

Association EKO-SVEST Skopje

**Financial statements
Year ended December 31, 2024 and**

Independent Auditor's report

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INDEPENDENT AUDITOR'S REPORT

To the Management and the Founders of
Association Center for environmental research and information EKO-SVEST Skopje

We have audited the accompanying financial statements of Association Center for environmental research and information EKO-SVEST Skopje (hereinafter referred as "Association" or "Eko-svest"), which comprise the statement of financial position as at 31st December 2024, and the income and expense statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

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 standards for non-profit organizations adopted in the Republic of North Macedonia, and for such internal control as the management determines is necessary to enable the preparation of the financial statements that are free from material mistreatment, whether due to fraud or error.

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 International Standards on Auditing adopted and published in the Official Gazette of the Republic of North Macedonia. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurances about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material mistreatment of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the Association'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 Association'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.

To the Management and the Founders of
Association Center for environmental research and information EKO-SVEST Skopje

Independent auditors' report (continued)

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

Unqualified opinion


In our opinion, the financial statements present fairly, in all material respects, the financial position of the Association EKO-SVEST Skopje, as at 31st December 2024, and its financial performance for the year then ended, in accordance with the accounting standards for non-profit organizations adopted in the Republic of North Macedonia.

Skopje, 30 April 2025

Revizija Stojchevski



Nadica Stojchevska

Manager




Nadica Stojchevska

Certified auditor





INCOME AND EXPENSE STATEMENT
Year ended December 31, 2024
(In Denars)

	Note	2024	2023
Revenues			
Revenues from projects implementation	4	44,572,888	51,545,831
Revenues from membership	4	17,000	15,000
Revenues from services provided and other revenues	4	322,144	1,573,688
Other revenues	4	2,953,109	0,00
Foreign exchange gain	5	99,936	49,497
Excess of revenues over expenses brought forward from previous year		<u>24,311,223</u>	<u>29,618,220</u>
		72,276,300	82,802,236
Expenses			
Operational expenses	6	(25,527,968)	(44,120,981)
Staff costs	7	(13,526,560)	(13,464,415)
Capital expenses	8	(328,324)	(500,890)
Foreign exchange (loss)	5	(73,927)	(823,342)
		<u>(39,456,779)</u>	<u>(58,909,628)</u>
Excess of revenues over expenses for the year before income tax	12	32,819,521	23,892,608
Income tax	3.3	<u>0,00</u>	<u>5,528</u>
Excess of revenues over expenses for the year		<u>32,819,521</u>	<u>23,887,080</u>

The accompanying notes on the following pages are an integral part of these financial statements.

These financial statements were approved for issuing by the management of the Association on 30 April 2025 and signed on its behalf by:


 Executive director,
 Ana Colovic-Lesoska



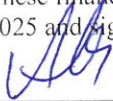

 Financial Manager,
 Andreea Minoska

STATEMENT OF FINANCIAL POSITION
As of December 31, 2024
(In Denars)


	Note	2024	2023
ASSETS			
Non-current assets			
Tangible and intangible assets	9	3,502,135	3,825,003
Total non-current assets		3,502,135	3,825,003
Current assets			
Cash and cash equivalents	10	25,903,031	23,892,605
Trade and other receivables	11	6,918,737	-
Total current assets		32,821,768	23,892,605
TOTAL ASSETS		36,323,903	27,717,608
FUNDS, REVALUATION RESERVES AND LIABILITES			
Funds			
Business fund	12	3,335,449	3,825,000
Total funds		3,335,449	3,825,000
Revaluation reserves	12	166,681	-
Current liabilities			
Trade & other payables	13	2,252	5,528
Excess of revenues over expenses	13	32,819,521	23,887,080
Total current liabilities		32,821,773	23,892,608
TOTAL FUNDS, REVALUATION RESERVES AND LIABILITES		36,323,903	27,717,608

*The accompanying notes on the following pages
are an integral part of these financial statements*

These financial statements were approved for issuing by the management of the Association on 30 April 2025 and signed on its behalf by:


Executive director,
Ana Colovic-Lesoska




Financial Manager,
Andreea Minoska

NOTES TO THE FINANCIAL STATEMENTS
December 31, 2024

1. GENERAL INFORMATION

The Association Center for environmental research and information EKO-SVEST Skopje (the “Association”) was established as a non-profit organization, and is registered in the Central Register of Republic of North Macedonia on September 9, 2002, under EMBS No: 5690552.

Address

Str. Kiril i Metodij 30/1-6, 1000 Skopje, Republic of North Macedonia

President

Fidanka Baceva MekGrat, Strategic Coordinator at CEE Bankwatch Network

Governing Board

Fidanka McGrath, President of Eko-svest

Toni Popovski, member

Metodija Minoski, member

Igor Kambovski, member

Dejan Zrmanovski, member

Ana Colovic-Lesoska, member

Executive director

Ana Colovic-Lesoska

Branch offices

1. Association Center for environmental research and information EKO-SVEST Skopje -
Branch EKO-SVEST Vevcani

Address

Naseleno mesto bez ulicen system No.474, Vevcani, Republic of North Macedonia

2. Association Center for environmental research and information EKO-SVEST Skopje-
Branch Eko-Akademija Skopje

Address:

Str. Kiril i Metodij 30/1-6, 1000 Skopje, Republic of North Macedonia

Association’s Office Employees

Ana Colovic Lesoska, Executive director

Andreea Minoska, Head of Finance

Zarko Koneski, Energy Program Coordinator

Elena Nikolovska, Climate Program Coordinator

Gjorgji Mitrevski, Water Program Coordinator

Stojan Leshoski, Grant Program and IT Coordinator

Ivana Trpevska, Finance and Administration Coordinator

Naum Ilieski, Local Project Coordinator in Vevcani

Darko Kjitanski, Local Project Coordinator in Vevcani

Orhideja Zlatkova-Kocareva, Administrator

Elena Todorovska, Finance and Administration Coordinator

Marija Sterjova, Energy project coordinator

Eleonora Gjeorgjievska, Project Assistant

Ivica Stojanovski, Energy project coordinator

Biljana Petropulos, Lawyer

Maja Nikolikj, Project Assistant

Simona Trajkovska, Nature Program Coordinator

Deana Blazheska, Project Coordinator

The mission of EKO-SVEST Skopje is to research, inform and act towards the improvement of public policies and people’s behaviors for sustainable living and environmental protection.

