



**Foundation NGO Info
Center of Skopje**

Financial Statements for the Year Ended
31 December 2021 and

Independent Auditor's Report

INDEPENDENT AUDITORS REPORT – FINANCIAL AUDIT	1
FINANCIAL STATEMENTS	
- Statement of revenues and expenses	3
- Balance Sheet	4
- Statement of changes in funds	5
- Notes to the Financial Statements	6

To:
The Management of
NGO Info Center, Skopje

INDEPENDENT AUDITOR'S REPORT

We have audited the accompanying financial statements of the Foundation NGO Info Center, (in the following text "the Foundation"), which comprise the Balance Sheet as of 31 December 2021, the Statement of Revenues and Expenses and Statement of Changes in Funds for the year then ended and a summary of significant accounting policies and other explanatory notes.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the Accounting Law for Non-profit Organizations and the standards for reporting under the cash basis of accounting. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

To:
The Management of
NGO Info Center, Skopje

INDEPENDENT AUDITOR'S REPORT (Continued)

Auditor's opinion

In our opinion, the financial statements of the NGO Info Center, give a true and fair view, in all material aspects, of the financial position of the Foundation as of 31 December 2021, as well as the operating results and the changes in the funds for the year than ended, in accordance with the Accounting Law for Non-profit Organizations and standards for reporting under the cash basis of accounting.

A&BA Group dooel, Skopje

Certified Auditor, Partner

Darko Kalin



Director

Darko Kalin

28 December 2022

STATEMENT OF REVENUES AND EXPENSES
As of 31 December 2021
In MKD thousand

	Notes	31 December 2021	31 December 2020
Granted Donations	4	10.698	4.936
Services Rendered	5	185	183
Other Revenues	6	16	75
Surplus of revenue from previous year	7	1.866	2.279
TOTAL REVENUES		12.765	7.473
Operating Expenses	8	3.401	956
Expenses for Employees	9	4.255	1.915
Capital Expenses		-	-
Intellectual and other services	10	1.920	2.722
TOTAL EXPENSES		9.576	5.593
Surplus of revenues over expenses before taxes		3.188	1.879
Income tax	11	-	-
Surplus of revenues over expenses after taxation		3.188	1.879

The accompanying notes form an integral part of these financial statements.

The accompanying financial statements were authorized for issue by the management of the Foundation and were signed on its behalf by:



Biljana Bejkova Josheska
 President



BALANCE SHEET
As of 31 December 2021
In MKD thousand

	Notes	31 December 2021	31 December 2020
ASSETS			
CURRENT ASSETS			
Cash and Cash Equivalents	12	3.201	1.883
Other Receivable	13	3	3
Prepayments	14	-	1
		3.204	1.887
NON-CURRENT ASSETS			
Intangible Assets	15	-	-
Property, Plant and Equipment	16	161	190
		161	190
TOTAL ASSETS		3.365	2.077
LIABILITIES AND OPERATING FUND			
CURRENT LIABILITIES			
Accounts Payable	17	16	8
		16	8
OPERATING FUND			
Operating Fund		145	174
Revaluation of Depreciation		16	16
Surplus of Revenues Over Expenses After Taxation		3.188	1.879
TOTAL OPERATING FUND		3.349	2.069
TOTAL LIABILITIES AND FUNDS		3.365	2.077

The accompanying notes form an integral part of these financial statements.

STATEMENT OF CHANGES IN OPERATING FUND
For the Year Ended 31 December 2021
In MKD thousand

	Operating Fund	Surplus of Revenues over Expenses	TOTAL
Balance as of 1 January 2020	227	2.279	2.506
Transferred surplus of revenues over expenses from previous year	-	(2.279)	(2.279)
Purchase of fixed assets	-	-	-
Depreciation	(37)	-	(37)
Surplus of revenues over expenses for next year	-	1.879	1.879
Balance as of 31 December 2020	190	1.879	2.069
Transferred surplus of revenues over expenses from previous year	-	(1.866)	(1.866)
Purchase of fixed assets	-	-	-
Depreciation	(29)	-	(29)
Surplus of revenues over expenses for next year	-	3.188	3.188
Balance as of 31 December 2021	161	3.201	3.362

