

INDEPENDENT AUDITOR'S REPORT
on the financial statements

Člověk v tísni, o.p.s.
(PEOPLE IN NEED)

as of 31 December 2023



Identification data:

Name of the accounting entity: Člověk v tísni, o.p.s.

Registered office: 120 00 Praha 2, Šafaříkova 635/24

ID number: 257 55 277

Legal status: Public Benefit Organisation

Director: Šimon Pánek

Auditing firm: AUDIT SERVIS, spol. s r. o.
150 00 Praha 5, Grafická 3365/7a
Licence of the Chamber of Auditors of the Czech Republic no. 10

Auditor: Ing. Jana Procházková
Licence of the Chamber of Auditors of the Czech Republic no. 2094

Verified period: 1 January 2023 – 31 December 2023

Date of the execution of the Report: 25 June 2024



INDEPENDENT AUDITOR 'S REPORT

Recipient: Board of Trustees and founders of Člověk v tísni, o.p.s. (PEOPLE IN NEED)

Opinion

We have audited the accompanying financial statements of Company Člověk v tísni, o.p.s. (PEOPLE IN NEED), prepared in accordance with accounting principles generally accepted in the Czech Republic, which comprise the balance sheet as of 31 December 2023, the profit and loss account from 1 January 2023 to 31 December 2023, and cash flow statement for the period from 1 January 2023 to 31 December 2023, and notes to the financial statements (hereinafter referred to as "financial statements"), including material accounting policy information. For details of the Company Člověk v tísni, o.p.s. (PEOPLE IN NEED), see point 1 in the notes to the financial statements.

In our opinion, the financial statements give a true and fair view of assets, liabilities and equity of the Company Člověk v tísni, o.p.s. (PEOPLE IN NEED) as at 31 December 2023, and of its expenses, revenues and profit/loss and its cash flows for the accounting period from 1 January 2023 to 31 December 2023 in accordance with accounting principles generally accepted in the Czech Republic.

Basis for Opinion

We conducted our audit in accordance with the Act on Auditors, and Auditing Standards of the Chamber of Auditors of the Czech Republic, which are International Standards on Auditing (ISAs), as amended by the related application clauses. Our responsibilities under this law and regulation are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Act on Auditors and the Code of Ethics adopted by the Chamber of Auditors of the Czech Republic and we have 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.

Other Information in the Annual Report

In compliance with the Section 2 b) of the Act on Auditors, the other information comprises the information included in the Annual Report other than the financial statements and auditor's report thereon. Management of the Company Člověk v tísni, o. p. s. (PEOPLE IN NEED) is responsible for the other information.

Our opinion on the financial statements does not cover the other information. However, in connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is not materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

In addition, we assess whether the other information has been prepared, in all material respects, in accordance with applicable law or regulation, in particular, whether the other information complies with law or regulation in terms of formal requirements and procedure for preparing the other information in



context of materiality, i.e. whether any non-compliance with these requirements could influence judgments made on the basis of the other information.

Based on procedures performed, to the extents we are able to asses it, we report that:

- the other information describing the facts that are also presented in the financial statements is, in all material respects, consistent with the financial statements, and
- the other information is prepared in compliance with applicable law or regulation.

In addition, our responsibility is to report, based on the knowledge and understanding of the Company Člověk v tísni, o. p. s. (PEOPLE IN NEED) obtained in the audit, on whether the other information contains any material misstatement of fact.

Based on the procedures we have performed on the other information obtained, we have not identified any material misstatement of fact.

Responsibility of the Statutory Body and Supervisory Body of the accounting entity for the financial statements

The statutory body of Company Člověk v tísni, o. p. s. (PEOPLE IN NEED) is responsible for the preparation and fair presentation of the financial statements that give a true and fair view in accordance with Czech accounting regulations and for such internal control as statutory body determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the statutory body of the Company Člověk v tísni, o. p. s. (PEOPLE IN NEED) is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the statutory body either intends to liquidate the Company Člověk v tísni, o. p. s. (PEOPLE IN NEED) or to cease operations, or has no realistic alternative but to do so.

The supervisory board is responsible for the supervision of the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the 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 above mentioned regulations 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 financial statements.

As part of an audit in accordance with the above law or regulation, we exercise professional judgment and maintain professional scepticism throughout the 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 internal control of the Company Člověk v tísní, o. p. s. (PEOPLE IN NEED).
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the statutory body in the notes to the financial statements.
- Conclude on the appropriateness of the statutory body'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 ability of the Company Člověk v tísní, o. p. s. (PEOPLE IN NEED) 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 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 Company Člověk v tísní, o. p. s. (PEOPLE IN NEED) to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the notes to the financial statements, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the statutory body and supervisory board, 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.

In Prague on 25 June 2024

Auditing firm: AUDIT SERVIS, spol. s r. o.
150 00 Praha 5, Grafická 3365/7a
Licence of the Chamber of Auditors of the Czech Republic no. 10



Auditor: 
Jana Procházková
Licence of the Chamber of Auditors of the Czech Republic no. 2094

Ministry of Finance CR
 Approved by MF CR
 in accordance with decree No. 504/2002 Coll.
 Applies to accounting units
 using tax forms applicable
 to non-profit organizations

FINANCIAL BALANCE SHEET

As of 31 December 2023

(In thousands of CZK)

Člověk v tísni, o. p. s.

