

FR Financial Report 2023

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

Motion text

1 Summary:

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

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

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

18 Expenditure:

19 Category 1: Personnel costs

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

25 Category 2: Infrastructure and operating costs

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

29 Category 3: Administrative expenditure

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

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

37 Category 4: Statutory Meetings

38 We spent almost exact amount as planned (99%) in this category in Total.
39 However, there are changes within the budget lines. While we overspent General
40 Assembly (137%) – that was budgeted too optimistically and having longer event
41 (4 days)- we are spending less on Executive Committee Meetings largely due to
42 having one less meeting in 2023 (but instead in February 2024) but also having
43 smaller EC and organising meetings in Serbia that cut down travel costs for
44 staff. Besides, we did not carry out Study Visit due to lack of capacities, but
45 we engaged few organisations to take part in our activities during which we
46 organised side-meeting that served as a tool to understand organisation and
47 possibility of engagement with CDN.

48 Category 5: Capacity Building and Regional Activities:

49 This is the category with the most spending, and we spent almost entirely with
50 96%. However, since this is project-based we must look into project by project
51 as it is not possible to shift between the Budget Lines as each line is attached
52 to each project. There was overspending of the EYF Work Plan, namely Summer Camp
53 which was budgeted to cost 38K EUR while the real cost was 41K EUR. On the
54 positive side, some of this overspending was covered by shifting the unspent sum
55 from the Local Actions budget to Summer Camp but it was capped at 3K in order
56 not to increase the need for higher co-funding. However, the gap remained
57 between income for the Work Plan and Cost as well as 1/3 co-funding was not
58 fully secured and thus, we had to use our savings.

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

69 Incomes:

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

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

79 **Profit and Loss:**

80 As a result of difference between expenditure and income, we ended the year with
81 -7,824.10 which was covered by savings which amounted to 17517.82 as reported in
82 2021 Financial Report. The remaining amount is 9,693.72.

83 [Annex.1: Financial Report 2023](#)