The accompanying notes form an integral part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31 December 2021**

All amounts are expressed in MKD thousand, unless otherwise stated

1. ESTABLISHMENT AND ACTIVITY

The Foundation NVO Info Center, Skopje (hereinafter: the Foundation) is a foundation founded on 25.06.2004. The Foundation intensively works to increase the visibility and impact of the civil initiatives in Macedonia, to improve the quality of information that citizens receive from the media about key social processes and events, encourage public debates on key social processes, freedom of expression and freedom of Foundation, and the process of monitoring the efficiency, effectiveness, transparency and accountability of the regulatory bodies, as well as monitoring the work of the Ombudsman of the Republic Macedonia.

The vision of the Foundation is a democratically developed Macedonian society, with an influential, sustainable and transparent civil sector.

The mission of the NVO Info Center is to be the creator of the positive reputation, trust and influence of the civil sector in the society, with developed, constant and sustainable expertise in the field of public relations and public advocacy.

The Foundation is registered in the Central Registry of the Republic of Macedonia with a unique identification number of the subject 5903530 and with activity according to the Decision of the Central Registry with code 94.99 - activities of other organizations based on subscription, not mentioned elsewhere. The Foundation is registered in the Register of Foundations.

The headquarters of the Foundation is Dimitrije Cupovski number 16A/1-4, Skopje, Center.

The total number of employees as at 31 December 2021 amounted 2 employees (31 December 2020 was 2 employees).

2. BASIS FOR PREPARATION AND PRESENTATION OF FINANCIAL STATEMENTS

The financial statements of the Foundation are conducted in accordance with the Non-Profit Organization Accounting Law and the International accounting standards for the public sector on cash basis published in the Republic of Macedonia for presentation of the balance sheet items, balances of the assets, liabilities, sources of the assets, revenues and expenses, and the operating results on true, fair, confidential, complete, punctual basis. The amounts in the statements and the notes are stated in thousands of MKD, except when otherwise indicated in the text.

3. BASIC ACCOUNTING POLICIES

These financial statements are prepared in accordance with the terms set in the Law for accounting of the non-for-profit organizations (Official Gazette of RM no.24/2003, 17/2011, C.court 80.2005, 154/2015), the Rulebook for accounting of non-for-profit organizations (Official Gazette of RM no. 42/2003, 8/2009, 12/2009, 175/2011), the Rulebook for accounting nomenclature and financial statements of non-for-profit organizations (Official Gazette of RM no. 117/2005, 11/2006) and the Rulebook of the content of accounts of the accounting nomenclature of the non-for-profit organizations (Official Gazette of RM no.117/2005).

Financial statement are prepared for the years ended 31 December 2021 and 2020. Operational and reporting currency of the Foundation is the Macedonian Denar. Current and comparative data presented in these financial statements are stated in thousands of MKD, except stated otherwise.

**NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31 December 2021**

All amounts are expressed in MKD thousand, unless otherwise stated

3. BASIC ACCOUNTING POLICIES (Continued)**3.1 Cash and cash equivalents**

The Foundation's cash comprises of the cash on hand and the cash on bank account in the commercial banks. Money at the cash account and at the bank accounts stated in domestic currency are presented in the general ledger at their nominal value, while the foreign exchange currency is stated according to the exchange rate of NBRM at the reporting date.

3.2 Material and non-material assets

Classified as material and non-material assets are:

- Assets kept for performing the activity
- Assets which are expected to be used more than one financial period and whose separate value at the moment of purchase is higher than 300 EUR in Macedonian denar counter-value.

Material and non-material investments (fixed assets) are stated at their cost value. The cost of the fixed assets comprise the purchasing price increased for the purchase related costs. The operating fund of the Foundation increases for the amount of the value of fixed assets purchased. The revaluation of fixed assets (tangible and intangible assets), is performed because of additional valuation due to the increase of the annual inflation rate, measured with the official industrial product price index. Revaluation basis is the cost of the assets.

Sources of funding of the Foundation are increased for the amount of the material and non-material assets. Material and Non-Material assets are recognized as capital expenditure at the moment when they occur (payment).