Šafaříkova 635/24
 120 00 Praha 2

Organization Identification Number (IČ)
25755277

ASSETS		Line	As of 1.1.2023	As of 31.12.2023
		No.	(Thousands of CZK)	(Thousands of CZK)
a		b	1	2
A.	Fixed Assets	01	78 784	87 319
A. I.	Intangible assets	02	90 184	106 770
1.	Intangible results from research and development (012)	03		
2.	Software (013)	04	69 195	79 794
3.	Valuable rights (014)	06	1 471	1 320
4.	Low-value intangibles fixed assets (018)	06	14	14
5.	Other intangibles (019)	07	18 178	24 359
6.	Intangible fixed assets under construction (041)	08	1 326	1 283
7.	Advances for intangible assets (051)	09		
A. II.	Tangible fixed assets	10	106 649	129 378
1.	Land (031)	11	2 638	3 508
2.	Artworks and collections (032)	12		
3.	Buildings and structures (021)	13	26 670	29 852
4.	Movable fixed assets (022)	14	75 589	94 954
5.	Perennial crops (025)	15		
6.	Breeding and draught animals (026)	16		
7.	Low-value fixed assets (028)	17	63	63
8.	Other tangible fixed assets (029)	18		
9.	Tangible fixed assets under construction (042)	19	635	953
10.	Advances for tangible fixed assets (052)	20	1 054	48
A. III.	Financial assets	21	0	0
1.	Investments in subsidiaries (061)	22		
2.	Investments in associates (062)	23		
3.	Bonds, debentures and similar securities held until maturity (063)	24		
4.	Loans to organizational units (066)	25		
5.	Other long-term loans (067)	26		
6.	Other financial assets (069)	27		
A. IV.	Accumulated depreciation on fixed assets	29	-118 049	-148 829
1.	Depreciation of research and development (072)	30		
2.	Depreciation of software (073)	31	-43 019	-57 187
3.	Depreciation of valuable rights (074)	32	-1 471	-1 320
4.	Depreciation of low-value intangibles fixed assets (078)	33	-14	-14
5.	Depreciation of other intangibles (079)	34	-10 946	-15 174
6.	Depreciation of buildings and structures (081)	35	-9 315	-10 406
7.	Depreciation of movable fixed assets (082)	36	-53 221	-64 665
8.	Depreciation of perennial crops (085)	37		
9.	Depreciation of breeding and draught animals (086)	38		
10.	Depreciation of low-value fixed assets (088)	39	-63	-63
11.	Depreciation of other tangible fixed assets (089)	40		

ASSETS		Line	As of 1.1.2023	As of 31.12.2023
		No.	(Thousands of CZK)	(Thousands of CZK)
a		b	1	2
B.	Current assets	41	3 347 837	3 363 740
B.I.	Inventories	42	127 837	80 987
1.	Materials in store (112)	43	114 249	77 032
2.	Materials in transit (119)	44	1 657	1 001
3.	Work-in-progress (121)	45		
4.	Semiproducts (122)	46		
5.	Finished products (123)	47	568	
6.	Livestock (124)	48		
7.	Merchandise in stock (132)	49	141	215
8.	Merchandise in transit (139)	50		
9.	Advance payments for inventory (314)	51	11 222	2 739
B.II.	Receivables	52	517 362	350 530
1.	Customers (311)	53	27 968	27 321
2.	Bills of exchange to be collected (312)	54		
3.	Receivables for discounted securities (313)	55		
4.	Operational advance payments made (314 except the line 51)	56	221 024	114 034
5.	Other receivables (315)	57	1 561	3 717
6.	Receivables from employees (335)	58	2 955	1 715
7.	Receivables from social security and health insurance institutions (336)	59		
8.	Income taxes (341)	60	167	
9.	Other direct taxes (342)	61		
10.	Value added tax (343)	62		
11.	Other taxes and fees (345)	63		
12.	Grants receivable from national budget (346)	64		
13.	Grants receivable from local authorities' budgets (348)	65		
14.	Receivables from participants in an association (358)	66		
15.	Receivables from fixed-term financial transactions (373)	67		
16.	Receivables from issued bonds (375)	68		
17.	Sundry receivables (378)	69	40 834	13 915
18.	Estimated receivables (388)	70	222 853	189 828
19.	Depreciations to receivables (391)	71		
B.III.	Short-term financial assets	72	2 583 356	2 820 931
1.	Cash (211)	73	17 551	15 433
2.	Stamps and vouchers (213)	74		
3.	Bank accounts (221)	75	2 560 019	2 804 338
4.	Shares and similar securities for trading (251)	76		
5.	Bonds, debentures and similar securities for trading (253)	77		
6.	Other bonds, debentures and securities (256)	78		
7.	Cash in transit (259)	79	5 786	1 160
B.IV.	Other assets	81	119 282	111 292
1.	Deferred expenses (381)	82	8 013	10 986
2.	Accrued revenue (385)	83	111 269	100 306
TOTAL ASSETS		85	3 426 621	3 451 059

