

Financial Statements and Independent Auditor's Report

Association of Citizens
Center for Civil Communications
CCC Skopje

31 December 2025

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Independent Auditor's Report¹

To the Founders of
Association of Citizens
Center for Civil Communications CCC Skopje

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Opinion

We have audited the financial statements of Association of Citizens Center for Civil Communications CCC Skopje (the "Association"), which comprise the statement of financial position as at 31 December 2025, and the statement of income and expenditures and statement of changes in fund for the year then ended, as well as the notes to the financial statements, including a summary of material accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Association as at 31 December 2025, and its financial performance for the year then ended, in accordance with the accounting standards applicable to non-profit organizations in the Republic of North Macedonia.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs)². Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of this report. We are independent of the Association in accordance with the ethical requirements that are relevant to our audit of the financial statements in the Republic of North Macedonia, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

Responsibility of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting standards applicable to non-profit organizations in the Republic of North Macedonia, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Association's ability to continue as a going concern, disclosing, where applicable, matters related to going concern, and using the going concern basis of accounting unless management either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Association's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

¹ Translation of the original Independent Auditor's Report issued in Macedonian language

² International Standards on Auditing ("ISAs") translated and published in the Official Gazette of the Republic of Macedonia No. 273 of 2024, which entered into force on 1 January 2025.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Association to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Suzana Stavrikj
Director
Grant Thornton DOO, Skopje

Suzana Stavrikj
Certified Auditor

Skopje, 30 September 2026

Financial Statements
31 December 2025

Statement of Financial Position

		In MKD thousand	
		As at 31 December	
	Note	2025	2024
Non-current assets			
Equipment	3	24	107
Intangible assets	4	-	-
Investment in another legal entity	6	220	220
		244	327
Current assets			
Income tax receivables		46	46
Cash and cash equivalents	5	13,385	7,488
Prepaid expenses		33	52
		13,464	7,586
Total assets		13,708	7,913
Fund and liabilities			
Fund			
Fund		24	107
		24	107
Liabilities			
Deferred income	7	13,684	7,806
		13,684	7,806
Total fund and liabilities		13,708	7,913

The financial statements were approved by the Management of the Center for Civil Communications on 29 September 2026 and were signed on its behalf by:

President

German Filkov

Financial and Administrative
Coordinator
Vesna Trajkovic

Statement of Income and Expenditure

		For the year ended 31 December	
		In MKD thousand	
	Note	2025	2024
Income from operating activities			
Grants received during the current year	8	25,862	10,723
Deferred income from donations	7	(5,879)	10,877
Own-source income and other income		-	-
Income from operating activities	8	19,983	21,600
(Expenses) from operating activities			
Material costs		(83)	(151)
Rental expenses	9	(283)	(283)
Employee expenses	10	(9,185)	(9,344)
Other operating expenses	11	(10,422)	(11,835)
(Expenses) from operating activities		(19,973)	(21,613)
Net finance income / (expenses)	12	(10)	13
Excess of income over expenses for the year before tax		-	-
Income tax		-	-
Excess of income over expenses for the year after tax		-	-

Statement of Changes in the Fund

	(in MKD thousand) Fund
As at 1 January 2024	242
Amortisation of equipment and intangible assets, including revaluation	(135)
As at 31 December 2024	107
As at 1 January 2025	107
Amortisation of equipment and intangible assets, including revaluation	(83)
As at 31 December 2025	24

Notes to the Financial Statements

1. General information

The Association of Citizens Center for Civil Communications CCC Skopje ("Center for Civil Communications" or the "Association") is a non-profit, non-governmental and non-political organization, established in 2005 in accordance with the Law on Citizens' Associations and Foundations (Official Gazette of the Republic of Macedonia No. 52/10). The Association was registered in the Register of Citizens' Associations and Foundations pursuant to Decision No. 65/05 dated 26 April 2005 with the Basic Court Skopje 1 in Skopje. On 4 April 2011, the Association was re-registered, as required for all non-profit organizations and associations.

The Association carries out its activities in accordance with the Law on Citizens' Associations and Foundations and its Statute. The main governing bodies of the Center for Civil Communications are the Assembly, the Executive Board and the President.

The registered office of the Center for Civil Communications is located in Skopje, at 26-1/2 Kocho Racin Blvd., Skopje.

As at 31 December 2025, the total number of employees of the Center for Civil Communications was 6 (31 December 2024: 7).

