

ACTION FOR MOTHERS AND CHILDREN (AMC)
Prishtina, Kosovo

Financial Statements
For the year ended December 31, 2023

and
Independent Auditor's Report

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INDEPENDENT AUDITOR'S REPORT

To: Management of "Action for Mothers and Children" (AMC)

Opinion

We have audited financial statements of 'Action for Mothers and Children' (the Organization) which comprises the Statement of Financial Position as at December 31, 2023 and the Statement of Income and Statement of Cash Flows for the year ended on that date, and notes to financial statements including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the 'Action for Mothers and Children' (AMC) as at December 31, 2023 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) and requirements of the Law No. 06 / L-043 on Freedom of Association in Non-Governmental Organizations.

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 Financial Statements section of our report. We are independent of the Organization in accordance with the ethical requirements that are relevant to our audit of the financial statements in Kosovo, and we fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of financial statements in accordance with International Financial Reporting Standards and for such controls as management determines is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Organization's ability to continue as going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Organization's financial reporting process.

Auditor's Responsibilities for the Audit of Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout audit.

We also:

- Identify and assess the risks of material misstatement of the 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 Organization'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 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 Organization's ability to continue as 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 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 auditor's report. However, future events or conditions may cause the Organization to cease to continue as a going concern.

We communicate with those charged with governance regarding, 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.

Lulzim Zeka
Statutory Auditor

Baker Tilly Kosovo
14 February 2024



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Baker Tilly Kosovo L.L.C
Prishtine

ACTION FOR MOTHERS AND CHILDREN (AMC)**Statement of Financial Position**

As of 31 December 2023

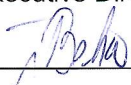
(all amounts are in Euro)

	Notes	As at 31 December 2023	As at 31 December 2022
ASSETS			
Current assets			
Cash and cash equivalents	3	197,357	318,325
Receivable accounts	4	98,854	20,692
Total current assets		296,211	339,017
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TOTAL ASSETS		296,211	339,017
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FUND BALANCE			
Fund balance		-	-
Surplus/(Deficit) for the year		-	-
Total fund balance		-	-
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CURRENT LIABILITIES			
Other liabilities	5	8,984	6,178
Deferred revenues	6	287,227	332,839
Total current liabilities		296,211	339,017
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TOTAL FUND BALANCE AND LIABILITIES		296,211	339,017

These financial statements are approved and signed on 19 January 2024 on behalf of the management by:

Albiona Beha

Executive Director

**Ariana Hoxha Selmani**Head of finance and
administration**AMC**
Action for
Mothers and
Children

The accompanying notes 8 to 13 of the financial statements are an integral part of them.

ACTION FOR MOTHERS AND CHILDREN (AMC)

Statement of Income

For the year ended 31 December 2023

(all amounts are in Euro)

For the year ended		As at 31 December 2023	As at 31 December 2022
	Notes		
Income	7	623,300	480,357
Total Income		623,300	480,357
Expenditures			
Personnel expenses	8	266,100	218,016
Other operating expenses	9	357,200	262,342
Total Expenditures		623,300	480,357
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Surplus/(Deficit) for the year		-	-

The accompanying notes 8 to 13 of the financial statements are an integral part of them.

ACTION FOR MOTHERS AND CHILDREN (AMC)**Statement of Cash Flows**

For the year ended 31 December 2023

(all amounts are in Euro)

For the year ended		As at 31 December 2023	As at 31 December 2022
	Notes		
(Deficit)/surplus for the year		-	-
Adjustment for:			
Depreciation		-	-
Change in prepaid	4	(78,162)	17,257
Change in accounts payable and other short-term liabilities	5	2,806	(5,188)
Change in deferred income	6	(45,612)	(72,178)
Net cash from operating activities		(120,968)	(60,108)
Cash flows from investing activities			
Acquisition of property and equipment		-	-
Net cash used in investing activities		-	-
Net increase in cash and cash equivalents			
Cash and cash equivalents at 01 January	3	318,325	378,433
Cash and cash equivalents at period end		197,357	318,325

The accompanying notes 8 to 13 of the financial statements are an integral part of them.

ACTION FOR MOTHERS AND CHILDREN (AMC)

Notes to Financial Statements

For the year ended 31 December 2023

(all amounts are in Euro)

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION

1. Introduction and background

Action for Mothers and Children (The organisation) is a not-for-profit organization established on 21 May 2013 in accordance with the Law no 06/L-057 on Freedom of Association in Non-Governmental Organisation.

Action for Mothers and Children is a non-profit, non-governmental, non-sectarian, humanitarian foundation developing health programs in Gynecology/Obstetrics Clinics (that care for mothers) Neonatology Intensive Care Units (that care for pre-mature basis) and Pediatric Clinics (that care for children suffering of Leukemia, heart diseases, asthma and other illnesses) in the Republic of Kosovo.