All other continuous maintenance is evidenced as cost in the Statement of Revenues and Expenses during the period in which they occur.

3.3 Depreciation

Tangible and intangible assets (fixed assets) are depreciated using the straight-line method, so their cost and revaluated amount are depreciated in equal annual amounts during the estimated utilization period of the fixed assets.

The depreciation rates, applied by the Institute in 2018 are as follows: 1 – 2,5% for buildings, 10 – 20% for equipment, 12 – 16% for furniture and 25% for computer equipment.

The amount of the current depreciation is recorded on the burden of the operating fund. The calculation of the depreciation is performed separately for each item, and not for groups of assets.

**NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31 December 2021**

All amounts are expressed in MKD thousand, unless otherwise stated

4. BASIC ACCOUNTING POLICIES (Continued)**3.4 Trade receivables**

Receivables are recognized at their nominal value in the accounting document in accordance with the agreed amount, decreased for the valuation allowance.

3.5 Current and deferred income tax

Income tax for the reporting period is the sum of current and deferred income tax.

(a) Current Income Tax

Current income tax represents the amount calculated and paid in accordance with the Law on Profit Tax in the Republic of North Macedonia. Income tax is paid in the amount of 1% of the total income from the realized economic activity for the difference of the realized income over 1 million denars (2020: 10% of the tax base calculated in the annual tax return and is reduced for any by any applicable tax credits. The tax base stated in the income tax return includes profit for the year increased for unrecognized expenses, taxable income from related parties and unclosed balances of loans given, in accordance with the regulations in the Income Tax Law, decreased for any tax exemptions).

(b) Deferred tax

Deferred taxes are recognized in cases of differences between the carrying amounts of assets and the liabilities in the financial statements and the carrying amounts as per tax regulations and are reported using the balance sheet liability method. Deferred tax liabilities are recognised for all deductible temporary differences given that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. In these financial statements, there are no temporary tax differences.

3.6 Sources of funding

Sources of funding are valued at the amount of assets and revaluation provision.

3.7 Liabilities

Liabilities to suppliers, employees, salaries, taxes and other current liabilities are stated at their nominal value. Liabilities in other currencies are stated at mid-exchange rate of NBRM.

3.8 Recognition of revenues and expenses

Revenues and expenses of the non-profit Foundations are recognized according to the modified accrual basis of accounting.

According to the modified accrual basis of accounting the revenues i.e. expenses are recognized in the accounting period of calculation in which they appear under criteria of measurement and availability. Revenues i.e. expenses are measurable when they can be stated by their value. Revenues i.e. expenses are available when they are realized, i.e. when they appear (paid) in the accounting period or within the period of 30 days after the accounting period, under condition to be related to the accounting period and serve for payment of the liabilities for the period (if liabilities for payment appear in the accounting period).

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31 December 2021

All amounts are expressed in MKD thousand, unless otherwise stated

3. BASIC ACCOUNTING POLICIES (Continued)

3.9 Amounts stated in foreign currency

The transactions in foreign currency are stated in MKD according to the Official exchange rate of NBRM at the date of transaction. Foreign exchange assets and liabilities of the balance sheet are stated in MKD according to the official exchange rates on the balance sheet date. The Income Statement includes the net foreign exchange gains and losses that resulted from the conversion of the amounts in foreign currency in the period when they occur. The average (closing) exchange rates of the denar related to the foreign exchange currencies (for one unit of foreign exchange currency) as of 31 December are as follows:

	<u>31 December 2021</u>	<u>31 December 2020</u>
1 USD	54,3736 Denars	50,2353 Denars
1 EUR	61,6270Denars	61,6940 Denars

4. GRANTED DONATIONS

	<u>2021</u>	<u>2020</u>
Revenues from donations	10.698	4.936
Total	10.698	4.936

In the course of 2021, revenues from the following donors were realized:

