ANNUAL FINANCIAL STATEMENTS
OF
TEACH FOR BULGARIA
FOUNDATION
2024

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I.

Activity Report of Teach For Bulgaria Foundation

Individual Activity Report of the Teach For Bulgaria Foundation for 2024

INTRODUCTION

Teach for Bulgaria Foundation (the Organisation, the Foundation) was established in July 2010 on the initiative and with the generous financial support of the America for Bulgaria Foundation. The Organisation works to ensure equal access to quality education for every child in Bulgaria, regardless of where they live, which school they attend, their ethnic origin, or the socio-economic status of their parents. To this end, Teach for Bulgaria supports and trains teachers and principals, develops school teams, and builds partnerships to introduce good practices into the education system. The organisation maintains a strong community of current participants and alumni of its programmes and key partners from all sectors to support sustainable access to quality education for every Bulgarian child. Teach for Bulgaria is part of the international Teach For All network, whose approach has been successfully implemented in more than 60 other countries on six continents.

KEY ACTIVITIES AND RESULTS IN THE 2024 CALENDAR YEAR

1. "Model Schools" programme

"Model Schools" is the second (and currently main) programme of the Teach For Bulgaria Foundation, which was launched in 2020 and supports the professional and leadership development of entire school teams. It is the only programme for the qualification of school teams in Bulgaria that encourages a comprehensive transformation of the learning process (improving management and teaching) by placing the student at the centre.

Within the programme, schools build sustainable school management structures through quality training and support, and teachers use new methods of teaching, assessment and classroom organisation.

The programme is two years long and consists of two inseparable courses: "Leadership in School" and "Effective Teaching with the Student at the Centre". The two courses are aimed respectively at the school's management and leadership team and selected teaching specialists in the team. The courses include a variety of training modules that build on each other and help school teams, on the one hand, to create an environment for quality teaching and learning for every student and teacher and, on the other hand, to encourage the implementation and development of new teaching methods that promote the participation and success of every student. Each school sets a specific and measurable priority for the development of its students. The participants from the school team work purposefully and systematically to achieve it. Unlike other training courses in the system, which are one-off and fragmented, this approach delivers sustainable results and engages the whole school in the success of its students.

The programme builds on the experience of Teach for Bulgaria in training teachers from the A New Way to Teaching Program and the successful Academy for Leaders in Education of the America for Bulgaria Foundation. The training sessions in the programme are conducted both live and online. The tasks in the programme are carried out by participants in a synchronous and asynchronous format.

1.1. Attracting and selecting new schools for the "Model Schools" programme

In the autumn of 2024, the Foundation conducted its traditional campaign to attract participating schools that will be part of the next cohort of the programme and will begin their participation in the summer of 2025. The two-month campaign ran from October to December and attracted over 100 candidate schools.

In the spring of 2025, in-depth online interviews will be conducted with candidates who have successfully passed the first stage (documents and motivation for participation) in order to finalise the participants in the 2025-2027 cohort.

1.2. New class of 2024-2026.

In 2024, 42 schools from all over Bulgaria will join the "Model Schools" programme, making up the largest cohort of the programme to date. The schools are from 34 towns and villages located in 20 different regions of Bulgaria. The training will involve 357 participants (teachers and headteachers).

1.3. Training and mentoring support for school teams in the Model Schools programme

1.3.1. Training

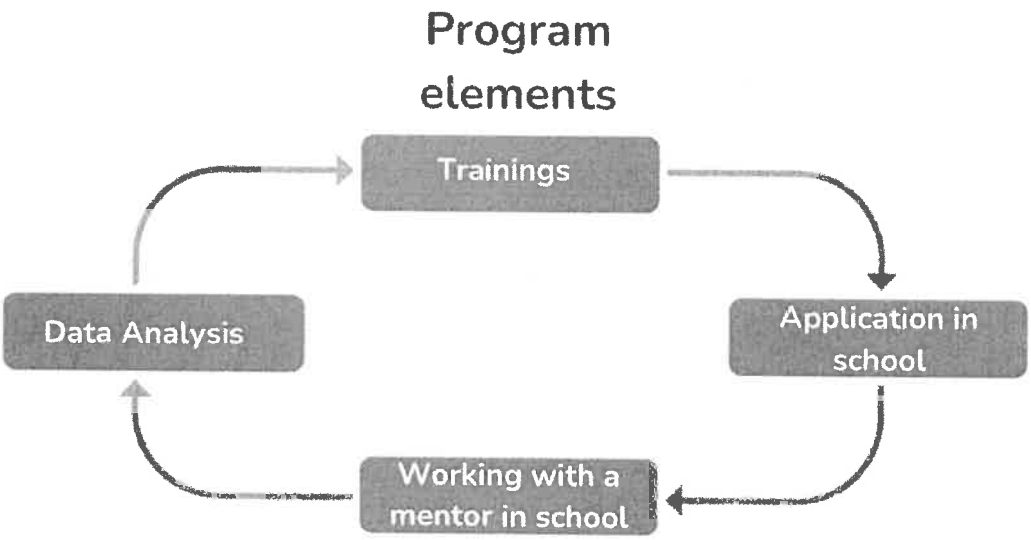
For all new participants, the programme begins with the first summer residential training course, which takes place in Bankya. Due to the size of the cohort, the schools are divided into three groups, which undergo the same intensive 7-day training course between July and September. For the purposes of the programme, participants from each school are divided into two teams - leadership and pedagogical.

For the purposes of the programme, participants from each school are divided into two teams - leadership and pedagogical. In the following two school years, the teams follow their own Ways in the two main courses of the programme, while also having joint training sessions and reflections. During the 2024/2025 school year, schools continue to work with advanced training in an online and asynchronous format, which allows pedagogical specialists to further develop their skills for working in a remote environment.

The main focus of the student-centred training modules is to explore the concept of teaching in school. During the training, teachers and headteachers undergo experiential and project-based learning, explore pedagogical and leadership practices that put the student at the centre, learn about the goals and tools of the "Model Schools" programme, set goals and a vision for their school, and have time to build trust and relationships with other participants in the programme.

In 2024, training will continue for schools from the 2023-2025 cohort, which are in their second year of participation in the programme.

Outline of the key elements of the Model Schools programme for the 2024/2025 school year:



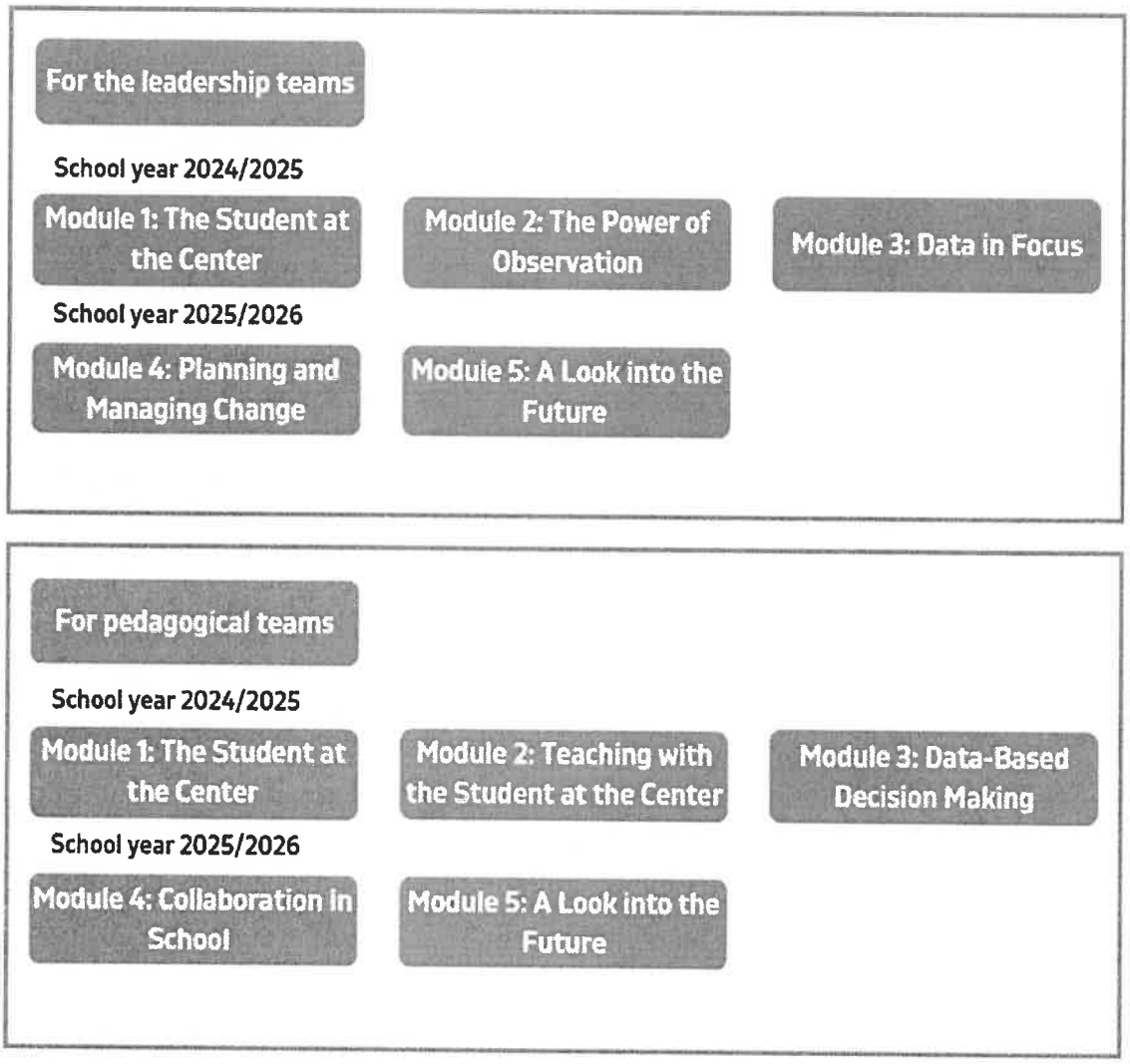
1.3.2. Support

In addition to online training during the school year, school teams also receive mentoring support from experienced teachers, principals and education experts. Mentors visit schools and help them achieve their goals throughout the programme.

The main focus of support for the 2024-2026 cohort during the 2024/2025 school year is on lesson observations, conducting effective conferences, data analysis, and setting goals and steps for the next period. Teaching specialists receive support in implementing the strategies from the training modules, while leadership specialists receive support in building key conferencing skills - giving feedback, asking powerful questions, active listening and identifying next steps.

Participants from the 2023-2025 cohort, who are in their second year of the programme, are supported in building sustainable working models, adapting and contextualising various tools to become part of school life and involving all teaching professionals in the school. The main focus for them is on effectively conducting project-based learning, observing lessons and conducting effective conferences, led entirely by representatives of the leadership team.

1.3.3. Training modules in the "Model Schools" programme



1.4. Graduation of schools from the "Model Schools" programme, class of 2022–2024

The graduation of the 2022-2024 cohort of the Model Schools programme was celebrated together with the graduation of the last cohort of the New Way to Teaching programme. The ceremonies were part of a large community event entitled "Metamorphoses in Education", which took place on 29-30 June at Sofia Tech Park.

Twenty-two schools from the fifth cohort of the Model Schools programme successfully completed the programme and officially joined the community of alumni of the foundation's programmes.

During the two-day final event in Sofia, school representatives had the opportunity to reflect on their experiences over the past two years, celebrate their successes, and share their experiences and lessons learned with colleagues from other schools and participants in the A New Way to

Teaching Program through practical workshops, sharing sessions, and presentations. The 2022-2024 graduates also took part in special sessions where they discussed what they would continue to apply and how they would build on their experience from the programme with a view to improving the quality of education for all children.

2. A New Way to Teaching Programme

A New Way to Teaching Programme for professional and leadership development is the first programme of the Teach for Bulgaria Foundation, which began in 2010. The programme supports and trains highly motivated professionals and recent graduates to become teachers and support the success of students in schools across the country. Over a two-year period, participants receive support and training to teach and learn first-hand about the challenges in the education system.

2.1. Training and support for teachers from the New Way to Teaching programme, class of 2022–2024

The New Way to Teaching training programme has been specially developed to effectively teach students at the centre of the learning process and includes methods that help all students progress regardless of their initial level. It is based on proven educational models and pedagogical approaches. The training is adapted to the context in Bulgaria and the experience of Teach for Bulgaria from 2010 to the present.

