

“e-Macedonia” Skopje Foundation of

Makedonski Telekom AD – Skopje

Financial Statements

For the year ended 31 December 2012

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Balance Sheet

(in MKD)

	Note	31 Dec 2012	31 Dec 2011
Assets			
Cash in banks	3	5,741,473	6,846,951
Loss for current financial year	4	1,523,246	-
Total assets		7,264,719	6,846,951
Liabilities and equity			
Surplus of income transferred in the following year	4	-	708,924
Registered capital	5	6,138,027	6,138,027
Vendor liabilities	6	1,126,692	-
Total liabilities and equity		7,264,719	6,846,951

The financial statements set out on pages 1 to 4 are reviewed and approved by the Board of "e-Macedonia" Skopje Foundation of Makedonski Telekom AD Skopje, on _____2013.

Radmila Joncevska
Director of the Foundation

Taska Latkoska
Accountant

Statement of income and expenses

(in MKD)

	Note	31 Dec 2012	31 Dec 2011
Interest income	7	6,681	6,843
Surplus of income from previous year		708,924	702,081
Total income		715,605	708,924
Costs for donations	8	(1,850,784)	-
Other operating cost	9	(388,067)	-
Total costs		(2,238,851)	-
Realized (loss)/surplus of income		(1,523,246)	708,924

Notes to the Financial Statements

1. General information on the Foundation

The "e-Macedonia" Skopje Foundation was established in 2004 on the basis of a Resolution of the Board of Directors of AD Makedonski Telekomunikacii, in the honor of the implementation of the idea of the late President of the Republic of Macedonia, Mr. Boris Trajkovski, for the purposes of the spreading and supporting the benefits of the information society and knowledge development.

The goals of the Foundation are: support of the Internet technology and use of the Internet, overcoming the "digital gap", providing a better quality of life for the citizens and public recognition of the activities of MKT throughout the country.

In line with the process of rebranding of AD Makedonski Telekomunikacii – Skopje into Makedonski Telekom AD – Skopje, the name of the founder included in the name of the Foundation, as well as the logo and the seals of the Foundation, were changed. The changes were established by modification and amendment of the Statute of the Foundation. The changes were registered in the Central Register of the Republic of Macedonia on 20.05.2008.

Pursuant to the legal requirements arising from the new Law on Associations and Foundations, the "e-Macedonia" Foundation undertook all necessary activities for harmonization of the existing acts of the Foundation with the provisions of this new Law and for this purpose the Board of Directors of Makedonski Telekom, as founder of the Foundation, adopted the Act on the establishing the Foundation (that contains the legally defined provisions in order to meet the basic legal requirements arising from the provisions of the new Law on Associations and Foundations).

2. Bases of preparation of Financial Statements

These Financial Statements are prepared in accordance with Accounting Law for non-for profit organizations 24/03 and 17/11, Rulebook for accounting for non-for profit organizations 42/03, 08/09 and 175/11 and Rulebook for Chart of Accounts and Statements for non-for profit organizations 117/05 and 11/06. Financial Statements for 2012 are presented together with comparatives for 2011.

3. Cash in banks

in MKD	2012	2011
Call deposits	5,741,473	6,846,951
Total	5,741,473	6,846,951

4. Loss for current financial year/ Surplus of income transferred in the following year

Difference between the income and expenses for the period 01.01 - 31.12.2012 resulted in loss in current financial period in amount of MKD 1,523,246 (2011: surplus of income MKD 708,924).

5. Equity

The registered capital in amount of MKD 6,138,027, according to the Act for Registration is fully paid by Makedonski Telekom AD – Skopje, the sole founder of Foundation.

6. Vendor liabilities

As at 31 December 2012 the Foundation has liabilities towards vendor for realized project "e-Bonton" in amount of MKD 1,126,692. The liability is paid in 2013.

7. Income

In 2012, the Foundation earned interest income, in amount of MKD 6,681(2011: MKD 6,843).

8. Cost for donations

In the financial year 2012, the foundation granted three donations for opening computer workshops and educational centers, known as "e-Classrooms" Project and realized project "e-Bonton" as project for development and supporting the good manners in the electronic communication and correspondence. The costs related to these donator activities are presented in a table below.

in MKD	2012
Educational Centre Algoritam DOOEL Skopje	245,800
National Electronic Network Centre for informatics, education, science and technical support Skopje	234,392
Association for promotion of the status of women in Macedonia "Women's Action" Radovis	243,900
Project "e-Bonton"	1,126,692
Total	1,850,784

9. Other operating costs

in MKD	2012
Payments toward director and secretariat members of the Foundation (including personal income tax)	385,518
Other operating costs	2,549
Total	388,067