FR Financial Report 2023

Proposer: Executive Committee
Agenda item: 4. Reports and Plans

Motion text

Summary:

The report shows the State of Finances from 1st of January this year to 31st of December.

As of the end of the year, most of the activities and thus financial has already happened and we have spent the planned the budget approved by the General Assembly. However, we could not aim to spend 100% of the GA budget as our income is not matching the income presented at the GA as actual income for 2023 is 10% less. Therefore, adjustments had been made to ensure minimisation of difference between expenditure and income.

In regard to financial management, 2023 was important year and we strategically focused to enhance this aspect of our work. To ensure that, we promoted the office assistant to Finance and Office Manager which improved financial operations. Besides, we introduced new practice of review of bi-monthly financial reports that is provided to Treasurer who checks and approves. This was first year in which we used new Accounting Software which reduces risks of errors and increases transparency; besides it was great help to analyse state of finances and plan for the upcoming period.

Expenditure:

Category 1: Personnel costs

You will see here that we will spend less than approved by the GA; it is due to having one person less in staff for 3 months as well as cutting down on training costs. At the same time, we promoted office assistant into Office and Finance Manager and increased salary. Besides, under this category, we organised Treasurer meeting. We spent 6.63% less for this category.

Category 2: Infrastructure and operating costs

In this category we also underspent by 14.03% due to the lower cost of utilities, a lower amount of post usage, office equipment, not having in-person office retreat.

Category 3: Administrative expenditure

Compared to the Financial Plan approved by 2023 General Assembly, we spent 78%. However, we have overspending in most of the budget lines and the down-size is a

result of moving visual identity and website update into different budget line and covering it through Work Plan. Bank costs are significantly higher than budget due to more transactions per year (compared to 2022) while legal expenses are slightly higher as residence & work permit costs in Serbia got more expensive.

Category 4: Statutory Meetings

We spent almost exact amount as planned (99%) in this category in Total. However, there are changes within the budget lines. While we overspent General Assembly (137%) – that was budgeted too optimistically and having longer event (4 days)- we are spending less on Executive Committee Meetings largely due to having one less meeting in 2023 (but instead in February 2024) but also having smaller EC and organising meetings in Serbia that cut down travel costs for staff. Besides, we did not carry out Study Visit due to lack of capacities, but we engaged few organisations to take part in our activities during which we organised side-meeting that served as a tool to understand organisation and possibility of engagement with CDN.

Category 5: Capacity Building and Regional Activities:

This is the category with the most spending, and we spent almost entirely with 96%. However, since this is project-based we must look into project by project as it is not possible to shift between the Budget Lines as each line is attached to each project. There was overspending of the EYF Work Plan, namely Summer Camp which was budgeted to cost 38K EUR while the real cost was 41K EUR. On the positive side, some of this overspending was covered by shifting the unspent sum from the Local Actions budget to Summer Camp but it was capped at 3K in order not to increase the need for higher co-funding. However, the gap remained between income for the Work Plan and Cost as well as 1/3 co-funding was not fully secured and thus, we had to use our savings.

Other projects costed the same as they were budgeted, the slight difference would be Cross-Regional which costed a bit less than 7K however this was a cap from Green Forum and International Foundation GroenLinks (funders of the event) budgets. When it comes to Study Session, we spent 2,631.47 which was reimbursed back by the Council of Europe therefore, as planned, the cost is 0. There was little difference due to currency and we received 0.87 more, reflected in incomes. As for Green Perspectives on European Security, we spent 100% of the budget but the difference (78%) is showing due to reallocation between budget lines: salary was accounted to 1.1.1 (Staf fees) and thus direct cost was remaining 8,298.74.

Incomes:

When it comes to income, we are getting 10% less than budgeted. The biggest down-size is due to Green Forum - just 71% of the planned sum - for which we applied (52K) that they approved 42K (442000 SEK) but the final sum that we actually got is 38K due to large currency differences (they operate in SEK and almost every year we are getting less due to currency fluctuations). Besides, we had higher income from FYEG as well as IFG that co-funded Summer Camp and Cross-

Regional Meeting. We had slightly lower income for participant's contribution to projects (work plan) as well as carry-over from 2023 while we didn't carry out fundraising from MEPs.

Profit and Loss:

As a result of difference between expenditure and income, we ended the year with -7,824.10 which was covered by savings which amounted to 17517.82 as reported in 2021 Financial Report. The remaining amount is 9,693.72.

Annex.1: Financial Report 2023