The twelfth cohort of the "New Way to Teaching" programme of "Teach for Bulgaria" began its second year in September 2023. During the school year, participants took part in two live training sessions (November 2023 and March 2024) and had the opportunity to choose between two online courses, each consisting of four meetings: "It's Up to Me" and "It's Up to Us." The courses focus on expanding participants' activities beyond their direct teaching work by developing projects with their students and/or engaging other colleagues at school and parents. The live training sessions aim to help participants plan their career Way in education in a way that will allow them to have a greater impact on a large number of students. The two training sessions were attended by alumni of the programme who currently hold positions of responsibility in the system and who shared their career Ways, motivations and results. Each participant also receives mentoring support, which includes a goal-setting meeting at the beginning of the year, three classroom visits and two progress reviews. Thirty-nine people started the school year.

2.2. Graduation of teachers from the New Way to Teaching programme, class of 2022–2024

The twelfth cohort of teachers from New Way to Teaching officially completed their participation in the professional and leadership development programme in June 2024. Thirty-two people successfully completed all stages of the programme over two challenging years as teachers in different regions of the country, where they worked purposefully to increase the motivation, success and opportunities of their students. With them, the group of programme alumni now numbers 550 people.

At a special event at Sofia Tech Park between 29 and 30 June 2024 the participants from the 2022-2024 cohort, together with their colleagues from the "Model Schools" programme, shared their experiences, congratulated each other on their achievements and outlined their future plans in the

field of education. The event was also attended by over 100 alumni from previous cohorts of the programme.

3. Learning Together Programme

The Learning Together programme encourages schools to propose and implement their own effective solutions that contribute to overcoming specific challenges in the education system with a direct impact on students' skills and success.

The programme is implemented entirely with the financial support of the America for Bulgaria Foundation and provides grants for the implementation of the best school projects that have a clear plan, a vision for sustainable development and the potential to be successfully implemented elsewhere in the country.

3.1. Scope of the "Learning Together" programme in 2024

The second edition of the Learning Together programme focuses on developing self-regulated learning and social-emotional skills in students between the fifth and seventh grades.

During the 2023/2024 school year, we worked on nine projects with ten schools located in seven regions of the country. A total of 1,500 students, 190 teachers and 610 parents participated in the programme.

3.2. Implementation and support of projects in the "Learning Together" programme for the 2023/2024 school year.

As part of the programme, the skills of the students who participated in the planned activities were assessed. At the beginning and end of the school year, named questionnaires on self-regulated learning were conducted and the results were analysed. 700 students had valid incoming and outgoing questionnaires, and the analysis shows that:

- 95% of students showed improvement in at least one of the measured categories;
- 45% of students improved their average score;
- 60% of schools showed improvement at the school level.

A key activity in the programme was the creation of a free-access platform for conducting student surveys. The platform includes three surveys, and the results are displayed in real time after the surveys are completed. Each user can view the data in graphical and tabular form and make comparisons at the level of year, region and country.

Nine full-length videos were filmed and published, presenting the activities carried out under the programme. The videos recount the difficulties and successes of each project and show the opinions of parents, students, teachers and headteachers and their motivation for implementing it.

One of the projects published a handbook entitled "The Way of Knowledge". It describes activities for developing self-regulated learning skills.

Two of the projects shared their experience in workshops during the "Good Practices in Focus" event. The overall results of the programme were presented during the "Skills for Innovation in Education" conference held in Sofia.

Neshko Bonchev Secondary School submitted an innovation project to the Ministry of Education and Science based on its participation in the "Learning Together" programme, and the project was approved for implementation.

3.3. Upcoming edition of the "Learning Together" programme

At the end of 2024, the implementation of a new edition of the "Learning Together: Civic Skills in Action" programme was finalised and approved, targeting non-governmental organisations located outside Sofia. The programme will encourage cooperation between schools and local non-governmental organisations, which will work together to develop civic skills in students.

4. Strategic projects and partnerships

4.1. European project NEST

In 2023, the implementation of the NEST (Novice Educator Support and Training) project was completed, which was carried out under Key Action 3: Support for policy reform – Social inclusion through education, training and youth of the Erasmus+ Programme and funded by the Education, Audiovisual and Culture Executive Agency.

Within the framework of the project, experts from 14 regional education administrations in Bulgaria (from the regions of Blagoevgrad, Burgas, Varna, Veliko Tarnovo, Gabrovo, Kardzhali, Kyustendil, Lovech, Montana, Plovdiv, Sofia City, Stara Zagora, Targovishte and Pleven) underwent a comprehensive training programme to support new teachers (with up to 5 years' experience) in the education system over two academic years.

The project was implemented in six countries (Bulgaria, Austria, Belgium, Romania, Spain, United Kingdom) by a consortium of 16 partners. The project was evaluated by a research team from the University of Duisburg-Essen, Germany. The Bulgarian partners in the project were the Ministry of Education and Science, the Education Union of the Podkrepa Labour Confederation, and the Teach for Bulgaria Foundation, which coordinated the international consortium.

The training programme for experts was based on strategies for supporting teachers who work in challenging environments. The training team for the project included representatives of the Teach for Bulgaria Foundation, the Regional Education Administration in Vratsa, and university lecturers. At the end of 2023, the final report was prepared based on data from researchers at the University of Duisburg-Essen, who evaluated the project.

The final conference on the NEST project was held on 21 March 2024 in Brussels, focusing on the discussion of policies at European level: an evidence-based approach to mentoring novice teachers in schools with lower results and students with lower socio-economic status. The conference to discuss policies for the European NEST project had two main focuses:

- the need for an innovative, evidence-based mentoring model for novice teachers in low-performing schools with pupils from lower socio-economic backgrounds, which is being successfully implemented in Bulgaria;

- in-depth recommendations for improving education systems across the EU (and in Bulgaria in particular) in line with the principles of the Council Recommendation on Way ways to success in school.

The event was opened by Teach For All founder Wendy Kopp and Pia Hansen, Director-General for Education, Youth, Sport and Culture at the European Commission, with participants representing European institutions and representatives of the various countries in the project's international consortium. Representatives of the Bulgarian national partners in the project – the Teach For All Bulgaria Foundation, the Ministry of Education and Science, and the Education Union of the Podkrepa Labour Confederation – took part in the conference.

On 20 April 2024, as part of the "Good Practices in Focus" event, the final presentation of the NEST project at national level was held in front of more than 600 teachers, head teachers and representatives of educational institutions. Dr. Neli Koleva, Head of Strategic Partnerships at Teach for Bulgaria, moderated an expert panel that presented what NEST had learned to the guests at the event. The hall was also attended by representatives of the other countries where the project was implemented, as well as the independent evaluator of the NEST results – the University of Duisburg-Essen, Germany. The event also featured an expert discussion on "How effective mentoring can become national and municipal policy." The discussion was attended by senior experts from regional education authorities participating in NEST, teachers, principals, and university lecturers. A workshop entitled "Lesson observation – practical tools for headteachers and mentors" was also held, led by Mirena Petrova, senior expert in the "Strategic Partnerships" team and coordinator of the project's training team for Bulgaria. During the discussion and workshop, challenges and solutions for the effective support of novice teachers and their mentors were presented and discussed.

Read more about the NEST project at https://projectnest.eu/ and https://zaednovchas.bg/nest/.

4.2 Partnership between the Teach for Bulgaria Foundation and the Municipality of Burgas - Municipal Programme "Young Teachers" of the Municipality of Burgas

4.2.1. Scope of the municipal programme "Young Teachers"

At the invitation of Mr. Mihail Nenov, Deputy Mayor of Burgas Municipality responsible for "Education, Health Care, Social Activities and Youth Policies," and with the support of the Regional Education Office in Burgas, a team from the Teach for Bulgaria Foundation developed and implemented a programme for training and supporting mentor teachers of newly appointed teachers in the Municipality of Burgas. The programme builds on the experience gained from the international NEST project.

The Burgas Municipality's *"Young Teachers"* programme is aimed at teachers who are starting work in a school for the first time.

The programme developed for the municipality of Burgas was implemented for the first time in the period February-June 2024.

The first edition of the programme involved 27 teaching professionals from 24 schools in Burgas (23 municipal and 1 private). During their participation in the programme, each mentor supports one or more newly appointed teachers (teachers who are now starting work at school for the first time) at the school where they teach. The support includes observing lessons, discussing the observed lessons, helping with lesson planning, and talking about specific challenges that newly hired teachers face in their daily work.

The training of mentor teachers is carried out entirely by a team from the Teach for Bulgaria Foundation.

Expected long-term effects of the programme: increasing the expertise of teachers with experience in the education system to provide mentoring support to newly appointed teachers; increasing the pedagogical capacity of newly appointed teachers and their long-term retention in the system through mentoring support (working with a mentor).

4.2.2. Feedback on the first edition of the programme - quantitative assessment

After each training session, mentors receive a feedback questionnaire, and at the end of the programme, they receive a questionnaire on their overall satisfaction with their participation in it.

The average rating of the question "How satisfied are you with your participation in the municipal programme "Young Teachers" by the mentors is 5 (out of 5 possible).

Question	Date	Average rating
How satisfied are you with the training (1 - lowest; 5 - highest)?	05.02 - 06.02	4,9
	09.04	4,7
	27.06	4,94
How satisfied are you with your participation in the municipal programme for training mentors for newly appointed teachers? (1 - lowest; 5 - highest)	5,00	

After receiving very positive feedback from both mentors and newly appointed teachers, Burgas Municipality voted to entrust the Teach for Bulgaria Foundation with running the programme for a second time, with a new group of mentors, during the 2024/2025 academic year.

The second edition of the programme will take place between October 2024 and June 2025. It include 57 mentors from 24 state and municipal schools.

4.3. LEAD-IN Project

In September 2024, the implementation of the international project Leadership Empowerment and Development for Inclusive Education in Europe (LEAD-IN) will begin. The project is being implemented in partnership with several organisations from the Teach For All network - Teach For Austria (project coordinator), Teach for Belgium and Teach For Poland, and with the participation of Karel de Grote University (Belgium). The consortium aims to support school leaders with students from vulnerable groups in Austria, Belgium, Bulgaria and Poland by developing principals' skills in inclusive leadership and promoting mutual learning networks. The project is co-funded by the Erasmus+ programme, KA2: Partnerships for Cooperation. The total budget for the entire project is EUR 400,000, and its duration is from the beginning of September 2024 to the end of September 2026.

Project objectives:

1. Developing the skills of school leaders in schools with students from vulnerable groups to effectively address specific challenges.
2. Building national and international networks for school leaders to share experiences.
3. Providing evidence-based training and practical tools for inclusive leadership.
4. Improving the quality of education and retaining school leaders in schools with high needs.

Main activities within the project:

- Recruitment and training of at least 40 school leaders from schools with students from vulnerable groups. For Bulgaria, the goal is to attract at least 10 school leaders to participate in the project.
- Developing and implementing a professional development programme tailored to the needs of school leaders.
- Creation of learning communities and mobility networks for colleague exchange.
- Evaluation and dissemination of project results, including guidelines for good leadership practices.

More information about the project can be found on its website https://lead-in.eu/.

4.4. Participation in councils, committees, commissions and similar structures

The Teach for Bulgaria Foundation participates in several different councils, committees and commissions.

The foundation is part of the first Council for the Development of Civil Society (SRGO), established in February 2022 with a three-year mandate. In 2024 Teach for Bulgaria participated in the working group that developed a draft roadmap for the creation and adoption of a strategy to support the development of civil society organisations, and actively participated in the meetings of the CDDC and in the development of the CDDC's positions on draft regulatory and strategic documents concerning the development of civil society.

In 2024, Teach for Bulgaria was re-elected for a third consecutive term as a member of the National Council for Child Protection at the State Agency for Child Protection. Representatives of the foundation actively participate in the meetings of the council and in the working group "Prevention of Violence and Abuse of Children," which develops and monitors the implementation of *the National Programme for the Prevention of Violence and Abuse of Children.*

Another monitoring structure in which Teach for Bulgaria participates is the Monitoring Committee for the Education Programme, funded by the European Social Fund + (ESF+).

Neli Koleva, representative of the Teach for Bulgaria Foundation, is a member of the Commission for Innovative Schools and participates in all activities of the Commission, including project evaluation, monitoring the impact of innovations, etc.

Last but not least, as part of her membership in the National Network for Children association, Gergana Efremova, as a representative of the Teach for Bulgaria Foundation, is serving a second term as a member of the association's Management Board, actively contributing to the strategic development of the NMC and being part of a newly formed commission for the admission of new members.

