 December 2018: 34,201 storage items), the Natural History Museum had 1,231,315 storage items (31 December 2018: 1,213,389 storage items), the library had 30 storage items (31 December 2018: 30 storage items) and the faculty of medicine had 23 storage items (31 December 2018: 23 storage items).

NOTE 32. EVENTS AFTER THE REPORTING PERIOD

At the beginning of 2020, coronavirus SARS-CoV-2 spread across the world, resulting in the pandemic of a new disease, COVID-19, which has disrupted business and economic activities. To prevent the spread of the virus, on 12 March the government of Estonia adopted order no. 76: *Declaration of a situation of emergency in the administrative territory of the Republic of Estonia*. The University of Tartu has treated the outbreak of the virus as a non-adjusting event after the reporting period.

It may be assumed that the crisis caused by the outbreak of the virus will have a certain impact on the operating volumes of the University of Tartu in 2020. A major part of the University's revenue results from the public sector and in mid-April the position of the minister of finance was that in 2020 there would be no budget cuts. Thus, it is likely that the crisis will affect this part of the University's revenues, receivables and liabilities, which is related to the private sector. It is impracticable to provide a quantitative estimate of how the crisis will affect the subsequent periods' financial indicators of the University of Tartu. According to the current assessment of the management of the University, in 2020 the impact will be modest.

The University of Tartu subsidiaries MTÜ Tartu Ülikooli Akadeemiline Spordiklubi and MTÜ Tartu Üliõpilasmaja, which are involved in sports and cultural activities, operate in sectors that are particularly vulnerable to the crisis. Since the University has control of the subsidiaries, there is no risk that they would have to discontinue their operations within the next 12 months and there is no doubt about their ability to continue as going concerns.

NOTE 33. PRIMARY FINANCIAL STATEMENTS OF THE PARENT

University of Tartu statement of financial position

In thousands of euros	31 December 2019	31 December 2018
ASSETS		
Current assets		
Cash and cash equivalents	41,040	39,856
Receivables and prepayments	21,229	18,551
Inventories	120	90
Total current assets	62,389	58,497
Non-current assets		
Investments in subsidiaries and associates	17	17
Investments in financial assets	2	2
Receivables and prepayments	0	2
Investment property	1,412	1,461
Property, plant and equipment	249,872	237,725
Intangible assets	7,641	5,827
Total non-current assets	258,944	245,034
TOTAL ASSETS	321,333	303,531
LIABILITIES AND NET ASSETS		
Liabilities		
Current liabilities		
Borrowings	4,088	4,473
Payables and deferred income	38,947	27,869
Provisions	243	330
Total current liabilities	43,278	32,672
Non-current liabilities		
Borrowings	23,574	27,662
Total non-current liabilities	23,574	27,662
Total liabilities	66,852	60,334
Net assets		
Capital of the university	144,182	144,182
Accumulated surpluses	99,015	92,263
Surplus for the period	11,284	6,752
Total net assets	254,481	243,197
TOTAL LIABILITIES AND NET ASSETS	321,333	303,531

University of Tartu statement of financial performance

In thousands of euros	2019	2018
Revenue		
Revenue from sale of goods and provision of services	21,066	18,548
State budget funding for education activities	74,775	69,096
State budget funding for research activities	32,095	32,339
Grants related to assets	19,407	18,736
Grants related to income	52,798	46,867
Other income	107	524
Total revenue	200,248	186,110
Expenses		
Goods, materials and services used	-18,211	-15,776
Operating expenses	-44,093	-43,746
Scholarships and study grants	-14,238	-12,335
Staff costs	-93,715	-87,647
Depreciation, amortisation and impairment losses	-15,125	-16,378
Other expenses	-3,557	-3,397
Total expenses	-188,939	-179,279
Surplus on operating activities	11,309	6,831
Share of profit of subsidiaries	120	0
Interest income	18	12
Interest expense	-163	-91
Surplus before income tax	11,284	6,752
Surplus for the period	11,284	6,752