NOTES TO THE FINANCIAL STATEMENTS
December 31, 2024

GENERAL INFORMATION (Continued)

EKO-SVEST Skopje supports and encourages civic awareness and active participation and promotes practical solutions in cooperation with organizations and institutions.

EKO-SVEST Skopje focuses on topics closely related to environmental protection: sustainable transport, renewable energy sources and energy efficiency, sustainable waste management, protection against chemicals and heavy metals, and protection against genetically modified organisms.

As horizontal issues that affect the organization, but also its main goals are informing and education of citizens in Republic of North Macedonia, public participation in environmental decision making, transparent and accountable work of public institutions, public money for public benefits, access to justice in the environmental decision making processes.

Areas of work

The Association focuses on the following areas:

Energy and climate
Air pollution
Innovations
Sustainable Living
Nature Protection
Active citizenship

Awards

Goldman Environmental Prize 2019, recipient: Ana Colovic Lesoska
Porta 3 2019 Ecological Award
13th November Award, 2011, City of Skopje Award

Networking, cooperation & membership

SIDA
Sigrid Rausing Trust
European Climate Foundation
Prespa Ohrid Nature Trust (PONT)
The Nature Conservancy
Euronatur
Europe Beyond Coal
Critical Ecosystem Partnership Fund (CEPF)
Open Rivers Programme and Arcadia
National Democracy Institute
Germanwatch
CEE Bankwatch Network
CAN Europe
HEAL (Health and Environment Alliance)
SEE NET
European Environmental Bureau EEB
GENET
Inforse Europe
Kite
WECF (Women in Europe for Common Future)
WWF Adria official partner in North Macedonia
Fundacja "Rozwoj TAK - Odkrywki NIE"
Belgrade Open School
Open Society Foundations Western Balkans
US Forest Service
UNOPS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2024

1. GENERAL INFORMATION (Continued)

In North Macedonia, EKO-SVEST is a founder of the following CSO networks:

Coalition NATURA2000

IPA 2 mechanism for civil society organizations

Ekosfera

Climate Coalition

As of December 31, 2024, the Association has 13 employees (2023: 15 employees.)

1.1 2024 HIGHLIGHTS

Eko-svest becomes a member of the large family of the International Union for Conservation of Nature (IUCN)

IUCN is the largest and most diverse environmental net work in the world, with more than 1,400 member organizations and 15,000 experts sharing knowledge and resources. This diversity and expertise make IUCN the global authority on monitoring the status of the natural world and creating the measures needed to protect it.

Through its membership in IUCN, Eko-svest will be able to collaborate with various partners from all regions of the world, expand its rich portfolio with activities that combine the latest science with the traditional knowledge of local communities, and actively work on the restoration of degraded habitats, the protection of ecosystems, and the improvement of human well-being.

Grand opening of the Permanent Nature Exhibition for the Vevchani Springs

In cooperation with the Municipality of Vevchani Eko-svest opened the Permanent Nature Exhibition titled "Journey through the Natural Treasures of Vevchani Springs". The exhibition is located at the Kosta Srbakoski Multicultural Center in Vevchani and aims to promote the natural values of the protected area of the Vevchani Springs Monument of Nature and the Jablanica Mountain, through education and raising public awareness.

Innovation in protecting our environment

Through the project Collect, Recycle, Create - from recycled plastic to innovation - Project supported by the Small Grants Program (Global Environment Facility), Eko-svest provided local schools with computer stations, 3D printers and filament extruders.

With this equipment, students use selected plastic bottles and create educational aids. This project introduced 3D printing as an innovative way to reuse plastic bottles, which not only contributed to reducing waste, but also educated young people about the importance of recycling when protecting nature.

1.2 REPORT ON ACTIVITIES (2024)

During 2024 Eko-svest was supported by 11 donors and implemented 17 different projects and 2 project specific service contracts. Eko-svest was also supported with one core grant to implement internal development activities.

In the Energy Thematic Area, Eko-svest worked with partners to further support the process of decarbonisation, to abandon coal as a fuel, decentralize energy production and stimulate sustainable energy solutions. Eko-svest implemented the following projects, some of which span over multiple years:

Supported by the European Climate Foundation:

- To empower citizens and enhance the status of prosumers within the energy markets in Macedonia and Serbia.
- To minimize the intake of fossil gas in the Macedonian energy sector
- To eliminate coal as a fuel from the energy sector in North Macedonia

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2024

1.2 REPORT ON ACTIVITIES (2024) (Continued)

- To provide logistic support to organization of the joint ECF and Bankwatch meeting to be held in Skopje, Macedonia on 15th and 16th of October 2024
- Coal Free Future for Bitola

Supported by CAN Europe

- Beyond Fossil Fuel Campaign

Supported by the University of Manchester:

- GENERATE Gender and Precarity at the Energy Frontier

Supported by the Horizon 2020 programme of the European Union:

- Energy Citizens for Inclusive Decarbonisation - ENCLUDE

A service contract with Germanwatch was signed for the implementation of the joint partnership project “Energy transition and decarbonisation in WB, Macedonia”.