LIABILITIES AND EQUITY		Line	As of 1.1.2023	As of 31.12.2023
		No.	(Thousands of CZK)	(Thousands of CZK)
a		b	1	2
A.	Own resources	86	3 081 056	3 054 115
A.I.	Equity	87	3 078 858	3 040 740
1.	Own equity (901)	88	56 933	72 804
2.	Funds (911)	89	3 021 925	2 967 936
3.	Gains or losses from the revaluation of assets and liabilities (921)	90		
A.II.	Profit or loss	91	2 198	13 375
1.	Profit and loss for account (+/-963)	92		13 375
2.	Profit or loss to be approved (+/-931)	93	2 198	
3.	Retained earnings, accumulated losses from previous years (+/-932)	94		
B.	Liabilities	95	345 565	396 944
B.I.	Provisions	96	0	0
1.	Tax deductible provisions (941)	97		
B.II.	Long-term liabilities	98	216	1 006
1.	Long-term bank loans (951)	99		
2.	Own bonds issued (953)	100		
3.	Payables of lease (954)	101		
4.	Long-term advances received (955)	102		108
5.	Long-term bills of exchange payable (958)	103		
6.	Estimated payables (389)	104		
7.	Other long-term liabilities (959)	105	216	898
B.III.	Short-term liabilities	106	268 004	372 931
1.	Suppliers (321)	107	164 838	239 849
2.	Bills of exchange to be paid (322)	108		
3.	Advance payments received (324)	109	1 057	690
4.	Other payables (325)	110	2 382	3 653
5.	Employees (331)	111	35 619	40 235
6.	Other payables to employees (333)	112	2 463	2 046
7.	Social security and health insurance institutions (336)	113	14 887	17 804
8.	Income taxes (341)	114		3 314
9.	Other direct taxes (342)	115	7 056	8 385
10.	Value added tax (343)	116	1 283	800
11.	Other taxes and fees (345)	117	2 464	3 025
12.	Payables to national budget (346)	118	3 185	13 897
13.	Payables to local authorities' budgets (348)	119		248
14.	Payables to unpaid subscribed securities and shares (367)	120		
15.	Payables to participants in association (368)	121		
16.	Payables to fixed-term financial transactions (373)	122		
17.	Sundry payables (379)	123	21 946	23 564
18.	Short-term bank loans (231)	124		
19.	Credits for discounted securities (232)	125		
20.	Short-term bonds issued (241)	126		
21.	Own bonds issued (255)	127		
22.	Estimated payables (389)	128	10 824	15 421
23.	Other short-term financial assistance (249)	129		
B.IV.	Other liabilities	130	77 345	23 007
1.	Accrued expenses (383)	131	77 180	22 539
2.	Deferred revenues (384)	132	165	468
TOTAL LIABILITIES AND EQUITY		134	3 426 621	3 451 059

Company stamp:

Signature of
Chief Financial Officer


Prepared by:



Telephone:

Date of creation:
25.06.2024

Ministry of Finance CR
 Approved by MF CR
 in accordance with decree No. 504/2002 Coll.
 Applies to accounting units
 using tax forms applicable
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PROFIT & LOSS ACCOUNT

As of 31 December 2023

(In thousands of CZK)

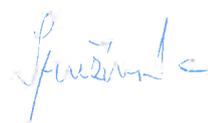
Člověk v tísni, o. p. s.

Šafaříkova 635/24
 120 00 Praha 2

Organization Identification Number (IČ)
25755277

Name of indicator	No.	Activity		
		Main	Supplem.	Total
Expenses	01			
A.				
A.I. Consumed purchases	02	1 399 184	1 586	1 400 770
1. Consumed materials, energy and other non-inventory items (501,502,503)	03	152 079	204	152 283
2. Merchandise sold (504)	04	118	592	710
3. Repairs and maintenance (511)	05	10 379	245	10 624
4. Travel expenses (512)	06	75 989		75 989
5. Entertainment expenses (513)	07	4 850	31	4 881
6. Other services (518)	08	1 155 769	514	1 156 283
A.II. Change in work-in-progress and capitalisation	09	0	0	0
7. Change in work-in-progress (561,562,563,564)	10			0
8. Capitalization of material, goods and internal services (571,572)	11			0
9. Capitalization of fixed assets (573,574)	12			0
A.III. Personnel expenses	13	960 500	1 833	962 333
10. Wages and salaries (521)	14	766 000	1 582	767 582
11. Mandatory social security (524)	15	183 335	251	183 586
12. Other social insurance (525)	16	43		43
13. Mandatory social security expenses (527)	17	9 540		9 540
14. Other social security expenses (528)	18	1 582		1 582
A.IV. Taxes and fees	19	14 680	50	14 730
15. Taxes and fees (531,532,538)	20	14 680	50	14 730
A.V. Other expenses subtotal	21	3 693 338	79	3 693 417
16. Contractual fines, interest on late payments, other fines and penalties (541,542)	22	352		352
17. Write-off irrecoverable receivables (543)	23	440	5	445
18. Interest expenses (544)	24			0
19. Foreign exchange losses (545)	25	300 989		300 989
20. Donations to beneficiaries (546)	26	2 434 834		2 434 834
21. Shortages and damage (548)	27	915	1	916
22. Other expenses (549)	28	955 808	73	955 881
A.VI. Depreciation, sold property, additions to provisions	29	33 030	233	33 263
23. Depreciation of tangible and intangible fixed assets (551)	30	33 039	233	33 272
24. Net book value of sold tangible and intangible fixed assets (552)	31			0
25. Securities and shares sold (553)	32			0
26. Materials sold (554)	33			0
27. Additions to provisions (556, 559)	34	-9		-9
A.VII. Membership fees	35	3 857	0	3 857
28. Membership fees and contributions paid to operational units (581,582)	36	3 857		3 857
A.VIII. Income tax	37	3 458	303	3 761
29. Income tax (591)	38	3 458	303	3 761
EXPENSES TOTAL	39	6 108 047	4 084	6 112 131