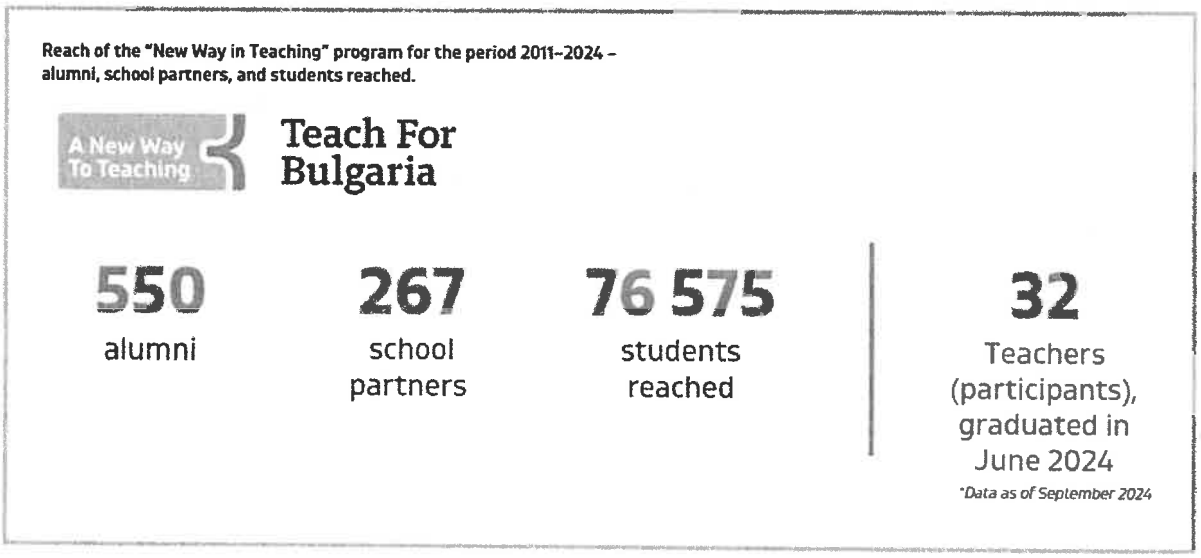
4.5. Advocacy

In 2024, Teach for Bulgaria prepared and published 17 public positions and statements on current issues in the field of education and civil society development. All statements can be found at https://zaednovchas.bg/category/opinions

Scope of the Teach For Bulgaria programs in 2024

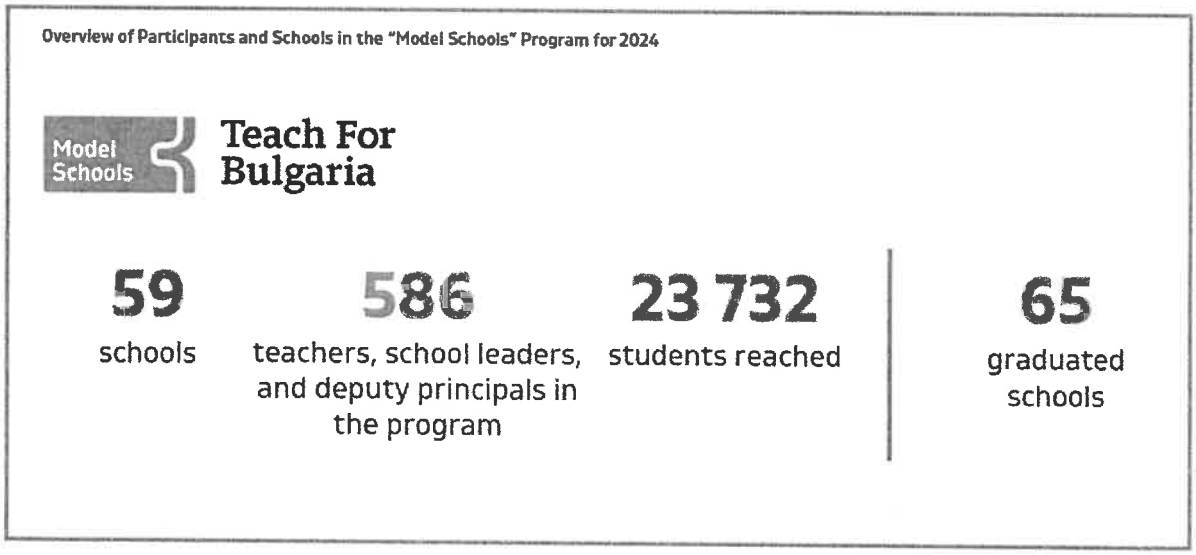
New Way to Teaching Programme

Distribution of teachers, students, and partner schools in the "New Way to Teaching" programme for the period 2011-2024.



"Model Schools" programme

Distribution of participants by school and number of people in the "Model Schools" programme for 2024.



TEACH FOR BULGARIA'S IMPACT IN 2024

1. Impact assessments

The Teach for Bulgaria Foundation assesses the effect of its programmes through independent impact assessments. According to the data, the organisation's work leads to significant improvements both at the school management level and in student development. Support for teachers and school leaders has a direct impact on the quality of teaching and the success of children.

1.1. A New Way to Teaching Program and its alumni

The New Way in Teaching programme of Teach for Bulgaria has undergone two impact assessments.

The first was conducted by researchers Dr. Boyan Zahariev and Ilko Yordanov from the Open Society Institute, who analysed the impact of teachers from the first five years of the programme on their students' academic results. The study found that students in grades 7 and 12 taught by teachers in the programme achieved significantly better results on the national external assessment in science and mathematics compared to a control group whose teachers were not part of the programme. Positive results were also observed in foreign language learning between grades 7 and 12. The effects in social and natural sciences are even more noticeable among students from smaller schools (up to 420 students), which shows that the methods of "Teach for Bulgaria" are particularly effective where children from disadvantaged social groups in Bulgaria are usually educated.

In 2019, a second evaluation was conducted, this time by Research and Evaluation International, LLC and Global Metrix, focusing on the development of social-emotional skills in students. The study methodology compares groups taught by teachers from the New Way of Teaching programme with control groups, with measurements taken twice over a period of time to track changes in students. The results show that students taught by teachers from the programme increase their level of agreement with the statements "If I challenge myself at school, it will make me smarter" and "I am aware of my abilities and limitations," while the control group shows a decrease in the same indicators. This proves that the teachers in the programme are successful in their goal of developing the key "it's up to me" attitude in their students.

In addition, in 2023, Dr. Boyan Zahariev and Ilko Yordanov studied the career development of participants in "A New Way in Teaching." The assessment showed that its graduates remain engaged in the field of education for longer than similar groups and are more likely to start their own organisations.

According to the analysis, over 80% of those who completed the two-year programme remain permanently engaged in the field of education, and over 60% continue to work as teachers after participating in "A New Way to Teaching" and leave the profession to a lesser extent than their fellow teachers trained in traditional pedagogical programmes. In addition, graduates of the programme:

- are more likely to set up their own organisations and social projects;
- believe that social differences in education can be overcome if teachers make a concerted effort to do so;
- are convinced that teachers play a key role in working with the most difficult and unmotivated students.

As of September 2024, 550 students have completed the programme. Their careers are directly related to the field of education.

2. Model Schools Programme

Between 2020 and 2023, Research and Evaluation International and Global Metric are conducting a study on the impact of the Model Schools programme in 49 schools from the first two cohorts of the programme, as well as 20 schools serving as a control group. In the schools participating in the programme, a positive effect is observed on:

- creating and maintaining a positive school climate;
- student behaviour;
- teacher leadership and sharing of experience among colleagues;
- professional development of the school team;
- support for school leaders.

How this affects students

An internal analysis by Teach for Bulgaria shows that students whose teachers have participated in the Model Schools programme show progress in all key categories of learning and personal development:

- metacognitive skills: planning, observation and self-reflection on the learning process;
- collaboration: better teamwork and interaction with classmates;
- cognitive strategies: effective methods for reading, memorising and understanding new information;
- information literacy: skills for searching, organising and using information;
- sense of belonging: stronger connection to the school community;
- Emotion regulation: better management of emotional responses and stress.

3. Community development

Ensuring equal access to quality education for every child in Bulgaria is a long-term goal that can only be achieved through the joint efforts of many committed individuals. That is why Teach for Bulgaria continues to support the graduates of its programmes even after they have completed their two years of participation.

In 2024, Teach for Bulgaria continued to purposefully develop the "Community for Every Child's Success" – a community made up of alumni and like-minded people who share common values, recognise their role as drivers of positive change in Bulgarian education, and work daily to improve the quality of education for every child.

In March, the theory of change for the Community for the Success of Every Child was developed – a strategic framework that outlines the vision, main priorities and work programmes of the Community. This framework shows how the Community contributes to the systematic improvement of education in Bulgaria. The theory of change focuses on identifying key challenges and finding sustainable solutions to them.

Two key forums – "Metamorphoses in Education" (June) and "(R)Evolution in Education" (November) – brought together participants from across the country in Sofia and focused on topics such as adaptability, meaningful assessment, developmental curricula and the role of the teacher. During these meetings, real solutions and good practices that can be applied in different school contexts were discussed.

In addition, two regional forums were held – in Veliko Tarnovo and Teteven.

During the year, the Amplifier programme was launched, aimed at developing participants' communication skills so that they can share their experiences, views and ideas more boldly and confidently in the public sphere. Some of the alumni took part in a mentoring programme. The partnership with ICF Bulgaria continued for a second consecutive year through the "Coaching with a Cause" initiative, part of the global IGNITE programme. Participants had access to coaching from certified professionals – support that aids their leadership development. An internal newsletter for Community members was also established – a tool for awareness, engagement and coordination.

The foundation's programmes have always encouraged the leadership development of participants with the aim of making a positive contribution to ensuring equal access to quality education for more Bulgarian children. In 2024, we have information that a total of 19 alumni of the A New Way to Teaching Programare now working as principals and deputy principals in schools across the country.

4. Dissemination of good practices

4.1. The Prepodavame.bg educational platform

The website prepodavame.bg, created by teachers for teachers, was initially established as part of the international FIERST project in 2019 with the aim of disseminating and sharing good practices from teachers and project participants with other teachers and schools in the country. The high rating the website received from project participants, as well as the lack of a single, freely accessible place for sharing good teaching practices, prompted us to continue developing the website and to develop the concept of it as a useful medium by teachers for teachers.

In 2024, the platform is developing in the direction of creating various formats of useful content for teachers and principals - teaching resources (worksheets, templates for Canva materials, lesson plans, project-based learning plans) and qualification materials (thematic webinars, monthly open training sessions and training sessions for school teams, video courses and podcasts).

The team of authors includes both graduates of the "New Way to Teaching" programme and other active teachers from around the country.

In 2024, the site has 41,000+ registered users, 35,000 people receive a weekly newsletter every Tuesday, 25,000 users on the Viber channel and 18,000+ followers on Facebook. There are 1,284,765 sessions on the website. The reach has increased compared to 2023 and proves the need for teachers to have a modern platform for useful and practical resources and training.

Since 2023, it has been possible to activate school subscriptions, providing exclusive access to content and training. The value of activated subscriptions for 2024 is over BGN 280,000+.

4.2. Projects won and implemented

In 2024, the Teach for Bulgaria Foundation won funding for several projects to develop its activities and create educational materials on key topics.

4.2.1. Digital literacy and the world of AI

We continued our partnership with Yettel for a second year. As part of the enhanced partnership, we created an academy for developing digital skills among teachers, which includes training courses and webinars. We trained over 600 teachers from across the country.

4.2.2. Environmental education

Teach For All - We secured funding worth USD $25,000 (BGN 45,415), which we used to translate and adapt climate education manuals for students in grades 4-12 developed by the Office for Climate Education (OCE) at UNESCO. We conducted in-person training with an OCE expert in Sofia and a series of online training sessions, with a total of 644 teachers participating and the materials downloaded over 2,000 times.

Visa - we continued our cooperation in support of environmental education. In October and November, 1,883 students took part in our weekly themed quizzes with prizes.

4.2.3. Civic education

In 2024, we continued work on two projects started in 2023 related to the topic of civic education.

- **The project "How do we teach values?"** worth €40,115 (BGN 78,395.51) is funded by the European Union under the CERV programme and administered by the Open Society Institute – Sofia Foundation and the Workshop for Civic Initiatives Foundation. In 2024, we developed 20 teaching materials for secondary school students in Bulgarian language and literature, history, geography, economics, and philosophy, which teachers can use to link the topic of values to the material in the curricula for the respective subjects. We conducted four online training sessions in November and December, specialising in specific subjects, in which 770 teachers participated.