Through the implementation of these projects, Eko-svest was able to implement its Strategy and move towards the achievement of its goal:

By 2028, Eko-svest contributes significantly to shaping decarbonization policies, supporting the transformation of key sectors through the promotion of innovations and deployment of appropriate technologies.

In this regard, Eko-svest focused on the following objectives and achieved the following results:

1. Stimulate citizen energy for decentralization and democratization of the energy system.

Eko-svest created an informative portal prosumer.mk and promoted it to raise awareness about the possibilities for citizens to become prosumers and decentralize energy production. The TV series “Eko-svest investigates” continued with a second season of five episodes during 2024 on the topics of energy citizenship, prosumers and just transition.

Through the Enclude project, Eko-svest supported the promotion of “A Changemaker’s Guide to the Energy Transition- Citizens designing change one step at a time” document at the Faculty of Mechanical Engineering in Skopje.

2. Minimise negative and harmful impacts of fossil fuel infrastructure in the country

In the Pelagonija region Eko-svest worked with the local stakeholders to develop a joint Vision for Bitola, a document that summarises the possibilities and opportunities for the coal-free development of Bitola, after the closure of the thermo-powered plant. The Vision for Bitola was promoted to general public via the Vision Café where citizens could choose from the “menu” what project they find most appropriate and through the engagement of the pupils and teachers from the technical secondary school from Bitola. High school students created their practical proposals and props and demonstrated them to the public, initiating a general discussion in society about the sustainable energy alternatives.

The Vision for Bitola was promoted to the Bitola Municipal Council with the aim to support the municipality in their demands for sustainable projects in the framework of the just transition projects of the Government.

To raise awareness on the health impacts from coal plants in Bitola region Eko-svest showcased a theater play with a dark script named “Bardo Todor”. It was played in Bitola, Novaci, Mogila, Kicevo and Skopje so far and it drew the interest of the local audiences.

In the southeast region, Eko-svest worked with local communities to provide legal support to the local inhabitants to protect their rights for a fair land acquisition, due to the gas pipeline infrastructure development. One case was taken to court and the outcome was in favor of the inhabitant. Eko-svest also raised our concerns about the lack of climate assessment of the gas pipeline project and worked with the accountability mechanism of the EBRD and the Energy Community Secretariat to follow up on our complaint submitted in 2024. A general social media campaign about the negative impacts to environment, economy and energy transition was launched and reached 2 million viewers.

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2024

1.1 REPORT ON ACTIVITIES (2024) (Continued)

An international gas conference was organized with speakers from EU countries to further raise awareness and discuss the facts and arguments against further expansion of gas networks in the Western Balkan countries. A series of informative videos as well as a special webpage toxic.mk was launched to share the knowledge and the ways forward in the energy transition and decarbonisation opportunities for the Western Balkan countries.

In 2024 Eko-svest hosted the organisation of the Balkan coal campaign partnership of civil society organisations and donors from the Western Balkans to update and strategise around key campaigns and activities to speed up energy transition of the region and prevent fossil fuel projects lock-in effect.

In the Climate Thematic Area, Eko-svest worked closely with the Climate Coalition and partner organisations, to implement the CSO Action for Climate Programme, focused on awareness raising, capacity building for CSOs and advocacy for climate policies.

With the support from Sweden, Eko-svest continued implementing this programme in 2024, in order to achieve its Strategic goal:

Climate policies are a high priority of the state, climate action is embedded in all national policies, and the climate goals of the "National Determined Contributions" are achieved.

Throughout the year, Eko-svest focused on the following objectives and implemented various activities to reach the desired results:

1. Advocate for the drafting, adoption and implementation of ambitious climate policies and legal framework

In partnership with other organisations, Eko-svest continued to advocate for ambitious climate laws and regulations. In the 2023 shadow report, Eko-svest analysed the Climate chapter and provided a detailed report with findings on the level of transposition and implementation of climate action. A public event was organized to promote the findings of this report in all sectors within the Chapter 27 on Environment and climate action.

An innovative approach was applied to work with representatives from various institutions and to raise awareness and create partnerships and inter-institutional support through a specially designed event by a former EU Commissioner from Slovenia, Violeta Bulc. The event enabled participants to holistically look at climate change issues from all societal perspectives and to gain understanding of the need to approach climate action in joint cooperation and efforts.

2. Support the implementation of climate action, decarbonization and just transition measures through sub-grantees and own activities in the energy and climate sector

Nine subgrantees of the Action for climate programme finalized their activities in 2024. The grants were distributed to civil society organisations to implement local climate action, such as independent energy solutions, climate action plans and measures, institutional capacity building and youth and citizen engagement.

The old elementary school in the community of Belica, Kichevo region was transformed into an educational and energy independent centre. A photovoltaic plant and storage system was installed to support the revival of the small community and to demonstrate energy community practices in the country. Climate action plans were developed for 6 municipalities and several climate adaptation measures were implemented in the Municipalities of Center- Skopje, Prilep and Demir Kapija. The Gostivar Municipal Council adopted a youth developed climate and environment action plan. Two climatological metering stations were placed in public areas in Belica and Demir Kapija to raise awareness about climate change. Climate education activities were stepped up in Debar, Gostivar, Skopje with youth as well as in climate vulnerable communities and settlements. The topic of climate resilience, sustainable energy, sustainable

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2024

1.1 REPORT ON ACTIVITIES (2024) (Continued)

transport and changing weather conditions were regularly communicated by the implementing partners and reached more than 2 million viewers via social and traditional media.

