

**Association for health education and research
HERA, Skopje**

**Financial statements for the year ended 31 December 2025
in accordance with Accounting Standards accepted in the
Republic of North Macedonia**

and

Independent Auditor's Report

March 2026

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To:
The Management of
Association for health education and research HERA, Skopje

INDEPENDENT AUDITOR'S REPORT

Opinion

We have audited the accompanying financial statements of the Association for health education and research HERA, Skopje - (in the following text "Association"), which comprise the Balance Sheet as of 31 December 2025, the Statement of Revenues and Expenses, and the Statement of Changes in Funds for the year then ended and a summary of significant accounting policies and other explanatory notes.

In our opinion, the financial statements of the Association for health education and research HERA, Skopje give a true and fair view of the financial position of the Association as of 31 December 2025, as well as the operating results and the changes in the funds for the year then ended, in accordance with the Accounting Law for Non-profit Organizations and standards for reporting under the cash basis of accounting.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing as published in the Official Gazette of RNM (no. 273/24) (the Standards). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards), issued by the International Ethics Standard Board for Accountants, as published in the Official Gazette of RNM (no. 273/24) (the Code of Ethics). We have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities 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 which are in use 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, as 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 it is not a guarantee that an audit conducted in accordance with the Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

knowing you.

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 **MEMBER OF THE
FORUM OF FIRMS**

To:
The Management of
Association for health education and research HERA, Skopje,

INDEPENDENT AUDITOR'S REPORT (Continued)

As part of an audit in accordance with the Standards, we exercise professional judgment and maintain professional scepticism 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 that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company'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 in the financial statements 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.

Skopje, 18 March 2026

Certified Auditor
Zvonko Kocovski



Managing Partner
Nenad Torteovski



knowing you.

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STATEMENT OF REVENUES AND EXPENSES
For the Year Ended 31 December 2025
In MKD thousands

	Notes	2025	2024
Revenues from donations	4	53.280	44.181
Other revenues	5	1.128	359
Transfer of opening balance		22.765	23.433
TOTAL REVENUES		77.173	67.973
Operating expenses	6	51.622	44.988
Capital expenses	7	347	220
TOTAL EXPENSES		51.969	45.208
Surplus of revenues over expenses		25.204	22.765

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

The accompanying financial statements were authorized for issue by the management of the Association on 28 February 2026 and were signed on its behalf by:


 President
 Rumena Gjerdovska Kojcheski

BALANCE SHEET
As of 31 December 2025
In MKD thousands

	Notes	31 December 2025	31 December 2024
ASSETS			
NON-CURRENT ASSETS			
Equipment	8	7.264	7.313
Intangible assets	9	115	50
		7.379	7.363
CURRENT ASSETS			
Accounts receivable	10	1.010	948
Cash and cash equivalents	11	24.277	21.955
		25.287	22.903
TOTAL ASSETS		32.666	30.266
LIABILITIES AND OPERATING FUND			
Accounts payable and other liabilities	12	83	138
		83	138
Operating fund	13	7.379	7.363
Surplus of revenues over expenses		25.204	22.765
		32.583	30.128
TOTAL LIABILITIES AND FUNDS		32.666	30.265

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

STATEMENT OF CHANGES IN OPERATING FUND
As of 31 December 2025
In MKD thousands

	Operating Fund	Surplus of revenues / Deferrals	TOTAL
Balance as of 01 January 2024	6.395	23.433	29.828
Additions of fixed assets	228	-	228
Depreciation	(325)	-	(325)
Accounting adjustment	1.065	-	1.065
Transfer of opening balance	-	(23.433)	(23.433)
Surplus of revenues over expenses	-	22.765	22.765
Balance as of 31 December 2024	7.363	22.765	30.128
Additions of fixed assets	347	-	347
Depreciation	(331)	-	(331)
Transfer of opening balance	-	(22.765)	(22.765)
Surplus of revenues over expenses	-	25.204	25.204
Balance as of 31 December 2025	7.379	25.204	32.583

The accompanying notes form an integral part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31 December 2025

All amounts are expressed in MKD thousand, unless otherwise stated

1. ESTABLISHMENT AND ACTIVITY OF THE INSTITUTION

The Health Education and Research Association "HERA", Skopje (hereinafter: the Association) is founded on 20.01.2000 . The Association is registered in the Central Registry of the Republic of North Macedonia with a unique identification number of the subject 5380120. The mission of the Health Education and Research Association "HERA" is to be the initiator of a civil movement and to influence a social change focused on the recognition of the sexual rights and ensuring a better educational foundation and services regarding the sexual and reproductive health/wellbeing, especially focused on the marginalized communities.

The headquarters of the Association are located on Str. Franklin Ruzvelt no. 51A-1/26, 1000 Skopje. The number of employees as of 31.12.2022 is 15 employees (31.12.2021: 21 employees).

2. BASIS FOR PREPARATION AND PRESENTATION OF FINANCIAL STATEMENTS

The financial statements of the Association are conducted in accordance with the Non-Profit Organization Accounting Law and the standards for reporting under the cash basis of accounting for the presentation of the balance sheet items, balances of the assets, liabilities, sources of the assets, revenues and expenses, and the operating results on a 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

The basic accounting policies used for the preparation of financial statements are listed in the following text.

3.1 Cash and cash equivalents

Cash and cash equivalents comprise the cash on hand and the cash on the giro account in commercial banks.

Money at the cash account and at the bank accounts stated in domestic currency is 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 and assets that 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 Association 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 Association 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.

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31 December 2025

All amounts are expressed in MKD thousand, unless otherwise stated

3. BASIC ACCOUNTING POLICIES (Continued)

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 amount of the current depreciation is recorded on the burden of the operating fund.

