

## Annual Financial Report for Helvetas Swiss Intercooperation from Switzerland – branch office in Skopje for 2019

The Annual Financial Report for Helvetas Swiss Intercooperation from Switzerland, branch office in Skopje (HSI Subsidiary Skopje) refers to the period starting on 01<sup>st</sup> of January 2019 and ends on 31<sup>st</sup> of December 2019.

In the preparation of the Annual Financial Report, the appropriate legislation and the international accounting standards and principles have been applied accordingly.

On the closing day of the annual account which is 31.12.2019, the status is as follows:

### 1. STATEMENT OF INCOME AND EXPENDITURE

<u>Description</u>	<u>2019</u>	<u>2018</u>
Total income	53.259.292	24.878.119
Total expenditure	34.015.975	15.676.633
Difference income-expenditure (prior taxation)	19.243.317	9.201.486
Tax on total income (1%)	0	0
Difference income - expenditure (after taxation)	19.243.317	9.201.486

#### 1.1. Total income

The category of total income is comprised of the following sub-categories:

<u>Description</u>	<u>Account</u>	<u>2019</u>	<u>2018</u>
Income from donations	730	52.872.386	23.980.247
PERD	721	386.916	897.872

a) The sub-category **Income from donations** is composed of received monetary and material funds/assets from the donor the Swiss Agency for Development and Cooperation.

b) The sub-category PERD is composed of positive exchange rate difference. PERD (Positive exchange rate difference) is an accounting category, and it represents the difference in the exchange rate of the currencies from the moment of their arrival until their transfer to the mkd transaction account.

#### 1.2. Total expenditure

The category Total Expenditure is composed of the following sub-categories:

<u>Description</u>	<u>Account</u>	<u>2019</u>	<u>2018</u>
Supplies	400	102.727	97.435
Other services	403	8.639.607	2.785.201
Transportation services	404	1.161.660	154.730
Representation and marketing	405	433.044	426.600
Rents	408	1.145.568	581.746
Bank provisions	410	77.928	40.260
Insurance premiums	412	40.180	/

Per Diems	413	237.767	200.857
Compensation for employees and citizen	414	1.899.383	1.147.850
Negative exchange rate difference	415	179.716	101.052
Membership fees	416	550	/
Intellectual and other services	417	303.393	347.677
Equipment	441	74.254	2.289.880
Legal entity donations	450	15.397.506	5.706.552
Calculated gross salaries	460	4.112.047	1.659.654
Taxes and surcharges not dependent on final result	470	210.645	137.139

a) The sub-category **Other services** is composed of communication expenses such as telephony, mobiles, internet, post, vehicle maintenance, employee trainings, printing services and other services related to the implementation of the project activities;

b) The sub-category **Compensation for employees and citizen** is composed of paid compensation/fees to hired consultants, translators/interpreters, transcriptions, advisors etc.

c) The sub-category **Intellectual and other services** is comprised of expenditures/costs for audit, accounting services, lawyers' fees and other non-production services;

d) The sub-categories **Legal entity donations** are the expenditures for program activities, carried out with the partners or through the direct support to the private sector and the schools.

### 1.3. Difference between income and expenditure

The category titled Difference between income and expenditures is an accounting category and indicates excess/shortage of income in relation to the made expenditures.

## 2. BALANCE SHEET

After the distribution of the difference between the income and the expenditures and after the taxation under specific purposes, the Balance Sheet is as follows:

<u>Description</u>	<u>2019</u>	<u>2018</u>
Assets	21.729.956	11.453.361
Liabilities and Funds	21.729.956	11.453.361

### 2.1. Assets

The category Assets is comprised of the following sub-categories:

<u>Description</u>	<u>2019</u>	<u>2018</u>
Fixed assets	1.812.750	2.128.417
Current assets and deposits	19.453.994	9.324.944
Advance liabilities	463.212	0

a) The sub-category **Fixed assets** is comprised of basic assets.

b) The sub-category **Current assets and deposits** is comprised of monetary assets/means allocated in separate mkd accounts and a foreign currency account.

c) The sub-category **Advance liabilities** is comprised of paid advances to contractors/vendors for a specific time period.

## 2.2. Liabilities and Funds

The category assets is comprised of the following sub-categories:

<u>Description</u>	<u>2019</u>	<u>2018</u>
Business fund	1.812.750	2.128.417
Revaluation reserves		
Liabilities towards contractors/vendors	603.889	83.458
Other short-term liabilities	70.000	40.000
Retained earnings	19.243.317	9.201.486

a) The sub-category **Liabilities towards contractors/vendors** is comprised of short-term liabilities matured for the month of December 2019.

b) The sub-category **Other short-term liabilities** is comprised of liabilities towards physical persons/entities as well as personal income tax.

c) The sub-category **Retained earnings** is composed of a distributed excess of income over expenditures per separate years (2018-2019), decreased by the expressed loss for 2019.

Skopje, 28.02.2020.

Maja Lostova  
Financial Manager