2. Accounting Policies

Set out below are the principal accounting policies applied in the preparation of these financial statements. The accounting policies have been consistently applied to all periods presented in these financial statements.

2.1 Basis of Preparation of the Financial Statements

The financial statements of the Center for Civil Communications have been prepared in accordance with the Law on Accounting for Non-Profit Organizations, the Rulebook on Accounting for Non-Profit Organizations, the Rulebook on the Chart of Accounts and Balance Sheets of Non-Profit Organizations, and the Rulebook on the Contents of Individual Accounts in the Chart of Accounts of Non-Profit Organizations.

The financial statements have been prepared as at and for the years ended 31 December 2025 and 2024. Current and comparative information presented in these financial statements is expressed in thousands of Denars, unless otherwise stated. The functional and presentation currency of the Association is the Macedonian Denar.

2.2 Cash and Cash Equivalents

Cash and cash equivalents comprise cash held in bank accounts and cash on hand.

2.3 Investment in Another Legal Entity

The investment in another legal entity is accounted for using the cost method, whereby the cost of the investment represents the fair value of the assets transferred, shares issued or liabilities assumed as at the acquisition date, including any directly attributable costs incurred for the purposes of the acquisition. Subsequently, the Association's investment in another legal entity is carried at cost less any impairment.

2.4 Equipment and Intangible Assets

Equipment and intangible assets are stated at cost or estimated cost less accumulated depreciation and amortisation and any impairment losses. Cost includes expenditures that are directly attributable to the acquisition of the assets. Subsequently, at each reporting date, the assets are revalued using officially published revaluation coefficients based on inflation (revalued cost and accumulated depreciation and amortisation). The net effect of the revaluation is recognised against the sources of funds.

The Association's sources of funds (the Fund) are increased by the amount of the value of acquired tangible and intangible assets. Equipment is recognised as capital expenditure in the period in which the assets (in cash or in kind) are received from donors (Note 2.6).

All other regular maintenance and repairs are recognised as expenses in the statement of income and expenditure during the financial period in which they are incurred.

Amortization of equipment and intangible assets is calculated on a straight-line basis in order to allocate their cost / revalued amount to their residual value over their estimated useful lives, as follows:

	2025	2024
Transportation vehicles, computers and equipment	5 to 10 years	5 to 10 years
Intangible assets	5 years	5 years

Amortization is recognized against the Fund.

2.5 Current Tax Expense

Current tax expense, at a rate of 10%, is calculated on the profit for the period determined as the difference between total income and total expenses, increased by non-deductible expenses for tax purposes, adjusted for the tax credit and understated income. Where income is generated from funds received from donations, sponsorships, grants, membership fees, as well as funds received from the Budget of the Republic of North Macedonia and the budgets of the municipalities, provided that such funds are intended for the implementation of specific programs and objectives established in accordance with the Statute and the program of activities, such income is not subject to profit tax.

2.6 Fund

The Fund is initially created from monetary and non-monetary contributions from the founders at fair value. Subsequently, the Fund is increased/decreased by additional contributions from the founders, as well as by changes in the net carrying amount of equipment and intangible assets as explained in Note 2.3.

Financial Statements
31 December 2025

2.7 Recognition of Income and Expenses

The criteria for the recognition of income and expenses of the Center for Civil Communications are based on the accounting principles for the measurement and presentation of operating transactions.

Accordingly, income and expenses are recognized as follows:

- Income is recognized in the accounting period in which it is earned, provided that it is measurable and available. Income is measurable when it can be expressed in monetary terms, and is available when it is earned in the accounting period or within 30 days after the end of the accounting period, provided that the income relates to the accounting period and serves to cover the liabilities of that accounting period. Income is recognized in an amount equal to the expenses incurred during the reporting period.
- Income from donations is initially recognized as deferred income when there is reasonable assurance that the donations will be received and that the Association will comply with the conditions associated with the donations. Donations representing reimbursement of expenses incurred by the Association are recognized in the statement of income and expenditure on a systematic basis in the period in which the expenses are recognized.
- Expenses are recognized in the accounting period in which they are incurred or within 30 days after the end of the accounting period, provided that the payment obligation arose during that accounting period