	Name of indicator	Line No.	Activity		
			Main	Supplem.	Total
B.	Revenues	40			
B.I.	Operating subsidies	41	0	0	0
1.	Operating subsidies (691)	42			0
B.II.	Contribution received total	43	9 990	0	9 990
B.II.2	Received operating contributons (681)	44			0
3.	Received donations (682)	45	9 990		9 990
4.	Received membership fees (684)	46			0
B.III.	Revenues from sales of own products and services (601, 602, 603, 604)	47	59 119	5 546	64 665
B.IV.	Other revenues total	48	6 050 341	11	6 050 352
5.	Contractual fines, interest on late payments and other fines and penalties (641, 642)	49	248		248
6.	Revenue from written-off irrecoverable receivables (643)	50	126		126
7.	Interest revenues (644)	51	53 654	5	53 659
8.	Foreign exchange gains (645)	52	296 640		296 640
9.	Accounting for funds (648)	53	5 420 875		5 420 875
10.	Other revenues (649)	54	278 798	6	278 804
B.V.	Revenues from disposal of assets	55	499	0	499
11.	Revenues from sales of intangible and tangible fixed assets (652)	56	453		453
12.	Revenues from sale of shares and ownership interests (653)	57			0
13.	Revenues from sales of materials (654)	58	46		46
14.	Revenue from short-term financial assets (655)	59			0
15.	Revenue from long-term financial assets (657)	60			0
	TOTAL REVENUES	61	6 119 949	5 557	6 125 506
C.	Profit/loss before tax	62	15 360	1 776	17 136
D.	Profit/loss after tax	63	11 902	1 473	13 375

	Signature of Chief Financial Officer	Prepared by:	Date of creation: 25.06.2024
Company stamp:			Telephone:



Notes to Financial Statements as of 31 December 2023

1. General data

1.1. Organisation headquarters – Czech Republic

Accounting entity:	Člověk v tísni, o.p.s. (PEOPLE IN NEED)
Registered office:	Šafaříkova 635/24, 120 00 Praha 2
ID Number:	25755277
Tax ID Number:	CZ25755277
Legal status:	Public Benefit Organisation
Date of the foundation of the Public Benefit Organisation:	16 April, 1999
Registration:	The Organisation was entered into the Register of Public Benefit Organisations kept at the Municipal Court in Prague, Section O., insert 119

Statutory bodies of the Organisation, as of 31 December 2023, are:

Board of Trustees:	Jan Pergler – Chairman Petr Jančárek Petr Kostohryz Daniel Múnich Ing. Věra Kostlánová Roubalová Jana Straková
Supervisory Board:	Václav Mazánek - Chairman Ondřej Blažek Ondřej Matyáš
Chief Executive Officer (CEO):	Šimon Pánek
Founders:	Česká televize Ing. Jaromír Štětina Šimon Pánek

Benevolent services as of 31 December 2023:

- Organising humanitarian and development aid both abroad and in the Czech Republic
- Providing assistance to politically, racially, or otherwise persecuted persons both abroad and in the Czech Republic
- Providing support to young journalists and independent press both abroad and in the Czech Republic
- Providing assistance to local governments and other local organisations
- Organising assistance for minorities both abroad and in the Czech Republic
- Social consultancy
- Public education
- Organisation of workshops and training
- Organisation of cultural and sports events
- Providing social services
- Community planning and organising
- Organisation of educational and leisure activities for children and youth
- Support and operation of work-therapeutic and re-socialisation workshops, including sales of products manufactured in these workshops both abroad and in the Czech Republic

- Publishing activities
- Providing consultancy and assistance in the field of protection against discrimination based on gender, racial or ethnic origin, religion, belief, world-view, disability, age, or sexual orientation
- Operations in the field of protection of rights and justified interests of consumers
- Operation of a multicultural centre
- Scientific-research activities
- Providing debt relief services
- Operations in the fields of sustainable development, climate change, nature, landscape and environmental protection

Supplementary activities:

Apart from the basic scope of activities specified in the previous section of this article, for the purpose for which the Organisation was founded, the Organisation also pursues additional activities that are provided in principle as paid services. These **supplementary activities** include:

- Creation and distribution of audio-visual programmes
- Advertising activities
- Brokerage in the field of advertising
- Production, trade and services not listed in annexes 1-3 of the Trade Act
- Rental of properties, apartments and commercial spaces
- Catering services.

The Organisation pursues these supplementary activities exclusively, intending to use the property more efficiently. At the same time, these activities must not affect the quality, scope, or availability of its public benefit services. Any profit made from these supplementary activities may be used only for improving and extending public benefit services.