In order to fulfill its mission, the foundation:

- Advocates vigorously for better healthcare for women and children throughout the Republic of Kosovo
- Studies their health problems and health care systems that address these problems
- Develops programs and projects that will help to improve the health of women and children
- Accords high priority to those activities that will reduce Kosovo's relatively high maternal and infant mortality rates;
- Collaborates with the Ministry of Health and other stakeholders that have similar goals and objectives

2. Statement of Significant Accounting Policies

2.1. General Accounting Principle

The organization maintains its accounting records on the modified cash basis of accounting. Accordingly, revenue is recorded when cash is received and expenses are recorded when paid. Modifications to the cash basis of accounting relate to the accounts receivable and payable which are recognized at the end of reporting period.

2.2. Basis of measurement

The Financial Statements have been prepared on the historical cost basis in accordance with the requirements of the law nr. 06/L-043 on Freedom of Association in Non-Governmental Organizations.

2.3. Functional and presentation currency

The Financial Statements are presented in EUR, which is the Organization's functional currency. All amounts reported in the Statement of Financial Position and Net Changes are reported in Euro. Transactions in foreign currencies are registered according to the Ex-change Rates of the time of the Transactions. Monetary Items and Monetary Liabilities in foreign currencies are converted according to the Ex-change rate on the date of the Statement of Financial Position. Profit or Loss as a result of ex-change rates is registered in the Statement of Income.

2.4. Income Tax

The organization is a Non-Governmental organization (NGO) whose received donations in the reporting year have been implemented for the humanitarian purposes. According to law no 06/L-105 on Corporate Income Tax, NGO's whose total income was used for their public benefit purposes are tax exempted.

ACTION FOR MOTHERS AND CHILDREN (AMC)

Notes to Financial Statements

For the year ended as at 31 December 2023

(all amounts are in Euro)

Statement of Significant Accounting Policies (continued)

2.5. Property, plant and equipment

The organization does not use a policy on capitalization of non-current assets but debits them through the statement of comprehensive income (annual expenses). The non-current assets organization recognizes annual expenses at the time of occurrence, but also maintains a specific donor list.

2.6. Cash and cash equivalents

Cash and cash equivalents include cash in hand and cash deposited in bank.

2.7. Foreign currency transactions

Foreign currency transactions are recorded at the date of the transaction Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the end of the reporting period. Foreign currency differences arising on retranslation are recognized in profit or loss.

2.8. Revenues

The organization's revenues represent donations received from donors. Revenues are recognized when earned rather than received and expenses are recognized when incurred rather than paid. Revenue is recognized at the level of the expenditure incurred and is treated in accordance with IAS 20. The remainder is presented as deferred revenue or held-to-equity funds for future use.

2.9. Expenses

The organization recognizes costs at the time of occurrence. Expenditures are recorded on an accrual basis. The organization's expenses consist of personnel expenses, operating and administrative expenses, program and other general expenses.

2.10. Accounts Payable

Pension contribution, payroll taxes and other accrued liabilities, have been disposed on the financial statements as accounts payable.

2.11. Deferred Income

Deferred income is an income/donation for which the cash has been collected by the organization, but have yet to be expensed. Consequently this liability occurs when 'AMC' receives payment in advance for a project to be implemented in future.

2.12. Deficit of revenues over expenses

The negative balance (deficit) is a result of donations and implemented project costs until end of the year.

2.13. Employee benefits

The Organization makes contributions for the benefit of employees to the Kosovo Pension Saving Trust (KPST). The contributions are expensed as incurred.

ACTION FOR MOTHERS AND CHILDREN (AMC)**Notes to Financial Statements**

For the year ended as at 31 December 2023

*(all amounts are in Euro)***3. Cash and cash equivalents**

	As at 31 December 2023	As at 31 December 2022
Cash at bank	197,175	316,239
Petty cash	182	2,086
Total	197,357	318,325

4. Accounts Receivable

	As at 31 December 2023	As at 31 December 2022
Prepaid Rent	5,495	1,099
Receivables account HF	54,149	19,594
Sub-total (a)	59,643	20,692
Funds receivable from GC_Horizon	12,753	-
Funds receivable from WHO	26,458	-
Sub-total (b)	39,211	-
Total (a+b)	98,854	20,692

As disclosed in note 6 of deferred income, two positions as receivable funds are presented in separate lines, amounting to 12,753 Euro and 26,458 Euro from donors GC HORIZON and WHO, respectively. These amounts result from the financing of a portion of expenses from the organization's own funds.

In the Hitchcock Foundation's account, there are revenues from AMC that are expected to be deposited into the AMC account. The balance of the Hitchcock Foundation's receivable account for the year ending on 31.12.2023 is 54,149 Euros (as of 31.12.2022; 19,594 Euros).