3. Public pressure and action are utilized by civil society organizations and the public to prioritize climate policies

A series of public campaigns including award giving campaigns on urban greenery and green infrastructure, sustainable living and women and climate were implemented via social and traditional media. Citizens were stimulated to implement climate measures in their lives and to spread the experience further.

The Climate Coalition annual meeting made a clear demand to governmental institutions to prioritise climate action funding and to step up the climate ambition at all levels and in all sectors. Representatives from civil society became a part of the Steering committee of the "Implementation of the priority actions in the climate change sector (NEAR/SKP/2022/EA-RP/010) project, taking an active role in advising governmental institutions in project implementation. The members of the Climate Coalition united to jointly demand policy changes and to prevent harmful impacts of policy solutions developed without public participation. Joint reaction letters were also sent to relevant institutions.

In the **Water Protection Thematic Area**, Eko-svest implemented the following projects:

Supported by the Prespa Ohrid Nature Trust

- River protection through establishing monitoring practices and habitats restoration in protected areas

Supported by The Nature Conservancy

- Research Report on the Environmental Impacts of Existing Dams and Structures in Mavrovo and Shar Mountain
- United for Rivers Campaign

Supported by the Open River Foundation

- Barrier removal on Pcinja River 2024-07-597
- Reconnecting rivers in North Macedonia- Developing methodology and identification of priority barriers for removal

The Sigrid Rausing Trust provided its institutional (core) support in the Water Protection Thematic Area and the funding was used to co-finance activities in this area.

The general strategic goal of Eko-svest in this area of intervention is:

Legal and practical socio-ecological protection and restoration of at least 3 rivers in the country and their promotion as "axes" of local sustainable development.

In order to achieve this goal, during 2024 Eko-svest focused on reaching the following objectives:

1. Raising public awareness and building active citizenship for the socio-ecological protection of rivers, through outreach, education and applying citizen science.

In 2024 Eko-svest launched a social media campaign to communicate main messages about the much needed protection of rivers on national level. In Mavrovo National Park, Shar Mountain National Park and Demir Kapija municipality Eko-svest worked with experienced educators and artists to stimulate young students to create various content that was later transformed into an educational material (coloring books) for children.

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2024

1.1 REPORT ON ACTIVITIES (2024) (Continued)

The mobile application Crowdwater was made available in Macedonian and Albanian and its use was initiated in the territories of Mavrovo and Shar Mountain National Park to engage citizens in creating citizen science content and record the status of rivers.

Eko-svest supported the Flipbook animated video festival by launching an award for the best environmental film broadcasted at the festival. The festival was attended by more than 100 visitors.

2. Cooperation with relevant institutions for establishing and applying the legal framework for water protection and building their capacities.

In collaboration with domestic and foreign experts, Eko-svest developed a draft methodology for the measurement of ecological flow of rivers. Furthermore, new water metering equipment was obtained and donated to Mavrovo and Shar Mountain National Park authorities and a tailored trainings were provided to rangers and staff to perform regular river monitoring.

Wide stakeholder consultations in Mavrovo and Shar Mountain were organized by Eko-svest to gather all relevant institutions and partners to collect inputs for key threats to rivers in these protected areas. The inputs from these meetings were integrated in a new Analysis of threats to rivers.

In October 2023, an event was also held to launch the initiative, i.e. a public event with concerts by two bands - Ljubojna and Letechki Pekinezeri in Demir Kapija, which officially announced the start of the initiative to declare the protected area. The speeches of the mayor, representatives of the institutions and non-governmental organizations aimed to present the initiative and the challenges for its implementation to the local community and ensure their trust.

At the Bern Convention Standing Committee meeting, Eko-svest presented the update with the Mavrovo National Park case and as a result, a new set of actions were requested from the Government.

3. Development of new research methodologies and their application to obtain new knowledge necessary for the protection and restoration of rivers.

New methodologies were explored and established in regards to river protection:

- Analysis of threats to rivers in protected areas
- Designing a methodology for the selection of priority river barrier for removal
- Monitoring methodology for hydrological assessment of rivers in protected areas

The research and analysis performed in cooperation with experts as well as with in-house insights and experience has resulted in the preparation of several studies. This work continues beyond 2024, however, the designed methodologies are replicable to other cases and countries.

In the **Nature Protection Thematic Area** Eko-svest implemented 4 projects with the support of 5 donors:

Supported by the Prespa Ohrid Nature Trust

- Supporting the sustainable management of the Monument of nature “Vevcanski Izvori

Supported by the Euronatur Foundation

- Transboundary Brown Bear Conservation in the Southwestern Balkans (TBBC)

Supported by The Nature Conservancy

- United for Rivers Campaign

Supported by the GEF Small Grants Programme of North Macedonia

- Collect, recycle, create - From recycled plastic to innovation

The Sigrid Rausing Trust provided its institutional (core) support in the Nature Protection Thematic Area and the funding was used to co-finance activities in this area.

The strategic goal in the Nature Protection thematic area is:

Support the establishment of an effective mechanism for the protection of nature, ecosystems, wildlife and their habitats by advocating and educating on the best practices and policies for the management and financing of protected areas.

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2024

1.1 REPORT ON ACTIVITIES (2024) (Continued)

In order to achieve this goal, during 2024 Eko-svest focused on reaching the following objectives:

1. Support the processes of designation, management, promotion and networking of protected areas by fostering partnerships with institutions, local communities, civil society organizations and experts.