University of Tartu statement of cash flows

In thousands of euros	2019	2018
Cash flows from operating activities		
Surplus on operating activities	11,309	6,831
Adjustments for		
Depreciation, amortisation and impairment losses	15,125	16,378
Other non-cash transactions with non-current assets	5	0
Gain on sale of non-current assets	-15	-271
Non-monetary grants related to assets	-63	-6,849
Change in provisions	-87	330
Grants related to assets received	-19,343	-11,887
Grants related to assets passed on	1,038	763
Change in receivables and prepayments	-3,291	-2,404
Change in inventories	-30	0
Change in payables and deferred income	12,219	5,078
Interest paid	-163	-87
Net cash from operating activities	16,704	7,882
Cash flows from investing activities		
Paid on acquisition of property, plant and equipment	-3,954	-4,634
Proceeds from sale of property, plant and equipment	17	486
Proceeds from sale of investment property	14	0
Paid for assets under construction	-23,005	-21,030
Prepayments made for property, plant and equipment	-176	-460
Paid on acquisition of intangible assets	-2,081	-3,004
Proceeds from government grants related to assets	19,112	10,868
Government grants related to assets paid	-1,110	-718
Collection of a non-current receivable	2	2
Interest received	14	17
Dividends received	120	0
Net cash used in investing activities	-11,047	-18,473
Cash flows from financing activities		
Proceeds from loans received	0	24,400
Repayment of loans received	-4,473	-2,711
Cash acquired in mergers with research institutions	0	540
Net cash used in/from financing activities	-4,473	22,229
Net cash flow	1,184	11,638
Cash and cash equivalents at beginning of period	39,856	28,218
Increase in cash and cash equivalents	1,184	11,638
Cash and cash equivalents at end of period	41,040	39,856

University of Tartu statement of changes in net assets

In thousands of euros	Capital of the university	Accumulated surpluses	Deficit/surplus for the period	Total
As at 31 December 2017	144,182	99,617	-8,471	235,328
Transfer of deficit	0	-8,471	8,471	0
Other changes	0	1,117	0	1,117
Surplus for the period	0	0	6,752	6,752
As at 31 December 2018	144,182	92,263	6,752	243,197
Transfer of surplus	0	6,752	-6,752	0
Surplus for the period	0	0	11,284	11,284
As at 31 December 2019	144,182	99,015	11,284	254,481

University of Tartu adjusted unconsolidated net assets

In thousands of euros	31 December 2019	31 December 2018
Unconsolidated net assets of the University of Tartu	254,481	243,197
Less: carrying amount of investments in subsidiaries and associates	-17	-17
Plus: value of investments in subsidiaries and associates under the equity method	1,463	1,540
Total	255,927	244,720

SÕLTUMATU VANDEAUDIITORI ARUANNE

Tartu Ülikooli nõukogule

Arvamus

Oleme auditeerinud Tartu Ülikooli ja tütarettevõtete (koos Kontsern) konsolideeritud raamatupidamise aastaaruannet, mis sisaldab konsolideeritud bilansi seisuga 31. detsember 2019 ning konsolideeritud tulemiaruanne, konsolideeritud rahavoogude aruannet ja konsolideeritud netovara muutuste aruannet eeltoodud kuupäeval lõppenud majandusaasta kohta ja konsolideeritud raamatupidamise aastaaruande lisasid, mis sisaldavad oluliste arvestuspõhimõtete kokkuvõtet ja muud selgitavat infot.

Meie arvates kajastab konsolideeritud raamatupidamise aastaaruanne kõigis olulistel osades õiglaselt Tartu Ülikooli ja tütarettevõtete konsolideeritud finantsseisundit seisuga 31. detsember 2019 ning sellel kuupäeval lõppenud majandusaasta konsolideeritud finantstulemust ja konsolideeritud rahavoogusid kooskõlas Eesti finantsaruandluse standardiga.

Arvamuse alus

Viisime auditi läbi kooskõlas rahvusvaheliste auditeerimise standarditega (Eesti). Meie kohustusi vastavalt nendele standarditele kirjeldatakse täiendavalt meie aruande osas „Vandeauditori kohustused seoses konsolideeritud raamatupidamise aastaaruande auditiga“. Me oleme Kontsernist sõltumatud kooskõlas kutseliste arvestusekspertide eetikakoodeksiga (Eesti) (eetikakoodeks (EE)), ja oleme täitnud oma muud eetikaalased kohustused vastavalt eetikakoodeksi (EE) nõuetele.

Usume, et kogutud auditi tõendusmaterjal on piisav ja asjakohane meie arvamuse avaldamiseks.

Muu informatsioon

Rektor vastutab muu informatsiooni eest, mis sisaldub aastaaruandes lisaks konsolideeritud raamatupidamise aastaaruandele ja meie audiitori aruandele.

Meie arvamus konsolideeritud raamatupidamise aastaaruande kohta ei hõlma muud informatsiooni ja me ei avalda muu informatsiooni kohta kindlustandvat arvamust.

