

To:
The Management of
Foundation for Sustainable Economic Development
PREDA PLUS
PRILEP

INDEPENDENT AUDITOR'S REPORT

We have audited the accompanying financial statements of the Foundation for Sustainable Economic Development "PREDA PLUS" form Prilep (in the following text "the Foundation"), which comprise the Balance Sheet as of 31 December 2012, the Statement of Revenues and Expenses and Statement of Changes in Funds for the year then ended and a summary of significant accounting policies and other explanatory notes.

Management's responsibility for the financial statements

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

Auditor's Responsibility

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

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

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

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

STATEMENT OF REVENUES AND EXPENSES
For the Year Ended 31 December 2012 and 2011
in MKD thousands

To:

The Management of

Foundation for Sustainable Economic Development

PREDALUS

PRILEP

	2012	2011
Granted donations	1,649	9,102
Income from services	1,622	399
Finance income (expenses)	1	8
Transferred surplus of		
TOTAL REVENUES	3,272	9,509

INDEPENDENT AUDITOR'S REPORT (Continued)

Auditor's opinion

In our opinion, the financial statements of Foundation for Sustainable Economic Development "PREDALUS", Prilep give a true and fair view, in all material aspects, of the financial position of the Foundation as of 31 December 2012, as well as the operating results and the changes in the funds for the year than ended, in accordance with the Accounting Law for Non-profit Organizations and standards for reporting under the cash basis of accounting.

Other Matter

The financial statements of "PREDALUS", Prilep for the year ended December 31, 2011 were audited by another auditor who expressed an unqualified opinion on those statements on March 19, 2012.

Skopje, 23 September 2013

Certified Auditor
Zvonko Kocovski



Manager
Dragan Dimitrov

STATEMENT OF REVENUES AND EXPENSES
For the Year Ended 31 December 2012 and 2011
In MKD thousands

	Notes	31 December 2012	31 December 2011
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment			
Granted donations	4	1.649	8.102
Income from services	5	1.622	599
Finance income / (expences)	6	1	8
Transferred surplus of revenues		1.761	-
TOTAL REVENUES		5.033	8.709
LIABILITIES AND PREPAYMENTS			
Operating expenses	7	(3.046)	(4.501)
Salaries	8	(1.474)	(2.016)
Capital expenses	9	-	(395)
TOTAL EXPENSES		(4.520)	(6.912)
Surplus of revenues over expenses before taxes		513	1.797
Income Taxes	10	(17)	(36)
Surplus of revenues over expenses after taxation		496	1.761

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

The accompanying financial statements were authorised for issue by the management of the Organization on 14 February 2013 and were signed on its behalf by:

Milubeka

Executive Director
Marijana Milevska

Goce Kostoski

Finance Officer
Goce Kostoski

Executive Director
Marijana Milevska

Finance Officer
Goce Kostoski

BALANCE SHEET

PREDAL PLUS - PRILEP

As of 31 December 2012 and 2011
In MKD thousands

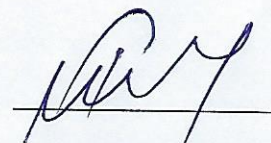
	Notes	31 December 2012	31 December 2011
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	11	1.248	870
		1.248	870
CURRENT ASSETS			
Cash and cash equivalents	12	95	1.908
Accounts receivable	13	60	-
Other current assets and prepayments	14	438	-
		593	1.908
TOTAL ASSETS		1.841	2.778
LIABILITIES AND OPERATING FUND			
OPERATING FUND			
Operating Fund	15	1.305	888
Surplus of revenues over expenses		496	1.761
		1.801	2.649
CURRENT LIABILITIES			
Accounts payable	16	37	92
Other short term liabilities, accruals and deferred income	17	4	37
		41	129
TOTAL LIABILITIES AND FUNDS		1.841	2.778

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Executive Director
Marijana Milevska



Finance Officer
Goce Kostoski