In Vevcani, our local office continued to provide active support to the Municipality of Vevcani in the management of the protected area Vevcani springs Monument of Nature. Eko-svest implemented the education and awareness raising component of the Management plan of the protected area as well as sections from the Monitoring and research, and Visitor management components of the plan.

As a result, there has been a noticeable increase in interest, with over 309 young people from Vevcani and surrounding areas engaged through these educational workshops. Three educational publications were created and promoted and are now in use by elementary school teachers from the region. A Permanent nature exhibition titled "Journey through the Natural Treasures of Vevcanski Izvori" was created and installed at the Multicultural Center Kosta Srbakoski in Vevcani. The exhibition has daily visitors and regular visits by the schools from the region.

A mountain bike tour called Vevcanska Golina - Lokva 2024 was organized, with over 130 participants from across the country.

Expert analysis on the European chestnut forest was conducted and mitigation measures for the survival of the chestnut trees were designed and proposed for implementation.

Eko-svest initiated the process of declaration of Demir Kapija as a protected area, by working closely with the Municipality and the Ministry of environment and physical planning.

Last, but not least, Eko-svest played an active role in establishing the Brown Bear Intervention Team and in drafting the National Action Plan for the Brown Bear. Furthermore, Eko-svest worked on creating and implementing measures aimed at minimizing conflicts with this species and organized training sessions for ranger services in protected areas. Monitoring of the species was carried out on Jablanica Mountain using camera traps. Our team is dedicated to enhancing capacities and facilitating the exchange of best practices with partner organizations.

2. Advocate for improved nature protection through the adoption and implementation of sound legal framework

Through our representative, Eko-svest participated in the work of the Nature Protection Council, the advisory body of the Minister of environment and physical planning and provided comments, directions and led initiatives for improved nature protection and protected area management.

Throughout the year, Eko-svest used our established contacts and partnerships as well as media relations to speak out about the urgent need to finalise the process of proclamation of Mavrovo as a national park and to adopt a new Management plan for the protected area. The main recommendations from the Roadmap on nature protection developed by Eko-svest in 2023 were communicated to journalists.

3. Promote sustainable management practices in protected areas

In the Monument of nature Vevcani springs, Eko-svest worked closely with the ranger service. Rangers were trained on various management and monitoring topics with practical demonstration of best practices.

Information boards and signs were installed for informing the visitors about the natural heritage and protection zones of the protected area.

One new nature inspired product was developed and branded with the support of Eko-svest. The women led business will be producing and promoting the Castanea brand of sweet chestnuts in syrup. Our members from the local office in Vevcani took part in the sessions of the Stakeholder Council for the protected area as well as the youth council of the Municipality of Vevcani, with the aim to bring forward important nature conservation goals and activities and to gain support for such measures by the wider stakeholders in the region.

In Vevcani Eko-svest also implemented an innovative project by establishing recycling and 3d

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2024

1.1 REPORT ON ACTIVITIES (2024) (Continued)

printing points in the elementary schools. Students and teachers were trained on using the filament extruder and 3d printer and motivated to use PET plastic bottles in the printing of various school materials and tools.

In this manner, plastic bottles will be directly recycled in useful and fun objects created by children. This project was also replicated in other municipalities by other civil society organisations and schools.

The **Active Citizenship Thematic Area** is a cross-cutting area for Eko-svest that considers the access to information, public participation and access to justice as rights which are integrated in all our thematic areas. The strategic goal for this area is:

Eko-svest pursues its vision and mission by creating allies and sharing its knowledge with organizations, citizens and communities so that they actively participate in the decision-making processes in the field of environment.

In order to achieve this goal, during 2024 Eko-svest focused on reaching the following objective:

1. Support public participation in environmental decision making and strengthen environmental justice

In our projects throughout the year Eko-svest focused on actively sharing knowledge by providing public, civil society and decision makers with relevant data and information from our research and analysis. Using our webpages, via social media and with direct communication Eko-svest managed to communicate relevant information from 2 new research papers, 2 new analyses, 5 new educational toolkits and many infographics and videos.

The webtools such as ekomapa.mk and eko.net.mk were updated with new data and information. New pages such as toxic.mk, prosumer.mk and klimatskaakcija.mk were actively developed to serve as informational and educational platforms.

Using the iNaturalist and Crowdwater mobile applications, Eko-svest worked with young people to stimulate citizen science and map environmental conditions in the areas where it is working.

Eko-svest provided legal support to citizens in order to protect their environmental rights. For that purpose, a legal team was initiated within Eko-svest.

In cooperation with the European Environmental Bureau (EEB) and the implementation of the REAL DEAL project financed by the Horizon 2020 programme of the European Union, Eko-svest implemented a new participatory approach, using the Delphi Expert Group. The results from the work of the expert group were shared with the organisers of the first Citizen Assembly in Skopje, focused on air pollution. The results were used as inputs to the discussions that took place during the sessions of the Citizen Assembly, offering expert opinions and data to citizens for their informed deliberations.