Konsolideeritud raamatupidamise aastaaruande auditeerimise käigus on meie kohustus lugeda muud informatsiooni ja kaaluda seda tehes, kas muu informatsioon sisaldab olulisi vasturääkivusi konsolideeritud raamatupidamise aruandega või meie poolt auditi käigus saadud teadmistega või tundub muul viisil olevat oluliselt väärkajastatud. Kui me teeme tehtud töö põhjal järelduse, et muu informatsioon on oluliselt väärkajastatud, oleme kohustatud selle info oma aruandes välja tooma. Meil ei ole sellega seoses midagi välja tuua.

Rektori ja nende, kelle ülesandeks on valitsemine, kohustused seoses konsolideeritud raamatupidamise aastaaruandega.

Rektor vastutab konsolideeritud raamatupidamise aastaaruande koostamise ja õiglase esitamise eest kooskõlas Eesti finantsaruandluse standardiga ja sellise sisekontrolli eest, nagu juhtkond peab vajalikuks, et võimaldada kas pettusest või veast tulenevate oluliste väärkajastamisteta konsolideeritud raamatupidamise aastaaruande koostamist.

Konsolideeritud raamatupidamise aastaaruande koostamisel on juhtkond kohustatud hindama Kontserni suutlikkust jätkata jätkuvalt tegutsevana, esitama infot, kui see on asjakohane, tegevuse jätkuvusega seotud asjaolude kohta ja kasutama tegevuse jätkuvuse arvestuse alusprintsipi, välja arvatud juhul, kui juhtkond kavatses kas Kontserni likvideerida või tegevuse lõpetada või tal puudub sellele realistlik alternatiiv.

Need, kelle ülesandeks on valitsemine, vastutavad Kontserni finantsaruandlusprotsessi üle järelevalve teostamise eest.



Vandeauditiitori kohustused seoses konsolideeritud raamatupidamise aastaaruande auditiga

Meie eesmärk on saada põhjendatud kindlus selle kohta, kas konsolideeritud raamatupidamise aastaaruanne tervikuna on kas pettusest või veast tulenevate oluliste väärkajastamisteta, ja anda välja vandeauditiitori aruanne, mis sisaldab meie arvamust. Põhjendatud kindlus on kõrgetasemeline kindlus, kuid see ei taga, et olulise väärkajastamise eksisteerimisel see kooskõlas rahvusvaheliste auditeerimise standarditega (Eesti) läbiviidud auditi käigus alati avastatakse. Väärkajastamised võivad tuleneda pettusest või veast ja neid peetakse oluliseks siis, kui võib põhjendatult eeldada, et need võivad üksikult või koos mõjutada majanduslikke otsuseid, mida kasutajad konsolideeritud raamatupidamise aastaaruande alusel teevad.

Kasutame auditeerides vastavalt rahvusvaheliste auditeerimise standarditele (Eesti) kutsealast otsustust ja säilitame kutsealase skeptitsismi kogu auditi käigus. Me teeme ka järgmist:

- teeme kindlaks ja hindame konsolideeritud raamatupidamise aastaaruande kas pettusest või veast tuleneva olulise väärkajastamise riskid, kavandame ja teostame auditiprotseduure vastuseks nendele riskidele ning hangime piisava ja asjakohase auditi tõendusmaterjali, mis on aluseks meie arvamusele. Pettusest tuleneva olulise väärkajastamise mitteavastamise risk on suurem kui veast tuleneva väärkajastamise puhul, sest pettus võib tähendada salakokkulepet, võltsimist, info esitamata jätmist, vääresitiste tegemist või sisekontrolli eiramist;
- omandame arusaamise auditi puhul asjassepuutuvast sisekontrollist, et kavandada nendes tingimustes asjakohaseid auditiprotseduure, kuid mitte arvamuse avaldamiseks Kontserni sisekontrolli tulemuslikkuse kohta;
- hindame kasutatud arvestuspõhimõtete asjakohasust ning juhtkonna arvestushinnangute ja nendega seoses avalikustatud info põhjendatust;
- teeme järelduse juhtkonna poolt tegevuse jätkuvuse arvestuse alusprintsipi kasutamise asjakohasuse kohta ja saadud auditi tõendusmaterjali põhjal selle kohta, kas esineb olulist ebakindlust sündmuste või tingimuste suhtes, mis võivad tekitada märkimisväärset kahtlust Kontserni suutlikkuses jätkata jätkuvalt tegutsevana. Kui me teeme järelduse, et eksisteerib oluline ebakindlus, oleme kohustatud juhtima vandeauditiitori aruandes tähelepanu konsolideeritud raamatupidamise aastaaruandes selle kohta avalikustatud infole või kui avalikustatud info on ebapiisav, siis modifitseerima oma arvamust. Meie järeldused põhinevad vandeauditiitori aruande kuupäevani saadud auditi tõendusmaterjalil. Tulevased sündmused või tingimused võivad siiski kahjustada Kontserni suutlikkust jätkata jätkuvalt tegutsevana;
- hindame konsolideeritud raamatupidamise aastaaruande üldist esitusviisi, struktuuri ja sisu, sealhulgas avalikustatud informatsiooni, ning seda, kas konsolideeritud raamatupidamise aastaaruanne esitab aluseks olevaid tehinguid ja sündmusi viisil, millega saavutatakse õiglane esitusviis.
- hangime piisava asjakohase tõendusmaterjali Kontserni kuuluvate majandusüksuste või äritegevuste finantsinformatsiooni kohta, avaldamaks arvamust konsolideeritud raamatupidamise aastaaruande kui terviku kohta. Me vastutame Kontserni auditi juhtimise, järelevalve ja läbiviimise eest ja oleme ainuvastutavad oma auditiarvamuse eest.