- **BeMediaWise** - The project is funded by the U.S. State Department and led by the Poynter Institute. The goal of the project is to increase media literacy, and our team is responsible for managing a network of teenage fact-checkers. During this school year, 15 fact-checking videos and a comprehensive curriculum for developing media literacy were created. The project was officially terminated in May this year.

- **ETFCN** - European Teen Fact-Checkers Network. Since September 2024, "Teach for Bulgaria" has been part of a consortium of six European countries - Germany, Spain, Portugal, Austria and Finland. These countries replicate the model for organising and developing a teenage fact-checking network, in which students create short videos in which they check various news items and social media posts, and teachers receive guidelines on how to use them in the learning process.

In 2024, we won funding for **the project "How do we teach active citizenship?"** worth €43,525.62 (BGN 85,245) funded by the European Commission on the topic of European values, democratic rights and obligations, and voting. Between February and June 2024, we held webinars, workshops and training sessions for teachers, attended by a total of 871 teachers. We also developed an online course for teachers and project-based teaching materials for secondary school students. As part of the project, we held a student essay competition on the topic "My vote matters", in which 77 students participated in three categories.

4.3. "Good Practices in Focus" event

In 2024, the process of collecting, publishing and promoting good teaching practices, "Good Practices in Focus", was open to all teachers in the country for the second consecutive year. For the first time, it also had a focus topic - project-based learning. More than 170 teachers submitted their practices to the competition, and after a selection process and interviews, over 70 articles were published on the prepodavame.bg platform.

On 20 April 2024, a final conference was held in Sofia with over 600 participants who took part in more than 20 thematic workshops. During the event, an educational exhibition was also held with 18 partner organizations.

For more information about the event and the award-winning practices, see here: https://zaednovchas.bg/dobrite-praktiki-na-fokus-2024/

4.4. Newsletter with good practices for teachers from all over the country

In 2024, the Teach for Bulgaria team continued to send a regular email newsletter to over 16,000 teachers and principals from across the country. The main focus of the newsletter remained on useful free webinars on current topics related to teaching and school management. From the middle of the year, the content also included good practices and stories from the Model Schools programme. In addition to sharing real school experiences, the aim was to make more schools aware of the opportunity to apply for the programme.

The educational website prepodavame.bg maintains a weekly newsletter, which in 2024 is sent to over 38,000 users every Tuesday. Its editions include thematic articles and resources on one focus topic each week, as well as invitations to webinars and training courses.

KEY EVENTS IN 2024

January

- Event for the donor community: special screening of the film "Diada" and conversation with the creators - Yana Titova and Alek Alexiev.

February

- Charity event at DaliVino - group painting evening, with proceeds from the event donated by DaliVino to the "Teach for Bulgaria" cause.
- First training within the framework of the "Young Teachers" programme of the Municipality of Burgas, implemented in partnership with the "Teach for Bulgaria" Foundation.
- Training for participants in the "Model Schools" programme.

March

- Final in-person training for participants in the "New Way in Teaching" programme and a meeting to exchange experiences and inspiration with people from the community.
- Training for participants in the "Model Schools" programme.
- Visits by a mentor to participants in the "Model Schools" programme.
- European conference in Brussels on the NEST mentoring project with the participation of the entire "Strategic Partnerships" team of the foundation.

- Participation of team members (Neli Koleva, Mirena Petrova, Preslava Baicheva, Nedelina Vangelova, Stefani Kostova) in a regional forum for sharing good practices in Stara Zagora,

organised by Boyana Radeva, an expert at the Regional Education Office in Stara Zagora and a graduate of the New Way in Teaching programme.

April

- Education Fortnight campaign with the participation of UniCredit Bulbank employees. Seven volunteers from the bank visited the classrooms of Teach for Bulgaria teachers and conducted financial literacy workshops with over 100 students between grades 9 and 11.
- "Teach for Bulgaria" is a cause of the annual Next Consult conference.
- Good Practices in Focus - an event for sharing and exchanging effective educational practices, which brings together over 600 teachers and principals from across the country.
- Visits by a mentor to participants in the "Model Schools" programme.

May

- Fundraising campaign "May in Support of Education"
- Mentor visits to participants in the "Model Schools" programme.
- 25 May Charity concert by Donka Angacheva in Vienna, on the occasion of 24 May. All proceeds from the event were donated to "Teach for Bulgaria".

June

- Regional event of the Community for the Success of Every Child in Stara Zagora. Charity tennis tournament in support of Teach for Bulgaria.
- Charity tennis tournament in support of "Teach for Bulgaria".
- "Final Days" - Reflection of all alumni and completion of the last class of the "New Way in Teaching" programme (2022-2024) and the next class of the "Model Schools" programme (2022-2024).

July - August

- Introductory summer training for participants in the 2024-2026 cohort of the "Model Schools" programme in Bankya (in 3 groups due to the size of the cohort).

October

- Start of a campaign to attract new participants to the "Model Schools" programme (2025-2027 cohort).
- Training for participants in the "Model Schools" programme.

October-November

- Visits by a mentor to participants in the "Model Schools" programme.

November

- Charity auction of the stars - the foundation's largest annual charity event.
- Training sessions for participants in the Model Schools programme.
- First Community Event of the Community for the Success of Every Child.

- Charity campaign "Challenge Yourself with a Cause".

December

- End of the campaign to attract new participants in the Model Schools programme (class of 2025-2027).
- Training for participants in the "Model Schools" programme.
- Visits by a mentor to participants in the "Model Schools" programme.

PLANS FOR FUTURE DEVELOPMENT

In 2025, the Foundation will celebrate its 15th anniversary. This will be an opportunity to reflect on its overall impact to date and to review its development strategy beyond 2026 (when the current strategy expires).

In 2025, in line with its vision to ensure equal access to quality education for every child in the country, the organisation will again strive to increase its impact by continuing to develop the "Model Schools" and "Learning Together" programmes. "Teach for Bulgaria" will continue to manage additional projects and activities to disseminate good practices in the system. The organisation continues to maintain and upgrade the Prepodavame.bg educational platform, as well as striving to create key partnerships for the development of the education system at all levels.

FINANCIAL INFORMATION

1. Fundraising

The work of "Teach for Bulgaria" is made possible thanks to the financial support of various donors (foundations, individuals, corporations) who believe that quality education is a long-term investment in Bulgaria's economy and development.

The majority of Teach for Bulgaria's funding comes from a grant from the America for Bulgaria Foundation, which initiated the organisation's creation in 2010.

The Teach For Bulgaria team strives to fully and purposefully engage current donors and seek new sources of funding to ensure the long-term sustainability of the organisation.

1.1. Inspirational Leaders Charity Auction 2024

The "Inspirational Leaders Charity Auction" brings together popular public figures and business leaders in support of the work of the Teach for Bulgaria Foundation. The auction was held for the twelfth time on 5 November 2024 at the Hyatt Regency Hotel in Sofia.

Seventeen stars and representatives of over 60 companies from various business sectors took part in this unusual event. During the auction, guests bid for two hours of the time of popular personalities with impressive personal and professional stories from Bulgarian culture, the business community, the media, sports and other fields.

As supporters of the mission of "Teach for Bulgaria" all celebrities donated their time, and the representatives of the companies that won them at auction invited them to be speakers, hosts of events and workshops, team-building activities, etc.

A record BGN 482,000 was raised during the evening, which will be invested in the training, development and support of teachers and schools in the Teach for Bulgaria programmes.

1.2. Challenge Yourself for a Cause 2024

In 2024, the "Challenge Yourself for a Cause" campaign took on a new format with a digital element. Two hundred and forty employees from nine companies formed teams that set themselves the goal of walking 1,973 km in support of the Teach for Bulgariacause. The route of the competition, which participants followed digitally, introduced them to all 35 schools from the largest class to date of the "Model Schools" programme.

Teams from HP Inc, SAP Labs, LabCorp, Alorica, Sensata Technologies, Hec Solar, Broadcom, Tokuda Bank and the law firm Yordanova, Rizova & Partners took part in the competition.

The partners of the challenge were Yettel, the Athletic Fitness chain, and Dar ot Bogovete delicatessen stores, which provided prizes for the winners in the following categories:

- XIAOMI Redmi Watch 4 smartwatch for the person who covered the longest distance, provided by Yettel;
- 6 boxes of delicacies, distributed in a raffle among all donors, provided by Dar ot Bogovete stores;
- An annual gym membership for the person who made the largest donation, provided by Athletic Fitness;
- monthly gym passes for employees of the company that raised the most donations, provided by Athletic Fitness;
- weekly gym passes for everyone who made a donation, provided by Athletic Fitness.

1.3. "May Month in Support of Bulgarian Education" Campaign

In 2024, the first edition of the "May Month in Support of Bulgarian Education" campaign was held, which aims to unite businesses and individual donors in support of access to quality education for every child.

The campaign included five charity events and nine partners in a cause-related marketing format. The campaign raised over BGN 10,000.

Events:

- Discussion "Cinema in Education" with Daniel Simeonov. A graduate of the "New Way in Teaching" programme, who launched the subject "Cinema" at the Neofit Rilski Primary School in the village of Dermanci, participated as a lecturer in the event at the capital's Photosynthesis photography shop.
- Charity breakfast at Betahaus. During the event, tenants of office spaces at Betahaus met members of the Teach for Bulgaria team and had the opportunity to learn more about advocacy and the need for systemic change.
- Om Yoga charity bazaar. Long-time partners of Teach for Bulgaria from Om Yoga held a charity bazaar for clothes, the proceeds of which they donated to the cause.
- Charity quiz with Gramoten.bg at K.E.V.A. The quiz on Bulgarian cinema, literature, culture and language brought together nearly 30 enthusiasts who competed for prizes in five rounds.
- Charity Stand Up with Inside Joke at the Petak bar. The event brought together and entertained over 50 guests with humour on the topics of life, relationships and school.

Marketing with a cause:

- 3Key Rooms – BGN 10 from universal vouchers for escape rooms during May and 50% of the proceeds from games in the escape room "The Detective and the Time Machine" on 24 May.
- Betahaus - 30% of the revenue from the light package in May.
- Art.E - 20% from the "Reading Girl" mug sold in the shop during May.
- Chucky's – BGN 1 from the sale of each pack of coffee online or in the shop during May.
- Elly's Supreme Taste - 25% of sales of Nobleza del Sur olive oil for children in May.
- Miam Market - 3% of store sales in May.
- MindHub - 20% of all workshops in May.
- PlaySense - 10% of sales in May.
- Ivaylo Kunev - 10% from the sale of the book "Leaders" made through his own website in May.

1.4. Role models in 2024

The "Role Models in the Classroom" initiative gives teachers from the "Teach for Bulgaria" network the opportunity to invite business professionals and successful people into their classrooms to share their Way to success with students and inspire them. Participation in the initiative is voluntary, with role models setting aside time to visit at least one class, where they can give a presentation and stimulate discussion with students.

In 2024, 40 employees from several companies partnering with "Teach for Bulgaria" took part in the initiative - UniCredit Bulbank, Servier, Nuvolo, Cargill and Broadcom.

On 22 April 2024, employees of Pepco Bulgaria visited primary school students at 106th Primary School "Grigoriy Tsamblak" and held an interest-based workshop with the students, for which the company provided materials from its product catalogue.

1.5. Partnerships in the field of sports

In April 2024, Levski Sofia Volleyball Club launched its "Sumishlenik" donation programme, through which the club will support the mission of "Teach for Bulgaria". The partnership is for a period of two years (2024-2026) and 10% of the programme's revenue will be donated to "Teach for Bulgaria".

In December 2024, the Grigor Dimitrov Foundation announced its support for the mission of "Teach for Bulgaria" to ensure equal access to quality education for every child in Bulgaria. In support of this cause, the foundation of Bulgaria's most famous tennis player will donate significant funds for a minimum period of two years. They will be used for the "Model Schools" programme, which supports school teams in strengthening classroom teaching by making students active participants in the learning process.

2. Financial indicators

In 2024, the Foundation recognised conditional donation income of BGN 3,685 thousand (2023: BGN 3,542 thousand). Unconditional donations received in 2024 amounted to BGN 2,399 thousand (2023: BGN 1,097 thousand). The result (profit) from non-profit activities for 2024 amounted to BGN 1,832 thousand. (2023: profit of BGN 964 thousand). The result (profit) from commercial activities for 2024 is BGN 817 thousand (2023: profit of BGN 413 thousand).

3. Total remuneration received in 2024 by the members of the boards

In 2024, the members of the Board of Directors did not receive any remuneration, with the exception of the Executive Director of the Foundation, who is a full member under the Articles of Association.