NOTES TO THE FINANCIAL STATEMENTS
December 31, 2024

PUBLICATIONS (2024/2023)

- Vision for the development of Bitola (2024)
- A new energy vision for Bitola - student projects and technical illustrations (2024)
- Urban greenery and architecture (2024)
- Chapter 27 Shadow Report (2024)
- Research of the health condition of European chestnut in the Monument of Nature Vevcani springs (2024)
- The numerous values of the sweet chestnut (2024)
- Toolkit: How to create filament from plastic PET bottles for 3D printing (2024)
- Toolkit: Nature in the eyes of children (2024)
- Toolkit: A playground for young researchers (2024)
- Toolkit: Experimenting grounds for young scientists (2024)
- Energy crisis vs. decarbonization in Republic of North Macedonia (2023)
- Gasification plans and building heating options in North Macedonia (2023)
- Legal analysis of the status of obstacles, dams, and other infrastructure constructions in the catchment area of the river Pčinja (2023)
- Reconnecting rivers- Creation of methodology and identification of priority cascades for disposal (2023)
- Policy document Carbon fee in the Republic of North Macedonia (2023)
- Public Policy Paper The carbon fee - An opportunity for a healthier environment for citizens (2023)
- Analysis of the development and sustainable planning of transport in RSM from the aspect of the impact on climate change (2023)
- Legal analysis of the national legislation on the cancellation of permits for the exploitation of water resources during the production of electricity in protected areas (2023)
- Public Policy Paper Corridors 8 and 10D. Do EKO-SVEST have enough guarantees that the construction of highways will not have a negative impact on the forest fund? (2023)
- Analysis of compliance and enforcement of Energy Efficiency Legislation (2023)
- Public Policy Paper Strategic management of the environment and climate change at the central level (2023)
- Public Policy Paper Strategic management of the environment at the local level (2023)
- Faster to a renewable future: Using degraded and unusable areas as locations for solar and wind power plants in North Macedonia (2023)
- Legal provisions on issues and areas useful for the work of environmental civil society organizations (2023)
- A plan at the right time for North Macedonia to accelerate the energy transition (2023)
- Atlas of plastics. Facts and figures about the world of synthetic polymers (2023)
- Analysis of the administrative procedure for setting up solar systems in the Republic of North Macedonia (2023)
- Analysis of the regulations on renewable energy sources with special emphasis on the regulations on renewable energy sources, to identify the procedures, legal and technical aspects for installing photovoltaic systems for households in the Republic of North Macedonia (2023)
- Proposal-Recommendations for the introduction of household support measures that will encourage the installation of photovoltaic, photothermal and thermal systems (2023)

NOTES TO THE FINANCIAL STATEMENTS
December 31, 2024

2 BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

2.2 Basis of preparation

The financial statements of the Association have been prepared in accordance with the Law on Accounting for Non – profit Organizations of the Republic of North Macedonia in order to provide true and fair presentation of the balance sheet positions, balance of assets, liabilities, sources of assets, income and expenses and the operating results.

The financial statements of Association have been prepared in accordance with the legal regulations accepted in the Republic of North Macedonia in relation to the work of the non-profit organizations, the Law on Accounting for Non-profit Organizations and the Rulebook for non-profit organizations.

The financial statements have been prepared as of and for the years ended 31 December 2024 and 2023. Functional and presentation currency of the Association is Macedonian denar. All amounts in the financial statements and related notes are presented in Denars, unless otherwise stated.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies applied in the preparation of the financial statements are presented further in this report. The Association is requested to apply the accounting policies consistently.

3.2 Recognition of income and expenses

The recognition of the income and expenses is in accordance with article 13 from the Law on Accounting for Non-profit Organizations (“Official gazette of Republic of Macedonia” no.24/03, 80/05, 17/11) and article 18 from the Rulebook for Non-profit Organizations (“Official gazette of Republic of Macedonia” no.42/03, 11/09, 11/06, 08/09, 175/11), i.e. according the accounting base of modified presentation of business changes and transactions, as it follows:

- 3.2.1 Revenues are recognized in the accounting period in which they occurred, if they are measurable and available. Revenues are measurable when they can be expressed as value and are available when occurred in the accounting period or within 30 days after the end of the accounting period as long as the revenues refer to that accounting period and serve to cover the liabilities of that accounting period. Revenues are recognized in the amount equal to the expenses which occurred at the reporting period.
- 3.2.2 Expenses are recognized in the accounting period in which they occurred or within 30 days after the end of the accounting period as long as the payment obligation occurred in that accounting period

3.3 Foreign Exchange Transaction

Transactions denominated in foreign currencies have been translated into Denars at the rates set by the National Bank of Republic of North Macedonia applicable at the date of each transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the end of the reporting period using official rates of exchange ruling on that date.

Net foreign exchange gains or losses resulting from foreign currency translation are included in income and expense statement in the period in which they arise.

NOTES TO THE FINANCIAL STATEMENTS
December 31, 2024

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.4 Taxation

According to the Law on Corporate Income Tax, non-profit organizations are exempt from paying income tax on the revenues generated from membership fees, sponsorships and donations that are collected and allocated for an intended purposes and are not intended for business purposes.

For the financial statements for the year ended 31 December 2024 income tax is paid to the own generated income if exceeds Den 1,000 thousand by applying tax rate of 1%.

3.5 Tangible assets

Tangible assets of the Association comprise of office equipment and furniture. They are recorded at cost value. The cost value of the tangible assets comprises the purchase price plus import duties, value added tax, cost of transportation and all other expenses directly attributable to the cost value i.e. to the purchase cost. The value of purchased assets is presented as expense at the time of purchase with increasing the business fund of the Association.

Tangible are depreciated on a straight-line basis so that the cost or revaluation value of the fixed assets is depreciated in equal annual amounts over their estimated useful lives.

Subsequently, at each Balance sheet date the equipment is revalued applying the official announced revaluation index to its (revalued) cost and (revalued) accumulated depreciation. The net revaluation effect is recognized directly in the sources of funds.

The depreciation charge for the year is recorded on the business fund accounts.

The annual depreciation rates applied are the following:

Office equipment	16%
Furniture	12%

All other regular maintenances and repairs are recognized as expenses in the Statement of income and expenses during the financial period in which they occur.