Me vahetame infot nendega, kelle ülesandeks on Kontserni valitsemine, muu hulgas auditi planeeritud ulatuse ja ajastuse ning oluliste auditi tähelepanekute kohta, sealhulgas auditi käigus tuvastatud oluliste sisekontrollisüsteemi puuduste kohta.

/allkirjastatud digitaalselt/
Betty Blös
Vandeauditiitor, litsents nr 664

BDO Eesti AS
Tegevusluba nr 1
A. H. Tammsaare tee 47, 11316 Tallinn

8. mai 2020

SIGNATURES TO ANNUAL REPORT 2019

The annual report of the University of Tartu for the year ended 31 December 2019 consists of an activity report and consolidated financial statements.

The management of the University of Tartu has prepared the activity report and the consolidated financial statements. The consolidated financial statements are accompanied by an independent auditor's report. The rector of the University of Tartu has reviewed the annual report and approved its presentation to the council of the university.

(signed digitally)

Toomas Asser
Rector, Professor

(signed digitally)

Kalle Hein
Head of Finance

(signed digitally)

Kadi Külm
Acting Chief Accountant

Ülikooli 18
50090 Tartu
EESTI

Email info@ut.ee
Website www.ut.ee

Twitter www.twitter.com/tartuuniversity
Facebook www.facebook.com/tartuylikool
YouTube www.youtube.com/TartuUniversity

University of Tartu. Annual Report 2019

ACTIVITY REPORT

Editors Helina Riisalu, Katrin Pajuste-Kuul

The report was compiled with the assistance of Viivika Eljand-Kärp, Kalle Hein, Ülle Hendrikson, Ingrid Jaggo, Annely Jõgeva, Tuuli Kaldma, Katriin Kaljovee, Kaja Karo, Kristi Kerge, Kristi Kuningas, Joanna Kurvits, Aitel Käpp, Kadi Külm, Kalmer Lauk, Lauri Leht, Kristel Lään-Saarik, Reet Marits, Piret Normet, Karin Org, Lehti Pilt, Kärt Puura, Mariann Raisma, Lauri Randveer, Taivo Raud, Kristel Reim, Tiia Ristolainen, Kersti Roosimäe, Marek Sammul, Aire Seene, Peeter Säälük, Riin Tamm, Piret Tatunts, Ülle Tensing, Saima Tiirmaa-Oras, Annika Tina, Riina Tärk, Aune Valk, Raivo Valk, Ene Voolaid, Sirje Üprus and many others

Translation Merike Kala-Sikk and Ann Kuslap
Design Helina Riisalu

Photos by Andres Tennus, Piret Aus, Anna Markova, Mats Mikkor, Peeter Põldre, Ruudu Rahumaru, Riin Lisett Rei, Gerry Sulp, Harry Tiits, Ragnar Vutt, Startup Lab website

More detailed data are available on the UT website
statistika.ut.ee

FINANCIAL STATEMENTS

Editors Kaie Aia, Kalle Hein, Anne Iher, Kristina Kurakina, Kadi Külm, Britta Vassiljeva

Translation: Inga Aarpuu, Kadi Aarpuu (KPMG Baltics OÜ)

Copyright University of Tartu 2020

ISSN 1406-7072



University of Tartu
Annual Report
2019