4. Participation of board members in commercial companies as unlimited liability partners, ownership of more than 25% of the capital of another company, as well as their participation in the management of other companies or cooperatives as proxies, managers or board members

Name of the management body: Board of Directors

List, current as of 31 December 2024

ATANAS VELICHKOV STOYANOV, country: BULGARIA (Chairman of the Management Board) – **No participation**

ANA RADOSTINOVA YANKOVA, country: BULGARIA – **No participation**

ATANAS STOYANOV GAROV, country: BULGARIA – **Has holdings in other companies exceeding 25% of their capital**

VESELA VLADIMIROVA APOSTOLOVA-DZHELEBOVA, country: BULGARIA – **Has holdings in other companies exceeding 25% of their capital**

DANETA ANGELOVA ZHELEVA – **Has holdings in other companies exceeding 25% of their capital**

EVGENIA PEEVA-KIROVA, country: BULGARIA – **Has holdings in another company exceeding 25% of its capital**

DANIEL ATANASOV SIMEONOV, country: BULGARIA – **No holdings**

MINA DIMITROVA SAVOVA, country: BULGARIA – **Has holdings in another company exceeding 25% of its capital**

ELENA STANKOVA SCHMIDT, country: BULGARIA – **No participation**

TENKO KRASIMIROV NIKOLOV, country: BULGARIA – **Has holdings in other companies exceeding 25% of their capital**

TODOR LYUDMILOV BRECHKOV – **Has holdings in other companies exceeding 25% of their capital**

SVETOZAR GEORGIEV GEORGIEV, country: BULGARIA – **Has holdings in other companies exceeding 25% of their capital**

TRAYAN VALENTINOV TRAYANOV, country: BULGARIA – **Has holdings in another company exceeding 25% of its capital, but it is currently in the process of liquidation.**

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5. The financial instruments used by the company, and where relevant for the assessment of assets, liabilities, financial position and financial results, the following shall also be disclosed:

a) the enterprise's financial risk management objectives and policies, including its hedging policy for each major type of hedged position for which hedge accounting is applied

The Teach for Bulgaria Foundation has not developed a hedging policy, as management believes that there are no indications of such a risk arising for it.

b) the enterprise's exposure to price, credit, liquidity and cash flow risk

The Foundation is exposed to the following risks arising from the use of financial instruments:

- price risk
- currency risk
- credit risk
- liquidity risk

Price risk

The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Foundation is mainly exposed to price risk related to the value of the ETFs it holds, which fluctuates depending on market movements in the underlying index/asset.

The Board of Directors regularly monitors the market prices of the financial instruments held and takes timely action to mitigate the effects.

Currency risk

There is a risk that the fair value or future cash flows of financial instruments may change as a result of fluctuations in exchange rates. The exchange-traded funds (ETFs) held are traded in euros, but the underlying assets on which they are structured are mainly denominated in US dollars. Therefore, changes in the exchange rate of the US dollar against the Bulgarian lev may affect the value of the investment.

The Foundation monitors currency exposure and exchange rate movements and, where necessary, rebalances the portfolio to limit risk.

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss to the other party by failing to discharge a contractual obligation. For the Foundation, credit risk consists of a potential financial loss if a client or counterparty to a financial instrument fails to meet its contractual obligations. The primary sources of credit risk are investments in financial instruments. An investment in an ETF represents a collective investment instrument listed on a stock exchange, and the risk of counterparty default is considered negligible.

The Foundation limits its credit risk by concentrating its cash and payment transactions in a first-class commercial bank with a high reputation and stable liquidity, which limits the risk to cash and cash equivalents.

Liquidity risk

Liquidity risk is the risk that the Foundation may encounter difficulties in meeting its obligations related to financial liabilities that are to be settled in cash or other financial assets. The ETFs held are traded on a regulated market with high liquidity, so the risk of difficulties in their realisation is low.

The Foundation provides the necessary liquid resources through financial planning covering a period of 60 days and ensuring coverage of current expenses and liabilities, including the servicing of financial liabilities.

Additional information on financial risks is included in the financial statements in Note 5 Financial Risk Management.

EVENTS AFTER THE DATE OF THE INDIVIDUAL FINANCIAL STATEMENT

No significant events have occurred after the reporting period date that would requires additional adjustments and/or disclosures in the Foundation's financial statements for the year ended December 31, 2024.

BRANCHES

The Foundation has no branches.

RESEARCH AND DEVELOPMENT

In 2024, the Foundation did not engage in any research and development activities.

MANAGEMENT RESPONSIBILITY

According to Bulgarian law, management should prepare an individual financial statement for each financial year that gives a true and fair view of the Foundation's position at the end of the year, its financial results and cash flows. The separate financial statements are prepared in accordance with the National Accounting Standards (NAS) applicable in Bulgaria.

Management confirms that it has consistently applied appropriate accounting policies in preparing the separate financial statements as at 31 December 2024 and has made reasonable and prudent judgements, assumptions and estimates.

Management also confirms that it has complied with the applicable accounting standards, and the separate financial statements have been prepared on a going concern basis.

Management is responsible for the proper maintenance of accounting records, the appropriate management of assets and the implementation of the necessary measures to prevent and disclose any fraud and other irregularities.

Management confirms that in preparing this individual activity report, it has presented a true and fair view of the development and results of the Foundation's activities for the past period, as well as its condition and the main risks it faces.

Management has approved the individual activity report and the individual financial statements for 2024 for publication.

Trayan Trayanov

Executive Director

Date: 26 September 2025

"Заедно в час"
Teach For Bulgaria

II.

Independent Auditor's Report

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This document is a translation of the original text in Bulgarian, in case of divergence the Bulgarian original is prevailing.

INDEPENDENT AUDITOR'S REPORT

To the Management board of

TEACH FOR BULGARIA FOUNDATION

Opinion

We have audited the separate financial statements of TEACH FOR BULGARIA FOUNDATION („the Foundation "), which comprise the separate balance sheet as of 31 December 2024, and the separate income statement for non-profit activities, separate income statement for business activities, separate statement of changes in equity and separate statement of cash flows for the year then ended, and notes to the separate financial statements, including summary of material accounting policies.

In our opinion, the accompanying separate financial statements give true and fair view of the financial position TEACH FOR BULGARIA FOUNDATION as of 31 December 2024, and of its financial performance and its cash flows for the year then ended in accordance with National Accounting Standards (NAS), applicable in Bulgaria.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the separate financial statements* section of our report. We are independent of the Foundation within the meaning of the *International Code of Ethics for Professional Accountants (including International Independence Standards)* issued by International Ethics Standards Board for Accountants (IESBA Code) and the Independent Financial Audit and Assurance on Sustainability Reporting Act (IFAASRA) applicable to our audit of the financial statements in Bulgaria and we have also fulfilled our other ethical responsibilities in accordance with the requirements of IFAASRA and IESBA Code.

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

Other information, different from separate financial statements and auditors report
Management is responsible for the other information. Other information, which we have received before the date of our auditor`s report consist of Annual activity report, prepared by management in accordance with Chapter Seven from Accountancy Act, but does not include the separate financial statements and our auditor`s report.

Our opinion on the separate financial statements does not cover the other information and we do not express any form of assurance thereon, unless if it is explicitly stated in our report, and to the extent it is stated.

In connection with our audit of the separate financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the separate financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Additional matters for reporting required by Accountancy Act
In addition to our reporting requirements in accordance with ISA, related to the Annual activity report, we have performed the procedures added to those required by the ISAs, in accordance with guidelines of the professional organization of Certified Public Accountants and Registered Auditors in Bulgaria - Institute of Certified Public Accountants (ICPA). These procedures comprise checks on the existence, as well as checks of the form and content of this other information with the purpose to support us in forming of opinion, whether the other information includes the disclosures and reporting requirements, provided in Chapter Seven of the Accountancy Act, applicable in Bulgaria.

Opinion in accordance with Art. 37, para. 6 of Accountancy Act
On the basis of the procedures performed, our opinion is that:
a) The information, included in the Activity report for the financial year is consistent with the separate financial statements for the same reporting period.
b) The Activity report has been prepared in accordance with the requirements of Chapter Seven from the Accountancy Act.

Responsibilities of management for the separate financial statements
Management is responsible for the preparation and fair presentation of these separate financial statements in accordance with NAS, applicable in Bulgaria and for such internal control as management determines is necessary to enable the preparation of separate financial statements that are free from material misstatement, whether due to fraud or error.

During the preparation of the separate financial statements management has the responsibility to make an assessment regarding Foundation`s ability to continue as going concern, and to disclose when it is applicable, questions related to the going concern assumption and to using the accounting framework based on going concern assumption, unless management either intends to liquidate the Foundation or to cease operations or has no realistic alternative but to do so.

Auditor`s responsibilities for the audit of the separate financial statements
The objectives of our audit are to obtain reasonable assurance about whether the separate 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these separate financial statements.

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

— Identify and assess the risks of material misstatement of the separate 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 Foundation'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 Foundation'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 separate 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 Foundation to cease to continue as a going concern.

— Evaluate the overall presentation, structure and content of the separate financial statements, including the disclosures, and whether the separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the management, 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.

Audit company Baker Tilly Klitou and Partners EOOD, № 129:

Galina Lokmadjieva-Nedkova
Registered Auditor, responsible for the audit
Managing Director
Baker Tilly Klitou and Partners EOOD
5, Stara Planina Str., 5th floor
Sofia 1000, Bulgaria

26 September 2025
Sofia

III.

Financial Statements
for the year ended December 31st, 2024

Income Statement for Non-profit Activities for 2024

Expenses	Note	2024 *In thousands of BGN*	2023 *In thousands of BGN*
I. Operating expenses			
A. Regulated activity expenses			
1. Donations	6.1	720	401
2. Other expenses	6.2	145	149
Total A:		**865**	**550**
B. Administrative expenditure	7	**3,344**	**3,090**
Total I:		**4,209**	**3,640**
II. Financial costs			
3. Other financial transaction costs	8	57	45
Total II:		**57**	**45**
III. Total expenses		**4,266**	**3,685**
IV. Total financial result, including:		**1,832**	**964**
Profit from non-profit activities		*1,832*	*964*
V. Total		**6,098**	**4,649**

Revenues	Note	2024 *In thousands of BGN*	2023 *In thousands of BGN*
I. Operating income			
A. Regulated activity revenue			
1. Income from conditional grants	9.1	3,685	3,542
2. Income from unconditional grants	9.2	2,399	1,097
3. Other income			2
Total I:		**6,084**	**4,641**
II. Financial income			
4. Foreign currency exchange gains	10.1	14	8
Total II:		**14**	**8**
III. Loss from non-profit activities		**-**	**-**
IV. Total revenues		**6,098**	**4,649**
V. Total		**6,098**	**4,649**

The Income Statement for Non-profit Activities shall be considered in conjunction with the notes to the Financial Statements on pages 7 to 25, being an integral part of these Separate Financial Statements.
These financial statements were prepared on 26.09.2025 and approved and signed by the Executive director on 26.09.2025.

Trayan Trayanov
Executive Director

V & M Company Ltd
Ivan Radoslavov Milev, *Manager*
Preparer

Audit company Baker Tilly Klitou and Partners EOOD, № 129:
Galina Lokmadjieva-Nedkova
Registered auditor, responsible for the audit
Managing director
Date: 26 September 2025

This document is a translation of the original Bulgarian text, in case of divergence the Bulgarian original shall prevail.

Income Statement for Business Activities for 2024 year

Expenses	Note	2024 *In thousands of BGN*	2023 *In thousands of BGN*
A. Expenses			
1. Decrease in inventory		-	-
2. Materials and hired services expenses, incl.:		**148**	**64**
(a) materials and supplies	11.1	5	10
(b) hired services	11.2	143	54
3. Personnel costs, incl.:	11.3	**154**	**67**
(a) remuneration costs		129	57
(b) social security costs		25	10
4. Other expenses	11.4	5	3
Total operating expenses		**307**	**134**
5. Impairment costs of financial assets, including investments recognized as current (short-term) assets, including:		**183**	**-**
- negative differences from exchange rate changes		-	-
6. Interest and other financial expenses of which:		**34**	**326**
- negative differences from operations in financial assets		34	326
Total financial expenses	11.5	**217**	**326**
Total expenses		**524**	**460**
7. Accounting profit (total income - total expenses)		**826**	**418**
8. Income tax expense		9	5
9. Net profit for the year (7 – 8)		**817**	**413**
Total ***(Total expenses + 8 + 9)***		1,350	**878**

Revenue	Note	2024 *In thousands of BGN*	2023 *In thousands of BGN*
B. Revenue			
1. Net sales revenue, including:		**423**	**182**
(a) goods		2	2
(b) services		421	180
2. Other income		**1**	**-**
Total operating revenue	12.1	**424**	**182**
3. Other interest and financial income of which:	10.2	**926**	**696**
positive differences from operations in financial instruments	10.2	922	688
Total financial income		**926**	**696**
Total revenue		**1,350**	**878**
4. Accounting loss (total revenue - total expenses)		-	-
5. Net loss for the year (4 + 8A)		-	-
Total ***(Total revenue + 5)***		1,350	**878**

The Income Statement for Business Activities shall be considered in conjunction with the notes to the Financial Statements on pages 7 to 25, being an integral part of these Separate Financial Statements.
These financial statements were prepared on 26.09.2025 and approved and signed by the Executive director on 26.09.2025.