3.6 Sources of funds

Funds are initially created by founders' contributions made in monetary and/or in kind assets carried at their fair values. Subsequently, funds are increased/ decreased through additional founders' contributions, through results (surplus/shortages) from operations during the periods, as well as changes in the net carrying amounts of the equipment and intangibles (capital expenditures).

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2024

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.7 Cash and cash equivalents

Cash and cash equivalents comprise from cash in hand and cash in bank accounts in commercial banks.

Cash in hand and cash in bank accounts in Macedonian denars are recorded at their nominal value, and cash in foreign currencies are translated according to the foreign exchange rate of the Central Bank of Republic of North Macedonia on the reporting date.

3.8 Trade and other receivables

Receivables are recognized at nominal value stated in the documents according to settled amounts, less for allowance for uncollectable receivables due to their maturity, final court decision and declaration of uncollectibility of receivables from entities in bankruptcy and liquidation.

3.9 Trade payables and other liabilities

Liabilities to suppliers and employees, as well as obligations for salaries, taxes, contributions and other current liabilities are recognized at nominal value.

Liabilities denominated in foreign currencies have been translated at the National Bank of the Republic of North Macedonia middle exchange rate.

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2024

4. REVENUES FOR PROJECTS IMPLEMENTATION, DONATIONS,
MEMBERSHIP & SERVICES PROVIDED (Note 1.1)

		In Denars Year Ended December 31,	
		2024	2023
1. Revenue from projects implementation			
Projects	Donator		
Civil Society Organizations in Action for Climate	The Swedish International Development Cooperation Agency (SIDA)	14,858,720	28,214,679
Institutional grant	Sigrid Rausing Trust	5,393,960	5,148,257
Activities within the fossil fuels strategic area	CEE Bankwatch Network	30,132	1,680,851
1. Raising Awareness About Just Transition and Renewable Energy Sources as Solutions to Phase Out Coal			
2. Clean energy and just transitioning away from harmful fossil fuels for a carbon free future			
3. To minimize the intake of fossil gas in the Macedonian energy sector	European Climate Foundation (ECF)	9,124,298	4,141,524
4. Coal Free Future for Bitola			
5. To empower citizens and enhance the status of prosumers within the energy markets in Macedonia and Serbia.			
1. United for Rivers			
2. Research Report on the Environmental Impacts of Existing Dams and Structures in Mavrovo and Shar Mountain (US Forest Service)	The Nature Conservancy (TNC)	5,205,455	1,153,420
1. Support for Sustainable Management of the Monument of nature "Vevchani Springs			
2. River protection through establishing monitoring practices and habitats restoration in protected areas	Prespa Ohrid Nature Trust	2,096,242	5,696,711

NOTES TO THE FINANCIAL STATEMENTS
December 31, 2024

		In Denars	
		Year Ended	
		December 31,	
		2024	2023
1.Revenue from projects implementation (continued)			
	Donator		
Projects			
1.Save the Blue Heart of Europe	EuroNatur Stiftung	1,907,385	491,960
2. Transboundary Brown Bear Conservation in the Southwestern Balkans			
Research on the Possible Removal of Obstacles on the River Pchinja	Stichting European Open Rivers	1,934,148	2,066,158
Communities for Just Transition	Climate Action Network Europe-Europe Beyond Coal	756,679	643,898
Fund for environment project	UNOPS-GEF SGP NM	649,759	681,080
REAL DEAL project			
	European Enviromental Bureau	607,486	-
From Brownfields to Green Energy: Enabling Just Transition for Net-Zero Industries	Foundation Open Society	<u>576,100</u>	<u>-</u>
Total revenue from projects implementation		<u>44,572,888</u>	<u>51,545,831</u>
2. Revenue from membership		<u>17,000</u>	<u>15,000</u>
3. Revenue from services provided			
MED		160,423	401,057
Climate Action Network Europe		111,050	442,764
Fundacija Rozwoj Tak-Odkrywki		50,671	-
		<u>322,144</u>	<u>1,552,821</u>
4.Other revenue		<u>2,953,109</u>	<u>20,867</u>
		2,953,109	20,867
TOTAL REVENUE (1+2+3+4)		<u>47,865,141</u>	<u>53,134,519</u>

NOTES TO THE FINANCIAL STATEMENTS
December 31, 2024

5. FOREIGN EXCHANGE GAIN / (LOSS), NET

	In Denars	
	Year Ended	
	December 31,	
	2024	2023
Foreign exchange loss	(73,927)	(823,342)
Foreign exchange gain	82,645	49,497
Interest income	17,291	-
Interest loss	-	-
	<u>26,009</u>	<u>(773,845)</u>

6. OPERATIONAL EXPENSES

	In Denars	
	Year Ended	
	December 31,	
	2024	2023
Office materials consumed	150,026	561,020
Energy & communal expenses	255,790	164,872
Rent expenses	1,618,961	1,705,885
Post, telephones, internet	320,020	270,797
Bank charges	88,311	90,740
Intellectual services	11,506,692	7,465,688
Donations to other entities	3,433,227	29,266,556
Transportation	827,180	1,025,467
Promotional materials	2,946,332	1,479,825
Membership	185,514	200,278
Other miscellaneous	4,195,915	1,889,853
	<u>25,527,968</u>	<u>44,120,981</u>

Donations to other Entities in 2024 in the amount of Den 3,433,227 consist of:

- 15 sub-grants provided to CSOs within the project Action for Climate, of which 4 action grants, 7 institutional and 4 ad-hoc grants, with a total amount of funds of Den 22,118,512 out of which Den 2,822,781 were disbursed in 2024.
- Funds in total amount of Den 227,758 for the partnership with Macedonian Ecological Society (MED) for the collaboration in the project Exploring pathways for lowimpact energy solutions in MK financed by The Nature Conservancy.
- Funds in total amount of Den 92,250 have been allocated to Association Environment Improvement Centre for the collaboration in the project "To empower citizens and enhance the status of prosumers within the energy markets in Macedonia and Serbia".
- Funds in total amount of Den 73,843 have been allocated to ZKU Kolektiv Veternica for the collaboration in the project United for Rivers.