Members of the Organisation's bodies, i.e. the board of trustees and supervisory board, have not been paid any remuneration for their activity in the Organisation's bodies. The Organisation has provided neither advance payment nor credit nor guarantee for the liabilities of members of the statutory bodies. Family members of the members of statutory bodies do not have any employment or similar relationships concerning the accounting entity. Neither members of the statutory bodies nor their family members are part of a legal entity with which the accounting entity concluded a business contract or other contractual relationships in the respective period and have no ownership interest in these subjects.

1.2 Organisational unit in another EU country

The Organisation has no organisational unit in the European Union.

1.3. Founding of an Endowment Fund

Based on the decision of the Municipal Court in Prague, the Endowment Fund was established on 25 June 2015, of which the Organisation Člověk v tísni, o.p.s. (PEOPLE IN NEED) is a co-founder. The Endowment Fund has been entered in the Endowment Register under the file number N1251.

Name: Prague Civil Society Centre, nadační fond (Endowment Fund)
Registered office: Politických vězňů 1272/21, Nové Město, 110 00 Praha 1

ID Number: 04190815

The aim and purpose of the Endowment Fund is to support civic society, especially in the countries of the former Soviet Union, with the exception of EU countries (Estonia, Lithuania, and Latvia).

1.4. Founding of a charity in Great Britain

Based on the decision of the Registration Court in Great Britain, the partner organisation PEOPLE IN NEED (PIN) UK was established on 21 December 2018, under registration number 1181344.

Name: PEOPLE IN NEED (PIN) UK
Registered office: 49-51 East Road, London, N1 6AH
 Executive director: Camila Garbutt
 Members of the Executive Board: David Chirico, Helen Cibinda Ntale, Jan Mrkvička, Petra Vránová, Šimon Pánek, John Walker, Klara Skrivankova

The aim and purpose of the Organisation is to support the victims of wars, natural disasters, and other disasters worldwide and to develop programmes focused on education, health, the fight against poverty, and the support of human rights.

2. Breakdown of personnel expenses for the accounting period 1.1. to 31.12.2023

Number of employees, personnel expenses:

The breakdown of the personnel expenses and number of employees by country only reflects long-term working relationships concluded based on local legislation.

In war and post-war countries, such an attitude is not possible. The local collaborators are reported as service suppliers.

The total number of people who worked for the Organisation on missions abroad is higher and is stated in the infographic of the annual report, which reflects the average number of workers for the entire calendar year.

	Average number of employees*	Gross wages, total in thousand CZK	Average monthly gross salaries in thousand CZK	Social, health and other funds contributions in thousand CZK	Personnel expenses total in thousand CZK
Afghanistan	121.25	16,559	11	2	16,561
Angola	106.67	13,549	11	977	14,526
Armenia	23.67	11,841	42	0	11,841
Bosnia and Herzegovina	13.83	5,132	31	1,466	6,598
DR Congo	144.33	21,588	12	5,332	26,920
Ethiopia	197.08	26,584	11	2,279	28,863
Philippines	7.50	2,062	23	134	2,196
Georgia	21.92	11,022	42	247	11,269
Cambodia	38.00	9,889	22	168	10,057
Costa Rica	16.00	7,687	40	1,805	9,492
Iraq	34.17	14,528	35	505	15,033
Jordan (from 1.5.2023)*	1.00	225	28	32	257
Kosovo	5.08	1,896	31	213	2,109
Laos (from 1.7.2023)*	2.67	357	22	5	362
Moldova	45.42	15,525	28	4,004	19,529
Mongolia	18.00	4,051	19	662	4,713
Myanmar (to 31.3.2023)*	58.00	2,865	16	57	2,922
Nepal	58.17	12,125	17	2,468	14,593
Serbia	5.58	3,180	47	476	3,656
Turkey	74.75	34,629	39	5,866	40,495
Ukraine	296.58	134,832	38	30,421	165,253
Yemen	10.92	4,416	34	214	4,630
Zambia	26.08	4,518	14	306	4,824
Missions total		359,060		57,639	416,699
Employment – including agreements on working activity in the Czech Republic and EU and abroad according to the Czech law	806.33	400,299	41	137,112	537,411
Of this executive (members of the executive board)	22.95	19,743	72	6,690	26,433
	Number of contracts of services	Total amount paid for contracts of services			
Contract of Services	1,842	8,223			8,223

* we present an average number of employees recalculated on the term of the employment relationship for missions where employment relationships were concluded or terminated during 2023

3. Information on used accounting methods and general accounting principles

The Organisation has been processing its accounting records using computer equipment utilising Microsoft Dynamics NAV 2018 software with the required modifications for the Organisation's needs. Aricoma Systems a.s made custom adjustments.

Accounting documents are archived as hard copies in the archive at the Organisation's registered office, Šafaříkova 24, 120 00 Praha 2 and partly in the property owned by the Organisation– Hartigova 182/1945, Praha 3.

At the missions abroad, where the local legislation requires the archiving of accounting documents in the country of origin, these accounting documents are archived in local archives at the registered offices of foreign branches of the Organisation. Accounting records are also filed electronically on a separate server and simultaneously on an external storage medium deposited outside the Organisation's operating premises. The DMS system ELO has been used for archiving documents since 2011.

The Organisation maintains its accounting according to Accounting Act no. 563/1991 Coll., as amended, and according to Regulation no. 504/2002 Coll. as amended (hereinafter referred to as the "accounting principles").