2.8 Foreign Currency Transactions

Transactions denominated in foreign currencies are stated in Macedonian Denars, the functional currency, using the official average exchange rate on the date of the transaction. Assets and liabilities denominated in foreign currencies are stated in Macedonian Denars ("Denars") using the average exchange rate of the National Bank of the Republic of North Macedonia as at the last day of the accounting period. All gains and losses arising from foreign exchange differences are presented in the Statement of Income and Expenditure as finance income or expenses in the period in which they arise. The average foreign exchange rates applied for the presentation of the balance sheet items denominated in foreign currencies are as follow:

	<u>31 December 2025</u>	<u>31 December 2024</u>
1 EUR	61.4950 Denars	61.4950 Denars
1 USD	52.3050 Denars	52.8807 Denars

2.9 Events after the Reporting Date

Events after the reporting date that provide additional information regarding the position of the Center for Civil Communications as at the reporting date (adjusting events) are reflected in the financial statements. Events occurring after the year-end that do not result in adjustments are disclosed in the notes where they are material.

Notes to the Financial Statements
As at and for the year ended 31 December 2025
(All amounts are expressed in thousands of Denars, unless otherwise stated)

3. Equipment

	Vehicles	Equipment	Total
Cost			
As at 1 January 2024	803	1,338	2,141
Additions during the year	-	-	-
As at 31 December 2024 / 1 January 2025	803	1,338	2,141
Additions during the year	-	-	-
As at 31 December 2025	803	1,338	2,141
Accumulated Amortization			
As at 1 January 2024	(651)	(1,249)	(1,900)
Amortization for the year	(96)	(38)	(134)
As at 31 December 2024 / 1 January 2025	(747)	(1,287)	(2,034)
Amortization for the year	(56)	(27)	(83)
As at 31 December 2025	(803)	(1,314)	(2,117)
Net Carrying Amount			
As at 1 January 2024	147	89	236
As at 31 December 2024	56	51	107
As at 31 December 2025	-	24	24

As at 31 December 2025 and 2024, the Association had no pledges established over its equipment. All assets are used in the performance of the Association's operating activities.

4. Intangible Assets

	Software
Cost	
As at 1 January 2024	107
Additions during the year	-
As at 31 December 2024 / 1 January 2025	107
Additions during the year	-
As at 31 December 2025	107
Accumulated Amortization	
As at 1 January 2024	107
Amortization for the year	-
As at 31 December 2024 / 1 January 2025	107
Amortization for the year	-
As at 31 December 2025	107
Net Carrying Amount	
As at 1 January 2024	4
As at 31 December 2024	-
As at 31 December 2025	-

Notes to the Financial Statements
As at and for the year ended 31 December 2025
(All amounts are expressed in thousands of Denars, unless otherwise stated)

5. Cash and cash equivalents

	2025	2024
Bank accounts:		
- in domestic currency	7,609	2,140
- in foreign currency	5,759	5,343
Cash on hand	17	5
	13,385	7,488

6. Investment in Another Legal Entity

On 11 May 2022, the Assembly of the Association adopted a decision to establish a legal entity, Foundation for European Dialogue Skopje, based on an obligation arising from a project agreement financed by the European Union.

Pursuant to the Deed of Establishment dated 23 November 2022, the Foundation for European Dialogue Skopje was established by the Open Society Foundation-Macedonia Skopje, the Association of Citizens Center for Civil Communications CCC Skopje and the Association of Citizens Reactor-Research in Action Skopje. The total founding capital of the Foundation for European Dialogue Skopje amounts to 660,600 Denars. As at 31 December 2025 and 2024, the Association has invested movable property in the amount of 220 thousand Denars as its founding contribution to the legal entity.

7. Deferred Income

	2025	2024
Surplus of unspent funds during the current year (deferred donation income) (Note 8)	13,684	7,806
Total	13,684	7,806

The movement in deferred income during 2025 and 2024 is as follows:

	2025	2024
Carryforward of donation income from the previous year	7,806	18,683
Donation inflows during the current year (Note 8)	25,862	10,723
Donation income recognized during the current year (Note 8)	(19,983)	(21,600)
Surplus of unspent funds during the current year (deferred donation income)	13,684	7,806
Movement in deferred donation income	5,879	(10,877)

Notes to the Financial Statements
As at and for the year ended 31 December 2025
(All amounts are expressed in thousands of Denars, unless otherwise stated)