The depreciation rates, applied by the Association in 2025 are as follows: 5% for buildings, 10 – 20% for equipment, 12 – 16% for furniture and 25% for computer equipment.

3.4 Recognition of the revenues and expenses

Revenues and expenses of the non-profit organizations 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).

3.5 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:

	2025	In MKD 2024
EUR	61,4950	61,4950
USD	52,3050	58,8807

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31 December 2025

All amounts are expressed in MKD thousand, unless otherwise stated

4. REVENUES FROM DONATIONS

	2025	2024
Revenues from donations	53.181	44.159
Memberships	11	11
Travel expenses	88	11
Total	53.280	44.181

During 2025 the following revenues from donations were realized:

no	Donor	amount
1	Federal Ministry of Social Affairs, Health, Care and Consumer Protection of Austria	2.423
2	International Parenthood Planned Federation	13.257
3	Delegation of the European Union European Commision	1.979
4	British Embassy	3.414
5	Embassy of the Kingdom of the Netherlands	1.125
6	German Society for International Cooperation	2.540
7	UNICEF	1.607
8	Metamorphosis Foundation	99
9	Ministry of Health of Republic of North Macedonia	2.488
10	Macedonian Center for International cooperation	5.600
11	Municipality of Centar	1.000
12	ALDA- Association Europeenne pour conseil de l Europe	1.480
13	Danish Family Planning Association	741
14	The Charities Aid Fondation	3.517
15	Regional Youth Cooperation Office	784
16	Western Balkans Fondation	154
17	Sigrid rausing trust	7.420
18	Coalitiona Margins	809
19	COC	120
20	Sure Check	105
21	Other	2.519
Total		53.181

During 2024 the following revenues from donations were realized:

no	Donor	amount
1	Federal Ministry of Social Affairs, Health, Care and Consumer Protection of Austria	2.531
2	International Parenthood Planned Federation	9.567
3	The Kvinna till Kvinna Foundation	1.720
4	Delegation of the European Union	556
5	USAID	1.638
6	British Embassy	8.829
7	British Council	288
8	Work With Perpetrators - European Network	361
9	Embassy of the Kingdom of the Netherlands	2.276
10	German Society for International Cooperation	979
11	UNICEF	647
12	IRIS Network	976
13	Metamorphosis Foundation	99
14	Ministry of Health of Republic of North Macedonia	3.322
15	Macedonian Center for International cooperation	2.800
16	Other	7.570
Total		44.159

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31 December 2025

All amounts are expressed in MKD thousand, unless otherwise stated

5. OTHER REVENUES

	2025	2024
Positive exchange rate differences	129	11
Revenues from economic activities	999	347
Total	1.128	359

6. OPERATING EXPENSES

	2025	2024
Materials and energy	1.326	1.306
Services	5.161	3.766
Transport	515	527
Advertising and promotion	362	341
Rent of equipment and space	1.219	1.105
Insurance	102	96
Bank charges	193	177
Intellectual services – contract work	18.697	16.039
Salary	15.808	15.993
Travel expenses	2.832	1.126
Transfers to other NGO	5.130	4.358
Other expenses	277	154
Total	51.622	44.988

7. CAPITAL EXPENSES

	2025	2024
Purchased equipment	347	220
Total	347	220

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31 December 2025

All amounts are expressed in MKD thousand, unless otherwise stated

8. PROPERTY, PLANT AND EQUIPMENT

	Property	Equipment	Total
Cost as of 01 January 2024	6.601	6.073	12.674
Additions	3	168	171
Accounting adjustments	-	3.520	3.520
Balance as of 31 December 2024	6.604	9.761	16.365
Additions in the year		243	243
Revalorization	4	5	9
Balance as of 31 December 2025	6.608	10.009	16.617
Accumulated depreciation as of 1 January 2024,	457	5.822	6.279
Depreciation	66	251	317
Accounting adjustments	-	2.456	2.456
Balance as of 31 December 2024	523	8.529	9.052
Depreciation	66	230	296
Revalorization	-	5	5
Balance as of 31 December 2025	589	8.764	9.353
Net book value as of:			
- 31 December 2024	6.081	1.232	7.313
- 31 December 2025	6.019	1.245	7.264

9. INTANGIBLE ASSETS

	License, software	Total
Cost as of 01 January 2024	-	-
Additions	57	57
Balance as of 31 December 2024	57	57
Additions	104	104
Balance as of 31 December 2025	161	161
Accumulated depreciation as of 1 January 2024,	-	-
Depreciation	7	7
Balance as of 31 December 2024	7	7
Depreciation	39	39
Balance as of 31 December 2025	46	46
Net book value as of:		
- 31 December 2024	50	50
- 31 December 2025	115	115

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31 December 2025

All amounts are expressed in MKD thousand, unless otherwise stated

10. ACCOUNTS RECEIVABLE

	2025	2024
Receivables from public institutions	91	29
Receivables from a bankrupt entity	870	870
Rent deposits	49	49
Balance on 31 December	1.010	948

11. CASH AND CASH EQUIVALENTS

	2025	2024
Bank account	24.277	21.955
Balance on 31 December	24.277	21.955

12. LIABILITIES

	2025	2024
Accounts payable	80	135
Tax liabilities	3	3
Balance on 31 December	83	138

13. OPERATING FUND

	2025	2024
Operating fund – noncurrent assets	7.379	7.363
Balance on 31 December	7.379	7.363

The changes in the Operating fund are stated in the Statement of changes in the operating funds on page 5.

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31 December 2025

All amounts are expressed in MKD thousand, unless otherwise stated

14. OFF-BALANCE RECORDS

As of 31 December 2025, the Association has no off-balance sheet exposure based on issued bank guarantees.

15. SUBSEQUENT EVENTS

There are no material subsequent events that would have an impact on the understanding of financial statements.