NOTES TO THE FINANCIAL STATEMENTS
December 31, 2024

7. STAFF COSTS

	In Denars	
	Year Ended	
	December 31,	
	2024	2023
Net salaries for employees	8,893,697	8,862,116
Mandatory contributions for salaries	4,302,863	4,362,299
Holiday allowance	<u>330,000</u>	<u>240,000</u>
	<u>13,526,560</u>	<u>13,464,415</u>

8. CAPITAL EXPENSES

	In Denars	
	Year Ended	
	December 31,	
	2024	2023
Equipment & furniture	328,324	500,890
IT Software	<u>-</u>	<u>-</u>
	<u>328,324</u>	<u>500,890</u>

NOTES TO THE FINANCIAL STATEMENTS
December 31, 2024

9. TANGIBLE AND INTANGIBLE ASSETS

Cost	In Denars		
	Tangible assets	Intangible assets	Total
As at 01 January 2023,	6,198,087	1,688,832	7,886,919
Additions	136,552	-	136,552
Disposals	(1,516,954)	-	(1,516,954)
As at 31 December 2023/01 January 2024,	<u>4,817,685</u>	<u>1,688,832</u>	<u>6,506,517</u>
Additions	639,535	61,693	701,228
As at 31 December 2024,	<u>5,457,220</u>	<u>1,750,525</u>	<u>7,207,745</u>
Accumulated depreciation			
As at 01 January 2023,	(2,512,392)	(146,809)	(2,659,201)
Depreciation for the year	(220,592)	(116,403)	(336,995)
Depreciation for the year	432,421	(432,599)	(178)
Revalorization	314,860	-	314,860
As at 31 December 2023/01 January 2024,	<u>(1,985,703)</u>	<u>(695,811)</u>	<u>(2,681,514)</u>
Depreciation for the year	(699,406)	(116,402)	(815,808)
Revalorization	(193,056)	(15,232)	(208,288)
As at 31 December 2024	<u>(2,878,165)</u>	<u>(827,445)</u>	<u>(3,705,610)</u>
Carrying amount			
As of 01 January 2023	6,198,087	1,688,832	7,886,919
As at 31 December 2023	<u>2,831,982</u>	<u>993,021</u>	<u>3,825,003</u>
As at 31 December 2024	<u>2,579,055</u>	<u>923,080</u>	<u>3,502,135</u>

As at 31 December 2024 and 2023, the Association does not have any equipment pledge under collateral.

10. CASH AND CASH EQUIVALENTS

	In Denars	
	Year Ended December 31,	
	2024	2023
Cash in banks – Denars	10,496,974	17,346,578
Cash in hand – Denars	5,447	2,997
Cash in banks – foreign currency	15,383,319	6,543,030
Cash reserve	17,291	-
	<u>25,903,031</u>	<u>23,892,605</u>

NOTES TO THE FINANCIAL STATEMENTS
December 31, 2024

11. TRADE AND OTHER RECEIVABLES

	In Denars	
	Year Ended	
	December 31,	
	2024	2023
Deposit receivable	6,916,485	-
Accruals	<u>2,252</u>	<u>-</u>
	<u>6,918,737</u>	<u>-</u>

12. FUNDS AND REVALUATION RESERVES

	In Denars	
	Business Fund	Business Fund
	2024	2023
As at 01 January	3,825,003	5,227,718
Additions-intangible	61,693	-
Additions-tangible	639,535	136,552
Disposals -tangible	-	(1,516,954)
Revalorization	(208,288)	(178)
Correction, net	-	314,860
Current year amortization	(116,402)	(116,403)
Current year depreciation	(699,406)	(220,592)
As at 31 December	<u>3,502,135</u>	<u>3,825,003</u>

13. TRADE AND OTHER PAYABLES

	In Denars	
	Year Ended	
	December 31,	
	2024	2023
Trade payables to local companies	-	-
Tax on unrecognized expenditure	2,252	-
Advances received	-	-
Personnel Tax payable (office rent related)	-	-
Payable to individual involved in project implementation	-	-
Income tax payable	-	5,528
Employees' salaries related payables	-	-
Excess of revenues over expenses	<u>32,819,521</u>	<u>23,887,080</u>
	<u>32,821,773</u>	<u>23,892,608</u>

NOTES TO THE FINANCIAL STATEMENTS
December 31, 2024

14. FOREIGN EXCHANGE RATES

The official foreign exchange rate of significant currency used for transaction disclosure of items denominated in foreign currencies on December 31, 2024 and 2023 are as follows:

	December 31, 2024	December 31, 2023
EUR	61,4950	61,4950
USD	58,8807	55,6516

15. COMMITMENTS AND CONTINGENCIES

Taxation

The accounting books and records of the Association for the years ending 31 December 2024 and 2023 have not been reviewed by the local tax authorities. Accordingly, the tax liabilities of the Association cannot be considered final. Additional tax liabilities that would result from review of the accounting books by the tax authorities cannot be determined with reasonable accuracy as this time.

Litigations

As of 31 December 2024, there are no legal proceeding initiated against the Association (2023: none).

16. POST BALANCE SHEET EVENTS

After 31 December 2024 – the reporting date, until the date of approval of these financial statements, there are no events that would cause correction of the financial statements, nor events that are materially significant for disclosure in these financial statements.