3.1. Tangible and intangible fixed assets

Tangible and intangible fixed assets are assets with a useable life exceeding one year and starting from the following valuation limit:

- Tangible and intangible fixed assets CZK 80,000
- Technical tangible and intangible fixed asset improvement CZK 80,000

Buildings, land, and artworks are considered tangible fixed assets regardless of the purchase price and usable life.

Long-term financial assets are assets with a due period longer than one year, regardless of evaluation.

Fixed assets are valued based on the purchase cost, i.e., secondary acquisition costs (cost of transport, installation, etc.) or replacement costs (assets acquired free of charge).

Depreciation of tangible and intangible fixed assets is regulated by the depreciation plan. The Organisation applies the straight-line method of depreciation. Unless stipulated otherwise in individual cases, the period of depreciation of fixed assets is based on the table below:

<u>Description of assets</u>	<u>Period of depreciation (months)</u>
Software without time limitation	36
Intangible assets with time limitation	According to the validity of the licence
Computers and other computer technologies	36
Mobile phones and other telecommunication technologies	24
Other tangible fixed assets	36
Passenger cars and other motorised vehicles, unless stated otherwise	48
Passenger cars and other motorised vehicles acquired used	Individually, usually 24 or 36 months
Passenger cars and other motorised vehicles – Afghanistan and the front-line in Ukraine	Individually, usually 24 or 36 months
Passenger cars – Angola, Ethiopia, DR Congo, South Sudan, Zambia	36
Motorbikes – Angola, Ethiopia, DR Congo, South Sudan, Zambia	24
Drones	Individually, according to the product specification
Valuable rights	18
Navision 2020 accounting software	60
Buildings, including temporary ones	Individually (currently 360 months or for the expected duration of use)
Technical improvements of leased assets	For the duration of the lease agreement in force at the time of putting into use
Technical improvement of assets put into operation that have not been depreciated *	Remaining period of depreciation of assets with technical improvement
Technical improvement of assets put into operation that have already been depreciated	Intangible assets – 18 months Tangible assets – individually according to the type of asset

* in individual cases, the Organisation may decide that after technical improvement, the depreciation period is extended to the maximum amount, which is valid for purchasing new property.

Minor intangible and tangible fixed assets acquired by 31 December 2002 have been recorded in the Organisation's assets and valued at the purchase cost. These assets are registered in asset accounts until their retirement.

The assets acquired after 1 January 2003, that are below the above-given valuation limit and with a usable life longer than 1 year are reflected in the Organisation's expenses at the time of acquisition. However, these assets are registered during the whole period of use in the operational inventory records and are subject to inventory.

In the case of posting the depreciation of assets acquired from subsidies and grants or donated assets against the accumulated depreciation account, the amount of equity will decrease by the depreciation amount, and the other revenues account will increase at the same time.

3.2. Inventories

The purchased inventory is valued at the purchase cost, which includes the cost of purchase of inventory and costs related to the purchase.

Own products are valued at their own costs (i.e. direct expenses and the part of indirect expenses related to the production).

Finished products and goods purchased for resale are recorded in a separate SW Navision module.

Inventory received free of charge and intended for humanitarian and development aid is registered in the operational records or in the register in a separate module of SW Navision.

3.3. Cash and valuables

Cash and valuables are valued at their respective nominal values.

For funds received from collections and grants, separate bank accounts are opened in which these resources are recorded and reported.

3.4. Receivables

Receivables are valued at their initial nominal value. The Organisation does not have receivables transferred from other entities.

3.5. Payables

Payables are valued at their initial nominal value. The Organisation has not assumed any payables of other entities.

3.6. Use of foreign currency in accounting

3.6.1. Use of foreign currency in the course of the accounting period

During the accounting period, receivables and payables recorded in foreign currencies declared by ČNB (Czech National Bank) are converted into the Czech currency at the ČNB exchange rate declared on the first day of the calendar month after 2:30 p.m. On the first working day of the month, by the declaration of the exchange rate at 2:30 p.m., the exchange rate of the previous month is used.

Receivables, payables, subsidies, and grants according to indent 3.7 that are recorded in other currencies not declared by ČNB were converted to Czech currency at the official middle exchange rate declared by the central bank of that respective country or the current interbank exchange rate to USD or EUR.

In cases where there is no central bank in the country, the exchange rate that ensures the true and fair view of accounting is used.

3.6.2. Use of foreign currency at the end of the balance sheet date

At the end of the accounting period, receivables and payables recorded in foreign currencies declared by ČNB (Czech National Bank) are converted into Czech currency at the ČNB exchange rate declared on 31 December 2023.

Receivables, payables, subsidies, and grants according to indent 3.7 that are recorded in other currencies not declared by ČNB were converted to Czech currency at the official middle exchange rate declared by the central bank of that respective country or the current interbank exchange rate to USD or EUR.

In cases where there is no central bank in the country, the exchange rate that ensures the true and fair view of accounting is used.

3.7. Funds and equity

In compliance with the relevant accounting principles, there are posted items concerning public collections announced pursuant to Act no. 117/2001 Coll, funds received by the Organisation from other persons and companies for the purpose of implementation of the Organisation's primary mission: subsidies, gifts, grants, reserve fund, and operating reserve fund, in the funds.