8. Donation Income

	2025	2024
(1) Carryforward of donation income from the previous year	7,806	18,683
(2) Donation inflows during the current year		
Embassy of the Kingdom of the Netherlands – Protection from Corruption	755	3,568
Embassy of the Kingdom of the Netherlands – Public Oversight over Public Procurement	4,870	-
Macedonian Center for International Cooperation – Civic Engagement – Using Data on Beneficial Owners to Reduce Corruption	5,600	2,800
Balkan Investigative Reporting Network BIRN Macedonia – Credible Journalism for Substantial Changes	3,414	864
Macedonian Center for International Cooperation – USAID – Citizens Against Corruption	1,675	3,491
Open society foundations - OSF WB	6,625	-
National Endowment for Democracy	2,431	-
National Foundation for Civil Society Development	492	-
	25,862	10,723
(3) Surplus of unspent funds during the current year (deferred donation income), (Note 7)	(13,684)	(7,806)
Total donation income during the current year (1+2+3)	19,983	21,600

Notes to the Financial Statements
As at and for the year ended 31 December 2025
(All amounts are expressed in thousands of Denars, unless otherwise stated)

9. Rental Expenses

	2025	2024
Rental expenses for office premises	283	283
	283	283

10. Employee Expenses

	2025	2024
Net salaries	5,948	5,879
Personal income tax and contributions	3,112	3,070
Annual leave allowance	125	311
New Year's allowance	-	84
	9,185	9,344

11. Other Operating Expenses

	2025	2024
Intellectual services, copyright agreements and service contracts	1,042	2,639
Conference expenses	55	710
Funds transferred to partners	8,111	6,230
Graphic design services	74	987
Utilities and telephone expenses	395	324
Entertainment expenses	78	85
Business travel expenses	-	281
Transportation services	25	34
Maintenance expenses	26	66
Advertising and promotional expenses	215	-
Other operating expenses	401	479
	10,422	11,835

As at 31 December 2025, intellectual services, copyright agreements and service contracts amounting to MKD 1,042 thousand (2024: MKD 2,639 thousand) relate to expenses for translation and proofreading services, IT services, lecturers and experts.

Notes to the Financial Statements

As at and for the year ended 31 December 2025

(All amounts are expressed in thousands of Denars, unless otherwise stated)

Other Operating Expenses (continued)

The funds transferred to partners during 2025 and 2024, amounting to MKD 8,111 thousand and MKD 6,230 thousand, respectively, are presented below.

	2025	2024
Association Center for Active Citizens Aktivno Veles	2,240	2,240
Levizja FOL - Kosovo	850	427
Enterprise Development Agency - EDA Banja Luka - Bosnia and Herzegovina	850	427
Association of Tax Advisers of the Republic of Macedonia ZDSPM	1,120	1,120
Center for New Initiatives CNI - Crna Gora	850	-
Becej Youth Association BUM - Serbia	1,350	-
Centre for Legal Empowerment CLE - Albania	851	-
The Network for affirmation of NGO Sector - MANS - Montenegro	-	682
Res Publica Centre - Albania	-	434
Center for Applied European Studies CPES - Serbia	-	430
Association Multikultura Tetovo	-	74
Association Echo Educational-Humanitarian Organization Shtip	-	74
Mladinski Kulturen Centar Bitola	-	74
Association of Citizens ZIP Institute	-	54
Ecological Society Vila Zora Veles	-	15
Association of Citizens Center for Research and Analysis NOVUS Strumica	-	71
Rural Coalition Kichevo	-	74
Association Center for Intercultural Dialogue CID Kumanovo	-	34
	8,111	6,230

12. Net Finance Income / (Expenses)

	2025	2024
Foreign exchange gains	-	11
Interest income	2	3
	2	14
Foreign exchange losses	(12)	(1)
	(12)	(1)
Net finance income	(10)	13

13. Contingencies and Commitments

Tax Liabilities

The business books and records of the Center for Civil Communications for the years ended 31 December 2025 and 2024 have not been subject to inspection by the local tax authorities. Accordingly, the tax liabilities of the Center for Civil Communications cannot be considered final. Any additional tax liabilities that may arise as a result of an inspection by the tax authorities cannot presently be determined with reasonable accuracy.

Legal Proceedings

As at 31 December 2025 and 2024, there were no legal proceedings initiated against the Center for Civil Communications.

Notes to the Financial Statements
As at and for the year ended 31 December 2025
(All amounts are expressed in thousands of Denars, unless otherwise stated)

14. Events after the Reporting Date

After 31 December 2025, the reporting date, and up to the date of approval of these financial statements, there have been no events that would require adjustment to the financial statements, nor events that are material for disclosure in these financial statements.



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