5. Accounts Payable

	As at 31 December 2023	As at 31 December 2022
Accounts payable / suppliers	4,227	1,996
Pension contribution (CM)	2,307	2,274
Payroll taxes (WM)	1,775	1,805
Tax on rent (WR)	593	79
Total	8,984	6,178

ACTION FOR MOTHERS AND CHILDREN (AMC)
Notes to Financial Statements

For the year ended as at 31 December 2023

(all amounts are in Euro)

6. Deferred Revenues

Deferred revenues at the end of the year represent funds remaining from donor funds, funds that will be used during the implementation of future projects. The balance of unearned income is presented as follows.

	As at 31 December 2022	Income for the year 2023	Expenses for the year 2023	A/R	As at 31 December 2023
Overhead	242,332	82,143	90,386	-	234,089
GC_1000 Horizon	17,630	22,684	53,068	(12,753)	-
UNICEF	20,542	294,347	310,518	-	4,371
UNFPA	2,191	56,353	53,476	-	5,067
EBRD	28,751	-	11,082	-	17,669
Teshavesha	12,704	31,854	22,682	-	21,876
CKC	8,689	16,688	25,377	-	-
F'ODA	-	7,691	3,536	-	4,155
WHO	-	26,718	53,176	(26,458)	-
Total	332,839	538,477	623,300	(39,211)	287,227

For the implementation of the project funded by the donor "GC_1000 Horizon," the organization has incurred expenses of 53,068 Euros, of which 12,753 Euros have been temporarily financed from the organization's own funds. These funds will be collected in the year 2024. The receivables from donors are presented in Note 4.

For the implementation of the project funded by the donor "WHO" the organization has incurred expenses of 53,176 Euros, of which 26,458 Euro have been temporarily financed from the organization's own funds. These funds will be collected in the year 2024. Receivables from donors are presented in Note 4.

7. Income

For the year ended	As at 31 December 2023	As at 31 December 2022
Overhead	82,143	128,512
GC_1000	22,684	-
UNICEF	294,347	201,452
UNFPA	56,353	44,524
KCSF	-	8,034
Bulgarian Embassy	-	6,405
Teshavesha - Program	31,854	-
CFLI	-	5,814
CKC	16,688	9,879
F'ODA	7,691	-
WHO	26,718	-
Australian DAP	-	3,560
Total Income	538,477	408,180
Deferred revenues as at 1 January	332,839	405,016
Deferred revenue as at 31 December	(248,016)	(332,839)
Recognized income for the year	623,300	480,358

ACTION FOR MOTHERS AND CHILDREN (AMC)**Notes to Financial Statements**

For the year ended as at 31 December 2023

*(all amounts are in Euro)***8. Personnel Expenses**

For the year ended	As at 31 December 2023	As at 31 December 2022
Gross Salaries (AMC personnel)	169,119	134,248
Pension contributions 5%	8,456	6,712
Sub Total (I)	177,575	140,960
Gross Salaries (Short term experts)	84,316	73,741
Pension contributions 5%	4,210	3,314
Sub Total (II)	88,526	77,055
Total (I+II)	266,100	218,016

Salary expenses of key personnel for 2023 are in the amount of 177,575 Euros (2022; 140,960 Euros). Other salary expenses for 2023 in the amount of 88,526 Euros (2022; 77,055 Euros), represent the expenses of short-term personnel engaged during the implementation of projects developed by the organization.

9. Other operating expenses

For the year ended	As at 31 December 2023	As at 31 December 2022
Capacity building activities	142,543	74,643
Medical and other equipments	43,024	28,550
Public relations and communication	7,176	5,921
Philanthropy fundraising and awareness	36,856	27,294
Office rent and general expenses	31,104	28,911
Travel and accommodation expenses	18,274	18,260
Expenses of grantees	-	35,161
Other	2,044	6,451
Expenses for financial services	2,000	2,800
Awareness raising campaign expenses	22,480	21,032
Expenses for printed materials	25,551	12,683
Advocacy and Research publications	24,150	-
Bank charges	1,998	635
Total	357,200	262,342

ACTION FOR MOTHERS AND CHILDREN (AMC)

Notes to Financial Statements

For the year ended as at 31 December 2023

(all amounts are in Euro)

10. Expenses by Project

For the year ended	As at 31 December 2023	As at 31 December 2022
Overhead	90,386	102,015
GC_1000 Horizon	53,068	75,623
UNICEF	310,518	203,085
UNFPA	53,476	42,333
KCSF	-	12,431
EBRD	11,082	16,343
Bulgarian Embassy	-	12,810
Presidence Grant	-	4,000
Teshavesha	22,682	1,099
CFLI	-	5,937
CKC	25,377	1,190
Australian DAP	-	3,492
F'ODA	3,536	-
WHO	53,176	-
Total	623,300	480,357

11. Contingencies and Commitments

Legal issues

For the year ended December 31, 2023 and December 31, 2022, the organization has not been involved in any legal issues.

12. Subsequent Events

There are no events after the date of authorization of the financial statements that require adjustments or disclosures in the financial statements.