Trayan Trayanov
Executive Director

V & M Company Ltd.
Ivan Radoslavov Milev, Manager
Preparer

В и М КОМПАНИЯ ООД * София Sofia * V & M COMPANY Ltd.

Audit company Baker Tilly Klitou and Partners EOOD, № 129:
Galina Lokmadjieva-Nedkova
Registered auditor, responsible for the audit
Managing director
Date: 26 September 2025

This document is a translation of the original Bulgarian text, in case of divergence the Bulgarian original shall prevail.

Balance sheet as at 31 December 2024

	Note	31.12.2024 In thousands of BGN	31.12.2023 In thousands of BGN
ASSET			
A. Non-current (long-term) assets			
I. Intangible assets			
1. Iintellectual property rights		4	1
Group I total:	14	**4**	**1**
II. Long-term tangible assets			
1. Fixtures and fittings		16	26
2. Vehicles		-	1
Group II total:	13	**16**	**27**
III. Investments			
1. Shares in group companies	22.1	3	3
Group III total:		**3**	**3**
Section A total:		**23**	**31**
B. Current (short-term) assets			
I. Inventories			
1. Goods		6	6
Group I total:		**6**	**6**
II. Receivables			
1. Receivables from customers	15, 23	-	7
2. Other receivable	15	18	20
Group II total:	15	**18**	**27**
III. Investments			
1. Shares in group companies		-	-
2. Financial assets	22.2	6,474	4,408
Group III total:		**6,474**	**4,408**
IV. Cash and cash equivalents, including:			
- in current bank accounts (deposits)	16	3,245	1,223
Group IV total:		**3,245**	**1,223**
Section B total:		**9,743**	**5,664**
C. Deferred expenses	17	**48**	**33**
TOTAL ASSETS		**9,814**	**5,728**

	Note	31.12.2024 In thousands of BGN	31.12.2023 In thousands of BGN
LIABILITY			
A. Equity			
I. Reserves			
1. Reserve as per incorporation act	18	1	1
2. Other reserves from prior years	18	5,213	3,836
3. Financial result of the current year		2,649	1,377
Group I total:		**7,863**	**5,214**
Section A total:		**7,863**	**5,214**
B. Payables			
1. Payables to suppliers *up to 1 year*	19	19	27
2. Payables to related parties *up to 1 year*	23	-	-
3. Other payables up to 1 year, including:	20	130	53
– Payable to personnel, up to 1 year		52	35
– Social security payables up to 1 year		57	5
– Tax payables up to 1 year		21	11
- Other payables up to 1 year.		-	2
Section B total:		**149**	**80**
C. Financing	21	**1,802**	**434**
TOTAL LIABILITIES		**9,814**	**5,728**

The Balance sheet shall be considered in conjunction with the notes to the Financial Statements on pages 7 to page 25, being an integral part of these Separate Financial Statements.
These financial statements have been prepared on 26.09.2025 and approved and signed by the Executive director on 26.09.2025.

Trayan Trayanov
Executive Director

V & M Company Ltd.
Ivan Radoslavov Milev, *Manager*
Preparer

Audit company Baker Tilly Klitou and Partners EOOD, № 129:
Galina Lokmadjieva-Nedkova
Registered auditor, responsible for the audit
Managing director
Date: 26 September 2025

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Equity Statement for 2024

	Note	Reserve as per incorporation act In thousands of BGN	Other reserves In thousands of BGN	Financial result of the current year In thousands of BGN	Total In thousands of BGN
1. Balance as at 1 January 2024		**1**	**3,836**	**1,377**	**5,214**
2. Financial result for the year, including:		**-**	**-**	**2,649**	**2,649**
- financial result from business activity		-	-	*817*	*817*
- financial result from non-profit activities		-	-	*1,832*	*1,832*
3. Transfer to other reserves		-	**1,377**	**(1,377)**	-
4. Balance as at 31 December 2024	18	**1**	**5,213**	**2,649**	**7,863**

The Equity statement shall be considered in conjunction with the notes to the Financial Statements on pages 7 to page 25, being an integral part of these Separate Financial Statements. These financial statements have been prepared on 26.09.2025 and approved and signed by the Executive director on 26.09.2025.

Trayan Trayanov
Executive Director

V & M Company Ltd.
Ivan Radoslavov Milev, *Manager*
Preparer

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Cash flow statement
for 2024 year

Name of streams *In thousands of BGN*	**Note**	**2024**	**2023**
I. Cash and cash equivalents at the beginning of the year		**1,223**	**2,582**
II. Cash flows from non-profit activities			
A. Proceeds from non-profit activities			
1. Conditional grants received		4,969	2,610
2. Unconditional grants received		2,398	1,097
3. Other proceeds		10	7
Total proceeds from non-profit activities		**7,377**	**3,714**
B. Payments for non-profit activities			
1. Payments for grants		(720)	(401)
2. Payments related to personnel and social security		(2,134)	(1,833)
3. Payments for services		(1,295)	(1,351)
4. Payments on banking and foreign exchange transactions		(43)	(40)
5. Other payments		(1,546)	(1,822)
Total payments for non-profit activities		**(5,738)**	**(5,447)**
C. Net cash flow from non-profit		**1,639**	**(1,733)**
III. Cash flows from business activities			
A. Proceeds from business activities			
1. Payments for services		617	665
2. Other payments		151	6
All business receipts		**768**	**671**
B. Payments for business			
1. Payments for services		(184)	(188)
2. Salaries and social security contributions paid		(143)	(67)
4. Other payments		(58)	(42)
Total payments for business activities		**(385)**	**(297**
C. Net cash flows for business activities		**383**	**374**
IV. Cash and cash equivalents at 31 December	16	**3,245**	**1,223**
V. Change in cash and cash equivalents for the year		**2,022**	**(1,359)**

The Cash flow statement shall be considered in conjunction with the notes to the Financial Statements on pages 7 to page 25, being an integral part of these Separate Financial Statements.
These financial statements have been prepared on 26.09.2025 and approved and signed by the Executive director on 26.09.2025.

Trayan Trayanov
Executive Director

V & M Company Ltd.
Ivan Radoslavov Milev, *Manager*
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Audit company Baker Tilly Klitou and Partners EOOD, № 129:
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Notes to the financial statement

1. Statute and subject of activity

Teach For Bulgaria Foundation (the "Foundation") was founded in July 2010 as a non-profit legal entity working for the benefit of society. The Foundation is registered as a non-profit legal entity by Decision No 1 of 04.08.2010 under company case 460/2010 of the Sofia City Court with UIC under BULSTAT 175935973.
The headquarters and registered office of the Foundation is Sofia 1124, Yavorov Blvd. 23 Tsarigradsko Shose Str.

The main non-profit activity of the Foundation is focused on:

- Working towards improvement of the access to high quality education for every child, regardless of school they go to, location and the financial ability of the parents;
- Supporting and training teachers, developing school teams and building partnerships for the introduction of good practices in the education system;
- Maintaining a strong community of current participants and alumni of its programs and key partners from all sectors to sustainably support access to quality education for every Bulgarian child.

In addition to its main non-profit activity, the Foundation may also perform additional business activity that is related to its main objectives. Such business activity may be related to the provision of educational and consulting services, information and publishing, expert support and technical assistance in the field of education, organizing and conducting educational events, receiving interest, rents and other proceeds from the property of the Foundation, as well as carrying out other auxiliary activities not prohibited by law and related to the achievement of the objectives of the Foundation. Income generated from additional business activity will be used solely to achieve the Foundation's objectives and is not subject to distribution as profit.

The governing bodies of the Foundation are the Management Board and the Executive Director.
As of 31 December 2024, the employees employed by the Foundation under an employment contract are 47 (31 December 2023: 39).

2. Basis for preparation

(a) Expression for conformity

The financial statements of Teach For Bulgaria Foundation have been prepared in accordance with the Accountancy Act and the National Accounting Standards (NAS), applicable in Bulgaria.
The financial statements were approved by the Management Board and Executive Director on 26th September, 2024.
The foundation does not prepare consolidated financial statements, applying the small groups relief provided in Article 32 of the Accounting Act.

(b) Measurement base

The Financial Statements have been prepared in accordance with the historical cost principle.
The Financial Statements have been prepared in accordance with the going concern principle.

Notes to the financial statements

2. Basis for preparation (continued)

(c) Functional currency and presentation currency

The Foundation is presenting comparative information for one preceding year in these Financial Statements. The financial information presented in Bulgarian levs has been rounded to the nearest thousand.

(d) Comparative data

The Foundation shall provide comparative information in this financial statement for one previous year. Where necessary, comparative data have been reclassified (and restated) to achieve comparability against changes in presentation in the current year.

(e) Estimates and assumptions

The presentation of Separate Financial Statements according to national accounting standards requires the management to make best estimates, accruals and reasonable assumptions that have an effect on the reported values of assets and liabilities, income and expenses, and on the disclosure of contingent assets and liabilities as at the reporting date. These estimates, accruals and assumptions are based on the information available at the date of the Separate Financial Statements and, therefore, future actual results may differ.

3. Material accounting policies

The Material accounting policies presented below have been applied consistently throughout the periods presented in the Separate Financial Statements.

(a) Foreign currency operations

Foreign currency transactions are translated to the functional currency using the exchange rate prevailing on the transaction date. Monetary assets and liabilities denominated in foreign currencies are translated to the functional currency using the closing exchange rate on the balance sheet date. Foreign exchange gains or losses arising on monetary items represent the difference between the amortised amounts in functional currency at the beginning of the period, adjusted to reflect the effective interest rate and the payments made during the period and the amortised amounts in foreign currency, translated into the functional currency using the exchange rate prevailing at the end of the period. Non-monetary assets and liabilities measured at historical cost in foreign currency are translated to the functional currency using the exchange rate prevailing on the date of the original transaction (acquisition).

Foreign exchange differences arising from the translation to the functional currency are recognised in the Income Statement.

The exchange rate of the Bulgarian lev (BGN) has been pegged to the Euro (EUR) since 1999. The exchange rate is BGN 1.95583 / EUR 1.0.

(b) Financial instruments

A financial instrument is any contract simultaneously giving rise to both a financial asset in one enterprise and a financial liability or equity instrument in another enterprise.

Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and deposits with original maturity up to 3 months.

Accounting for finance income and expenses is disclosed in Note 3 (n).

Notes to the financial statements

3. Material accounting policies (continued)
(b) Financial instruments (continued)

Receivables

Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted on an active market. Following initial recognition the Foundation measures receivables held to maturity at amortised cost, using the effective interest rate method, less any allowance for impairment.

Gains and losses on receivables are recognized in the profit and loss account when receivables are written off or impaired.

(c) Tangible fixed assets

(i) Recognition and evaluation

Tangible assets are carried at cost less any accumulated depreciation and impairment losses.

The cost includes all expenses directly associated with the acquisition of the asset. The cost of assets constructed by the Foundation includes expenses on materials and labor, all other costs to bring the asset to a condition suitable for its envisaged use, as well as any decommissioning and site recovery costs. Software, without which equipment acquired cannot operate, is capitalized as part of such equipment. Borrowing costs related to the acquisition or construction of qualifying assets are recognised in the Income Statement as incurred.

When items of tangible assets comprise components having different useful lives, such components are accounted for individually.

(ii) Consequential expenditure

Subsequent costs incurred in order to replace a portion of an asset of the tangible assets are capitalized in the asset concerned only when it is probable that the enterprise will receive economic benefits in the future associated with that part of the asset and the costs can be measured reliably. The carrying amount of the replaced part is derecognised. Servicing costs related to the daily maintenance of the asset are recognised in the Separate Income Statement as expenditures at the time they are incurred.