In the equity accounts, the Organisation accounts for assets acquired from subsidies, grants, donated assets, and materials. The balance also includes financial results up to 2003.

A list of important donors is part of the Organisation's annual report.

- 1) The Organisation divides funds into the bound and free:
 - a) Bound funds are funds used primarily in terms of purpose and conditions set by the provider or by other legislation.
 - b) Free funds are funds used in full charge by PIN and either not covered by any other legislation or eventually covered only very generally.
- 2) The Organisation also records received subsidies and grants by currency and by the conversion rate determined by the provider:
 - a) Subsidies and grants that are settled with the provider in foreign currency by rates that the Organisation uses during the reporting period.
 - b) Subsidies and grants that are settled with the provider at the rate set by the provider.
 - c) Other subsidies and grants are recorded in the Czech currency.

The Organisation opened synthetic accounts 914 (funds- assets under construction) and 919 (funds- inventory in transit) in the account classification within account group 91 (funds). In account 914, part of the financial resources of funds for the coverage of assets under construction as of 31 December 2023, are reported; in account 919, part of the financial resources of funds allocated for the coverage of purchased inventories and inventories in transit as of 31 December 2023, is reported. Drawdown (accounting) of funds reported in accounts 914 and 919 will be made in the next accounting period upon the physical handover of inventories or completion of assets in compliance with the respective contracts.

On 20 September 2012, the Organisation's Board of Trustees established an operating reserves fund. The fund consists of net profit after tax based on the decision of the Board of Trustees on accounting of the profit. Resources from the fund are used for the co-financing of projects if the operating result is a loss that cannot be covered by the project resources or for the Organisation's stability, sustainability, and development. The operating reserves fund is recorded in account 917.

Additional information to the Balance Sheet and Profit and Loss Account

4. Fixed assets (thousand CZK)

All numeral values specified below are in thousands of CZK unless specified otherwise.

4.1.1. Fixed assets (thousand CZK)

Fixed assets – purchase costs – assets A. I. to A. III.

	Status as of 31 December, 2022	Increase	Decrease					Advance payment accounting / classification	Status as of 31 December, 2023
			Liquidation	Sale	Donation	Deficits/damages	Revaluation of assets		
Intangible assets	90,184	34,173	711	0	0	0	0	16,876	106,770
Of which:									
Software	69,195	10,599							79,794
Valuable rights	1,471		151						1,320
Low-value intangible fixed assets	14								14
Other intangibles	18,178	6,277	96						24,359
Intangible fixed assets under construction	1,326	17,297	464					16,876	1,283
Advances for intangible assets	0								0
Tangible fixed assets	106,649	51,694	515	1,674	0	58	0	26,718	129,378
Of which:									
Land	2,638	870							3,508
Artworks and collections	0								0
Buildings and structures	26,670	3,182							29,852
Cars and motorcycles (*)	52,231	17,512		1,674					68,069
Other movable fixed assets	23,358	4,100	515			58			26,885
Low-value tangible fixed assets	63								63
Tangible fixed assets under construction (buildings)	0								0
Tangible fixed assets under construction (other)	635	25,982						25,664	953
Advances for tangible fixed assets	1,054	48						1,054	48
Total	196,833	85,867	1,226	1,674	0	58	0	43,594	236,148

Fixed assets – accumulated depreciation – assets A. IV.

	Status as of 31 December, 2022	Increase	Decrease				Status as of 31 December, 2023
			Liquidation	Sale	Donation	Deficits/damages	
Intangible assets	55,450	18,492	247	0	0	0	73,695
Of which:							
Software	43,019	14,168					57,187
Valuable rights	1,471		151				1,320
Low-value intangible fixed assets	14						14
Other intangibles	10,946	4,324	96				15,174
Tangible assets	62,599	14,782	515	1,674	0	58	75,134
Of which:							
Buildings and structures	9,315	1,091					10,406
Cars and motorcycles	39,484	10,308		1,674			48,118
Other movable fixed assets	13,737	3,383	515			58	16,547
Low-value fixed assets	63						63
Total	118,049	33,274	762	1,674	0	58	148,829

Fixed assets – depreciated price

	Status as of 31 December, 2022	Status as of 31 December, 2023
Intangible assets	34,734	33,075
Of which:		
Software	26,176	22,607
Valuable rights	0	0
Low-value intangible fixed assets	0	0
Other intangibles	7,232	9,185
Intangible assets under construction	1,326	1,283
Advances for intangible assets	0	0
Tangible assets	44,050	54,244
Of which:		
Land	2,638	3,508
Buildings and structures	17,355	19,446
Cars and motorcycles	12,747	19,951
Other movable fixed assets	9,621	10,338
Low-value fixed assets	0	0
Tangible fixed assets under construction (buildings)	0	0
Tangible fixed assets under construction (other)	635	953
Advances for tangible fixed assets	1,054	48
Total	78,784	87,319

5. Current assets

5.1. Inventories – assets B. I.

Inventories (thousand CZK)	As of 31 December, 2022	As of 31 December, 2023
Materials in store	114,249	77,032
Materials in transit	1,657	1,001
Finished products	568	
Merchandise in stock and in stores	141	215
Advance payments for inventory	11,222	2,739
Total	127,837	80,987

Material in store consists mainly of:

- Unsent humanitarian and development aid supplies that will be donated in the next period.
- Food and material aid in the Czech Republic.