Breakdown of granted donations by donors:	2021	2020
1 International Centre Olof Palmes	4.358	1.762
2 European Union	369	614
3 OTI / Chemonics International	-	887
4 USAID	1.398	403
5 RYCO / Vlora Youth Center	26	426
6 MCMS/CIVICA Mobilias	1.285	356
7 British Embassy / Evrotink	-	315
8 United States Embassy	606	173
9 Foundation Open Society – Macedonia(FOOM)	1.306	-
10 ERASMUS	55	-
11 BTD (Balkan Trust for Democracy)	1.295	-
Total	10.698	4.936

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31 December 2021

All amounts are expressed in MKD thousand, unless otherwise stated

5. SERVICES RENDERED

	2021	2020
Revenue from services	185	183
Total	185	183

6. OTHER REVENUES

	2021	2020
Revenues from other sources	16	14
Rental and rental income	-	61
Total	16	75

7. Surplus of revenues from previous year

	2021	2020
Surplus of revenues from previous year	1.866	2.279
Total	1.866	2.279

8. OPERATING EXPENSES

	2021	2020
Transferred Funds	1.408	21
Other project related costs (training, financial services, etc.)	821	212
Other material costs	39	33
Rent	240	256
Travel and post	179	46
Per diems and travel costs	-	22
Utilities	20	24
Materials	68	54
Marketing, promotion	-	41
Bank charges	49	29
Reimbursement of costs for workers and citizens	25	27
Foreign exchange losses	24	10
Other expenses	527	181
Total	3.400	956

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31 December 2021

All amounts are expressed in MKD thousand, unless otherwise stated

9. EXPENSES FOR EMPLOYEES

	2021	2020
Salaries	1.920	1.915
Total	1.920	1.915

10. OTHER SERVICES

	2021	2020
Intellectual services	4.255	2.722
Total	4.255	2.722

11. CASH AND CASH EQUIVALENTS

	2021	2020
Bank account	3.198	1.880
Petty cash	3	3
Total	3.201	1.883

12. OTHER RECEIVABLES

	2021	2020
Receivables for overpaid taxes and contributions	3	3
Total	3	3

13. PREPAYMENTS

	2021	2020
Prepaid expenses	-	1
Total	-	1

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31 December 2021

All amounts are expressed in MKD thousand, unless otherwise stated

14. INTANGIBLE ASSETS

As of 31 December 2021, the Foundation has not purchased any intangible assets. The accumulated depreciation is 71 thousand denars. As of 31 December 2021 and 2020 the software has no net book value i.e. it is fully depreciated.

15. PROPERTY, PLANT, EQUIPMENT

	Property, plant and equipment	Total
Cost as of 1 January 2020	2.026	2.026
Additions	-	-
Cost as of 31 December 2020	2.026	2.026
Additions	-	-
Cost as of 31 December 2021	2.026	2.026
Accumulated depreciation		
As of 1 January 2020	1.799	1.799
Depreciation 2020	37	37
Balance as of 31 December 2020	1.836	1.836
Depreciation 2021	29	29
Balance as of 31 December 2021	1.865	1.865
Net book value		
Balance as of 31 December 2020	190	190
Balance as of 31 December 2021	161	161

16. ACCOUNTS PAYABLE

	2021	2020
Trade payables	16	8
Total	16	8

17. OFF-BALANCE RECORDS

As of 31 December 2021, the Foundation has no off-balance sheet exposure.

**NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31 December 2021****All amounts are expressed in MKD thousand, unless otherwise stated**

18. SUBSEQUENT EVENETS

After 31 December 2021 - the reporting date, until the day of approval of these financial statements, the following events are materially significant for disclosure in these financial statements:

- The military action in Ukraine by the Russian forces that started on February 24, 2022 is a far-reaching event that will also leave evident traces in the global economy, and thus in corporate financial reporting. Impacts were immediately felt on the commodities and the financial markets, especially with the imposition of severe sanctions against Russia. The consequences for Russia and the imposing countries are immediately visible, but in the long run there will also be significant consequences for the global economy. It is currently difficult to predict how long this crisis will last, which may also intensify with further actions even after the end of military actions. Therefore, the Company considers these events to be non-adjusting subsequent events. Consequently, the financial position and results of operations of and for the period ended 30 June 2022 are not adjusted to reflect this impact