Gains or losses upon derecognition of the asset (being the difference between the net proceeds from the sale, if any, and the carrying amount of the asset) are taken to the Income Statement when the asset is derecognised.

(iii) Depreciation

Depreciation is charged to the Income Statement on the basis of the straight-line depreciation method over the estimated useful life of tangible fixed assets that are carried individually.

The estimated useful lives during the current and the prior period are as follows:

- Computer equipment 2 years
- Motor vehicles 4 years
- Other FTAs 3 years

Notes to the financial statements

3. Material accounting policies (continued)

(c) Tangible fixed assets (continued)

(iii) Depreciation(continued)

The depreciation methods, useful lives and residual amounts of the assets are reviewed at each Financial statements date.

As at 31 December 2024 and 31 December 2023, the Foundation had no tangible fixed assets acquired for business purposes.

(d) Intangible assets

(i) Recognition

Intangible assets acquired by the Foundation and having a limited duration of use shall be recorded at acquisition cost less accumulated depreciation and accumulated impairment losses.

(ii) Consequential expenditure

Costs related to the maintenance of intangible assets are capitalized only when the future economic benefit of the asset increases. All other costs are recognized as an expense at the time of their occurrence

(iii) Amortization

Amortization is charged to the income statement on the basis of the straight-line amortization method over the estimated useful life of the intangible asset.

The useful lives of intangible assets are finite.

Intangible assets are amortized over their estimated useful lives and are tested for impairment when indications exist that their values may be impaired. The Foundation reviews the useful lives and amortization methods of intangible assets at least at the end of each financial year. Changes in the estimated useful lives or patterns of consumption of the future economic benefits of the intangible asset are accounted for through a change in the amortization period or method and are treated as changes in accounting estimates.

Gains or losses upon the derecognition of an intangible asset, representing the difference between the net proceeds from the disposal, if any, and the carrying amount of the asset are taken to the income statement, when the asset is derecognised.

The estimated useful lives are as follows:

- Software 2 years

As of December 31, 2024, there are no intangible assets in progress and there are no long-term intangible assets acquired for business purposes. As of December 31, 2023, there are intangible assets in progress and there are no long-term intangible assets acquired for business purposes.

(e) Leased assets

Lease contracts, which transfer to the Foundation all significant risks and rewards from the ownership over the asset, are classified as finance leases. Upon initial recognition the leased assets are accounted for at the lower of their fair value and the present value of the minimum lease payments. Following initial recognition, the asset is carried in accordance with the accounting policies applicable to the respective asset.

Other lease contracts represent operating leases where the leased assets are not recognised on the Foundation's balance sheet.

Notes to the financial statements

3. Material accounting policies (continued)

(f) Inventories

Inventories are carried at the lower of their cost and their net realizable value. The cost of inventories is based on the weighted average cost method and includes costs incurred on their acquisition and costs incurred to bring the inventories to their current location and condition.

The net realizable value is the expected selling price in the ordinary course of business, less any estimated costs for completion and costs to make the sale.

(g) Impairment

***(i)* Financial assets**

The Foundation reviews the carrying amounts of its financial assets at each balance sheet date in order to assess whether indications for impairment exist. A financial asset is impaired if objective evidence exist that one or more events have had adverse impact on the expected future cash flows from the asset.

Impairment losses on financial assets carried at amortised cost represent the differences between their book values and the present value of the future cash flows, discounted using the original effective interest rate. Impairment losses on available-for-sale financial assets are estimated using the assets' fair values.

Financial assets that are significant individually are tested for impairment individually. All other financial assets are assessed collectively in groups that have similar credit risk features.

Impairment losses are recognised in the income statement.

Impairment losses are reversed only when the reversal can be objectively associated with an event occurring after the recognition of the impairment loss.

***(ii)* Non-financial assets**

The carrying amounts of non-financial assets held by the Foundation, other than inventories and deferred tax assets, are reviewed at each balance sheet date to assess whether indications that the assets may be impaired exist. If any such indications exist the asset's recoverable amounts are assessed.

Impairment losses are recognized if the carrying amounts of the assets exceed their recoverable amounts. Impairment losses are recognized directly in the income statement.

(h) Employee benefits

(i) Defined contribution plans

The Government of Bulgaria is responsible for providing pensions under defined contribution plans. Expenditure on the Foundation's commitment to contribute to defined contribution plans shall be recognized in the profit and loss account when they arise.

***(ii)* Paid annual leave**

The Foundations recognizes as a liability the undiscounted amount of the estimated paid annual leaves expenses, which are expected to be paid to the employees in exchange for their services during the past reporting period.

(iii) Retirement benefits

The Foundation has an obligation to pay an income upon leaving those of its employees who retire in accordance with the requirements of Art. 222, §. 3 of the Labour Code (LC). At the balance sheet date, management estimates the potential cost of all employees and, if material to the financial statements, charges it.

Notes to the financial statements

3. Material accounting policies (continued)

(i) Provisions

A provision is charged in cases where the Foundation has a legal or constructive obligation as a result of past events, and it is probable that the settlement of the obligation will be realized at the expense of an outflow of economic benefits. Provisions are determined by discounting expected future cash flows on a pre-tax interest rate basis that reflects the current market value of money over time and the risks specific to the liability.

(j) Investment

Held-to-maturity investments are initially valued as the sum of their fair value plus transaction costs. For subsequent valuation, the Foundation uses the depreciable value using the effective interest method.

Financial assets held for trading are those that are acquired by the Foundation for the purpose of obtaining a profit arising from short-term fluctuations in prices or in dealer margin. After the initial recognition, the Foundation evaluates at fair value, which is not adjusted by the expected costs of the sale or other types of exemptions, of the financial assets classified as: a) financial assets held for trading b) financial assets announced for sale.
Income and expenses reported from investments acquired with funds from non-profit activity are reported in profits and losses from non-profit activity.

(k) Revenues

Depending on whether the Foundation's objective is to generate profits, revenue is classified as revenue from business activities or from non-profit activities.

(i) Income from donations and grants

Grants represent funds received for the purpose of carrying out activities related to the Foundation's objectives and these are either linked to specific conditions (for example implementation of projects and budgets) or not. Conditional grants include grants related to depreciable assets and grants related to current operating activities. Grants related to depreciable assets are recognised as income pro-rata to the depreciation charge of the assets acquired from the grant, accrued over the respective period. Grants related to non-depreciable assets are recognised as income in the periods when the expenses related to the fulfilment of the conditions under the grant are incurred. Conditional grants received, related to the operating activities of the Foundation, are recognised as income in the current period up to the portion utilized, i.e. up to the amount of the expenses incurred on the respective project during the current period. Conditional grants not utilized as at the year-end are recognised in the balance sheet of the Foundation as a current or non-current liability on non-utilized financing, depending on the expected timing of their utilization.

Notes to the financial statements

3. Material accounting policies (continued)

(k) Revenues (continued)

(i) Income from donations and grants (continued)

Unconditional grants received are recognised as an income in full at the time of their receipt.

The Foundation applies internal rules for classification of grants received as conditional or unconditional. If separate financial statements are submitted to the donor, the Foundation classifies the grant as conditional. As part of long term partnership strategy, fundraising and goodwill, *Teach for Bulgaria* Foundation creates an individual budget plan by cost to be covered by the respective partner, although such specifics might not be stated in the grant contract.

In case the grant received is not reported in an individual report to the donor and its utilization is not subject to any written or oral restrictions by the donator, the Foundation classifies the grant as unconditional.

(ii) Revenue from the sale of goods

Revenue from the sale of goods is recognised at the fair value of the consideration received or receivable, less any goods returned, discounts or rebates extended. Revenue from the sale of goods is recognised in the profit or loss when the significant risks and rewards related to the ownership rights are transferred to the buyer, receipt of the consideration is probable, the related costs and possible returns of goods can be measured reliably, there is no continuing involvement in the management of the goods and the revenue can be measured reliably.

(iii) Revenue from services rendered

Revenue from services rendered is recognised in the profit or loss proportionally to the stage of completion of the transaction as at the reporting date. The stage of completion is determined by reference to the analysis of the work carried out.

(l) Expenses

Expenses are recognised as incurred in compliance with the accruals and matching principles. Initially expenses are accounted for by economic elements and are subsequently taken to business and non-profit activities depending on their functional purpose.

(m) Payments on lease contracts

Payments on operating lease contracts are recognised in the income statement on a straight-line basis over the term of the lease contract. External benefits received are recognised in the income statement as integral part of the total lease costs.

Initial direct expenses incurred specifically in relation to the generation of operating lease revenue are recognised in the income statement in the period they were incurred.

The minimum lease payments on financial lease contracts are split between finance charges and the reduction of the outstanding liabilities. Finance charges are allocated over the term of the lease contract so as to achieve even periodic interest rate on the residual amount of the liability. Potential lease payments are accounted for based on an assessment of the minimum lease payments over the remaining term of the lease, when an adjustment in the lease has been confirmed.

Notes to the financial statements

3. **Material accounting policies (continued)**

(n) **Financial income and expenses**

Financial income includes interest income on funds invested and gain on transactions in foreign currencies. Interest income is recognised as accrued under the effective interest rate method.

Financing costs include interest expenses, expenses resulting from the increase in the liability due to moving with one period closer to the date set for the utilization of provision, and impairment of financial assets. All costs related to interest payable on loans are recognised as profit or loss using the effective interest rate method.

(o) **Income tax**

The Foundation calculates income tax on the financial result from business activities. The income tax for the year comprises current and deferred taxes. Income tax is recognised in the separate income statement with the exception of that related to items recognised directly in equity.

Current tax is the expected tax payable on the taxable profit for the year, calculated using the tax rates in effect as at the Separate Balance Sheet dates, including certain adjustments in the tax due, related to prior years, if any.

Deferred taxes are recognised for assets and liabilities classified as assets and liabilities from the Foundation's business activities. They are determined using the liability method on all temporary differences existing between the carrying amounts of assets and liabilities for Separate Financial statement purposes and their tax bases. Deferred taxes are measured based on the expectation that they will be utilized or deducted, using the tax rates that are applicable at the balance sheet date.

Deferred tax assets are recognised only to the extent it is possible that future taxable profits will be available against which the unused tax losses and credits can be utilized. Deferred taxes are written down with an amount equal to those, for which it is no longer probable that future benefits will be available to utilize them against.

The Foundation calculates income tax on the financial result from business activities. The income tax for the year comprises current and deferred taxes. Income tax is recognised in the separate income statement with the exception of that related to items recognised directly in equity.

As at 31 December 2024 and 31 December 2023 the Foundation did not charge deferred taxes because it did not identify temporary differences between the amount for accounting and tax purposes of the assets and liabilities arising from business.

4. **Fair value measurement**

Certain accounting policies and disclosures require measurement of the fair values of financial assets and liabilities. Fair values have been determined for accounting and disclosure purposes based on the following methods. Where applicable, additional information is disclosed in the notes as to the assumptions made in determining the fair values of the specific asset or liability.

Trade and other receivables

The fair values of trade and other receivables are determined as the present value of the future cash flows, discounted using a market interest rate as at the balance sheet date.

Notes to the financial statements

5. Financial risk management

The Foundation is exposed to the following risks arising from the use of financial instruments:

- price risk
- currency risk
- credit risk
- liquidity risk

This note includes information as to the Foundation's exposure to each of the above risks, the objectives of the Foundation, the policies and processes to assess and manage risk, and the Foundation's cash management. Additional quantitative disclosures are included in the notes to the Separate Financial statements.

The management is responsible to identify and manage the risks that the Foundation is facing. This policy sets certain limits with respect to the risks undertaken by type, defines rules to control the risks and the compliance with the limits set. These policies are reviewed periodically in order to reflect the changes in the market environment and the Foundation's operations.

Price risk

The risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices. The Foundation is mainly exposed to price risk related to the value of the ETFs it holds, which fluctuates depending on market movements of the underlying index/asset.

The Board of Directors regularly monitors the market prices of the financial instruments held and takes timely action to mitigate the effects.

Currency risk

There is a risk that the fair value or future cash flows of financial instruments may change as a result of fluctuations in exchange rates. The exchange-traded funds (ETFs) held are traded in euros, but the underlying assets on which they are structured are mainly denominated in US dollars. Therefore, changes in the exchange rate of the US dollar against the Bulgarian lev may affect the value of the investment. The Foundation monitors currency exposure and exchange rate dynamics and, if necessary, rebalances the portfolio to limit risk.

Credit risk

Credit risk represents the risk that one party to a financial instrument will cause a financial loss to the other party by failing to discharge a contractual obligation. For the Foundation, credit risk consists of the potential financial loss if a client or counterparty to a financial instrument fails to meet its contractual obligations. The primary sources of credit risk are investments in financial instruments. An investment in an ETF represents a collective investment instrument listed on an exchange, and the risk of counterparty default is considered negligible.

The Foundation limits the credit risk by concentrating its cash and payment transactions in a first-rate commercial bank with high reputation and stable liquidity, which limits the risk for cash and cash equivalents.

Notes to the financial statements

5. Financial risk management (continued)

Credit risk (continued)

Carrying amount of financial assets represents the maximum credit exposure. The maximum credit exposure at the balance sheet date is:

In thousands of BGN

	December 31, 2024	December 31, 2023
Cash and cash equivalents	3,245	1,223
Receivables from third parties	13	19
Financial assets	6,474	4,408
	9,732	**5,650**

Liquidity risk

Liquidity risk is the risk that the Foundation will encounter difficulties in meeting its obligations related to financial liabilities that should be settled in cash or other financial assets. The ETFs held are traded on a regulated market with high liquidity, therefore the risk of difficulties in their realization is low.

The Foundation ensures the necessary liquid resources through financial planning covering a period of 60 days and guarantees coverage of current expenses and obligations, including servicing financial liabilities.

Below are the contractual maturities of financial liabilities, including expected interest payments, excluding the effect of netting arrangements:

December 31, 2024

In thousands of BGN	Carrying amount	Contractual cash flows	Up to 6 months	6-12 months	1-2 years	2-5 years	More than 5 years
Trade payables	19	(19)	(19)	-	-	-	-
	19	(19)	(19)	-	-	-	-

December 31, 2023

In thousands of BGN	Carrying amount	Contractual cash flows	Up to 6 months	6-12 months	1-2 years	2-5 years	More than 5 years
Trade payables	27	(27)	(27)	-	-	-	-
	27	(27)	(27)	-	-	-	-

Impairment losses

The Foundation monitors for indications of impairment. As of December 31, 2024, and December 31, 2023 no such indications were identified and no impairment was recognised.

Notes to the financial statements

6. Regulated activity expenses:

6.1. Donation costs

In thousands of BGN

	2024	2023
Costs of donations made	720	401
	720	**401**

6.2. Other expenses

In thousands of BGN	2024	2023
Business trips	117	116
Other expenses	28	33
	145	**149**

7. Administrative expenses of which:

7.1. Expenses on materials

In thousands of BGN

	2024	2023
Stationery and office consumables	10	23
Expenses on training and project activities	16	5
Expenses on spare parts for cars	-	2
	26	**30**

7.2. Expenses on hired services

In thousands of BGN

	2024	2023
Expenses on remuneration of teachers	291	346
Expenses related to project activity	643	628
Office and communications expenses	145	193
	1,079	**1,167**

7.3. Personnel costs

In thousands of BGN

	2024	2023
Salaries and wages costs	1,881	1,595
Social security and allowances costs	310	267
	2,191	**1,862**

The average number of the Foundation's personnel for 2024 was 45 people (2023: 41 people).

Notes to the financial statements

7.4. Expenses for taxes, fees, etc.

In thousands of BGN

	2024	2023
Expenses for taxes, fees, etc.	30	9
	30	**9**

7.5. Depreciation costs

In thousands of BGN

	2024	2023
Depreciation	18	22
	18	**22**

Total administrative expenses	**3,344**	**3,090**

8. Other expenses on financial operations

In thousands of BGN

	2024	2023
Bank charges	16	11
Foreign currency exchange losses	41	34
	57	**45**

9. Regulated activity revenue:

9.1. Income from conditional grants

In 2024, the Foundation recognized income from a conditional grant (financing) of BGN 3,685 thousand (2023: BGN 3,542 thousand).

9.2. Income from non-conditional donations

The non-conditional grants received in 2024 are BGN 2,399 thousand (2023: BGN 1,097 thousand).

10. Foreign currency exchange gains

10.1. Foreign currency exchange gains are in result of transactions in foreign currency. In 2024 they were at the amount of BGN 14 thousand (2023: BGN 8 thousand).

10.2. Income from transactions with financial assets

	2024	2023
Positive differences from transactions with financial assets	922	688
Interest income	4	8
	926	**696**

Notes to the financial statements

11. Expenses for business activities

11.1. Materials and supplies

In thousands of BGN

	2024	2023
Expenses on training and project activities	5	10
	5	**10**

11.2. Expenditure on external services

In thousands of BGN

	2024	2023
Expenses on remuneration of teachers	54	9
Expenses related to project activities	89	45
	143	**54**

11.3. Personnel costs

In thousands of BGN

	2024	2023
Salaries and wages costs	129	57
Social security and allowances costs	25	10
	154	**67**

11.4. Other expenses

In thousands of BGN

	2024	2023
Carrying amount of goods sold	1	1
Mission expenses	4	1
Other expenses	-	1
	5	**3**

11.5. Financial expenses

In thousands of BGN

	2024	2023
Negative differences from operations in financial assets	217	326
	217	**326**

Notes to the financial statements

12. Revenue for business activities

12.1. Operating income

In thousands of BGN

	2024	2023
Revenue from the sale of goods	2	2
Revenue from the sale of services	421	180
Other revenue	1	-
	424	**182**

13. Tangible fixed assets

In thousands of BGN

	Transport	Business Inventory	Total
Book value			
Balance as at 1 January 2023	41	93	134
Additions	-	15	15
Disposals	-	(6)	(6)
Balance as at 31 December 2023	**41**	**102**	**143**
Balance as at 1 January 2024	41	102	143
Additions	-	6	6
Disposals	(15)	(3)	(18)
Balance at 31 December 2024	**26**	**105**	**131**
Depreciation			
Balance as at 1 January 2023	37	63	100
Depreciation for the year	3	19	22
Depreciation of assets disposed	-	(6)	(6)
Balance as at 31 December 2023	**40**	**76**	**116**
Balance as at 1 January 2024	40	76	116
Depreciation for the year	1	16	17
Depreciation of assets disposed	(15)	(3)	(18)
Balance at 31 December 2024	**26**	**89**	**115**
Carrying amount			
As of 31 December 2023	**1**	**26**	**27**
As of 31 December 2024	**-**	**16**	**16**

Notes to the financial statements

14. Intangible fixed assets

In thousands of BGN

	Software products	Total
Book value		
Balance as at 1 January 2023	-	-
Additions	1	1
Balance as at 31 December 2023	**1**	**1**
Balance as at 1 January 2024	1	1
Additions	4	4
Balance at 31 December 2024	**5**	**5**
Depreciation		
Balance as at 1 January 2023	-	-
Depreciation for the year	-	-
Balance as at 31 December 2023	**-**	**-**
Balance as at 1 January 2024	-	-
Depreciation for the year	1	1
Balance at 31 December 2024	**1**	**1**
Carrying amount		
As of 31 December 2023	**1**	**1**
As of 31 December 2024	**4**	**4**

15. Receivables

In thousands of BGN

	31 December 2024	31 December 2023
Receivables from customers	-	7
Deposits granted to suppliers	13	12
Other receivables	5	8
	18	**27**

16. Cash and cash equivalents

In thousands of BGN

	31 December 2024	31 December 2023
Cash at current bank accounts	3,245	1,223
	3,245	**1,223**

Notes to the financial statements

17 Deferred Expenses

As of December 31, 2024, deferred expenses amounted to BGN 48 thousand (December 31, 2023: BGN 33 thousand). Deferred expenses as of December 31, 2024 included medical insurance of staff for BGN 31 thousand (December 31, 2023: BGN 25 thousand), expenses for additional subscriptions for BGN 16 thousand (December 31, 2023: BGN 7 thousand), insurance for company vehicles in the amount of BGN 1 thousand (December 31, 2023: BGN 1 thousand).

18. Reserves

Reserve under incorporation act

In accordance with the Incorporation Document of the Foundation, reserve amounting to BGN 1 thousand was set aside upon its establishment.

Other reserves

Other reserves include the Foundation's results from business and non-profit activities in previous years. As of December 31, 2024, the other reserves amount to BGN 5,213 thousand. (December 31, 2023: BGN 3,836 thousand).

19. Payables to suppliers

In thousands of BGN

	31 December 2024	31 December 2023
Payables to suppliers	19	27
	19	**27**

20. Other payables

In thousands of BGN

	31 December 2024	31 December 2023
Staff payables	52	35
Social security payables	57	5
Tax payables	21	11
Other payables	-	2
	130	**53**

Notes to the financial statements

21. Financing

In thousands of BGN

	31 December 2024	31 December 2023
Short-term part		
Prepaid subscriptions for future periods	185	100
Financing for operational activities	1,617	334
	1,802	**434**

Notes to the financial statements

21. Financing (continued)

The prepaid subscriptions for future periods amounting to BGN 185 thousand as of December 31, 2024, represent the deferred portion of one-year subscriptions for the use of the platform prepodavame.bg (December 31, 2023: 100 thousand).

Financing for operational activities

In thousands of BGN

Financing source	Deferred income as at 01.01.2024	Funding received in 2024	Income from financing recognized in 2024	Reclassification to unconditional grants	Fixed assets acquisitions	Funds repaid in 2024	Deferred income as at 31.12.2024
Funding from the America for Bulgaria Foundation	(312)	3,430	(1,917)	-	-	-	1,201
Funding European Commission	119	701	(778)	-	-	-	42
Funding from other donors	527	838	(991)	-	-	-	374
Total	**334**	**4,969**	**(3,686)**	**-**	**-**	**-**	**1,617**

In thousands of BGN

Financing source	Deferred income as at 01.01.2023	Funding received in 2023	Income from financing recognized in 2023	Reclassification to unconditional grants	Fixed assets acquisitions	Funds repaid in 2023	Deferred income as at 31.12.2023
Funding from the America for Bulgaria Foundation	52	1,975	(2,339)	-	-	-	(312)
Funding European Commission	624	-	(505)	-	-	-	119
Funding from other donors	591	635	(699)	-	-	-	527
Total	**1,267**	**2,610**	**(3,543)**	**-**	**-**	**-**	**334**

Notes to the financial statement

22. Investment

22.1 The Foundation reports shares in group companies (investments in subsidiaries) at acquisition cost.

	31 December 2024		31 December 2023	
	share	amount	share	amount
"Zaedno 2011" EOOD	100%	3	100%	3

22.2 Financial assets

Financial assets to trade

In 2024, the Foundation invested in financial assets for trading. The financial instruments acquired represent shares in exchange-traded funds (ETFs). Exchange-traded funds, in turn, hold a basket of instruments. As of December 31, 2024, there is no fixed settlement date. The product has no guarantee of principal or expected return.

Financial assets held to maturity

As of December 31, 2024, and December 31, 2023, the Foundation does not hold any financial assets held to maturity.

In thousands of BGN

	31 December 2024	31 December 2023
Financial assets held for trading	6,474	4,408
	6,474	**4,408**

23. Related parties

Related party identified

As of 31 December 2024, the related parties of the Foundation were as follows:

- Evgenia Peeva-Kirova – Founder and Member of the Board of Directors;
- Atanas Velichkov Stoyanov – Chair of the Board of Directors;
- Trayan Trayanov – Executive Director and Member of the Board of Directors;
- Atanas Stoyanov Garov – Member of the Board of Directors;
- Mina Dimitrova Savova – Member of the Board of Directors;
- Ana Radostinova Yankova – Member of the Board of Directors;
- Vesela Vladimirova Apostolova-Dzhelebova – Member of the Board of Directors
- Daneta Angelova Zheleva – Member of the Board of Directors
- Elena Kircheva-Schmidt – Member of the Board of Directors;
- Tenko Krasimirov Nikolov – Member of the Board of Directors;
- "Zaedno 2011" EOOD – a subsidiary, 100% owned by the Foundation

Notes to the financial statement

23. Related parties (continued)

Receivables and liabilities from/to related parties
As of December 31, 2024, and December 31, 2023, the Foundation has no receivables and liabilities from/to related parties.

Remuneration of the key management personnel
In 2024, the remuneration to key management personnel amounts to BGN 299 thousand (2023: BGN 260 thousand).

Related party transactions
In 2024, no transactions were conducted, and no open balances existed with related parties.

24. Contingent liabilities

Lawsuits

No lawsuits have been filed against the Foundation as of December 31, 2024, and December 31, 2023, and the Foundation is not party to any legal dispute.

25. Events after the report date

No significant events have occurred after the reporting period date that would requires additional adjustments and/or disclosures in the Foundation's financial statements for the year ended December 31, 2024.