Material in transit consists mainly of 400 units of an invoiced signalling system that aims at early detection of forest fires in Bosnia and Hercegovina, intended for donation; it will be donated and delivered in 2024.

Merchandise in stock and in stores consists mainly of goods in Café Langhans and stock sold as charity items.

Advance payments for inventory consist of advance payments for the purchase of inventory for humanitarian and development aid, especially in Ukraine, the Czech Republic, and Armenia.

	Status as of 31 December, 2022	Status as of 31 December, 2023
5.2. Receivables (thousand CZK) – assets B. II.		
<i>Items in italics relate to the year 2023</i>		
Trade receivables total	250,553	145,072
Of which		
Receivables from customers	27,968	27,321
Receivables overdue more than 365 days	0	120
Receivables overdue 181 up to 364 days	241	5
Receivables overdue 91 up to 180 days	2	4
Receivables overdue 0 up to 90 days	2,613	1,537
Receivables prior to maturity	25,112	25,655
<i>Amount of outstanding receivables as of the date of drawing up the financial statements: 120</i>		
Operational advance payments made	221,024	114,034
<i>The most important amounts are the advances to suppliers who implement parts of a project, mostly in Ukraine, Myanmar, DR Congo, Zambia, Nepal, Syria, and Ethiopia. Another significant part consists of advance payments for services (electricity, gas, rent) in the Czech Republic.</i>		
Other receivables	1,561	3,717
<i>The most significant amounts are receivables from unpaid refunds from partners from projects completed in 2023 that will be repaid in 2024: Lift Unops project, partner Helvetas Myanmar, Burma Center Prague, Iniciativa Hlavák, z.s., and Concem Worldwide.</i>		
Receivables from employees	2,955	1,715
<i>Advance payments for unfinished long-term business journeys; prepayments to employees billed in 2024.</i>		
Income taxes	167	0
Sundry receivables	40,834	13,915
<i>These are receivables from institutions that mediate financial support to the final aid recipients, such as Joint Stock Company "State Savings Bank of Ukraine" – Regional Office of JSC "Oschadbank" in Ukraine, Joint Stock Company Commercial Bank „Privatbank“ – a branch in Bidi, Ukraine; receivables from The British Embassy in Sarajevo. It also includes receivables from partners from long-term deposits.</i>		
Estimated receivables	222,853	189,828
<i>These are estimated receivables on the outstanding revenue grants used by the Organisation under a valid contract in 2023, but the donor funds had not been paid by the date of drawing up the financial statements. A major part of the estimated receivables is the performance of humanitarian and development aid projects in Ethiopia, DR Congo, Afghanistan, and Angola. These projects are financed by resources from the European Union, foreign governments (USA and Great Britain), and the agency UN OCHA.</i>		
Total receivables	517,362	350,530

5.3. Short-term financial assets (thousand CZK) – assets B. III.

Short-term financial assets

	As of 31 December, 2022	As of 31 December, 2023
Cash	17,551	15,433
Bank accounts	2,560,019	2,804,338
Other bonds, debentures, and securities	0	0
Cash in transit	5,786	1,160
Total	2,583,356	2,820,931

	Status as of 31 December, 2022	Status as of 31 December, 2023
5.4. Other assets (thousand CZK) – assets B. IV.		
Deferred expenses	8,013	10,986
<i>A significant part is made up of the expenses of the year 2024 paid in 2023, mainly for regular administrative services of economic and accounting software; purchases of licenses, authorisations, and accesses; space rental, personal insurance, and future travel expenses.</i>		
<i>The accounting unit accounts for current expenditures related to expenses in the following period.</i>		
<i>Accounting for accrued expenses for the respective expenses account will be performed by the accounting unit in the accounting period to which the expenses are factually related.</i>		
Accrued revenues	111,269	100,306
<i>These are contractually assured and received incomes in the following accounting period for projects that were partially implemented in 2023.</i>		
<i>The most significant part of revenues comes from the US government, the UN OCHA agency, and the non-profit organisation Save the Children UK.</i>		
Total other assets	119,282	111,292

6. Equity

6.1. Equity (in thousand CZK) – liabilities and equity A. I. 1.

account 901 - Equity

	Equity from previous years	Assets from grants or donations acquired for own activities	Material gifts	Total
Status as of 1 January, 2023	8,176	48,757	0	56,933
Increase – acquisition of fixed assets and material gifts accepted		38,823		38,823
Decrease – disposal of fixed assets, depreciation		-22,952		-22,952
Status as of 31 December, 2023	8,176	64,628	0	72,804
		72,804		

The increase in equity consists mainly of technical improvements of the Beneficiary Management System software application (CZK 9,214 thousand), the purchase of an armoured vehicle in Ukraine (CZK 4,367 thousand) and three vehicles in DR Congo (CZK 3,566 thousand), a donated house with land in Ústí nad Labem used for social housing (CZK 2,009 thousand) and the purchase of the educational mobile game 1Planet4All (CZK 1,377 thousand).

The decrease in equity consists mainly of the depreciation of assets acquired from grants for own activities (CZK 21,243 thousand).

6.2. Funds – accounting group 91 (in thousand CZK) – liabilities and equity A. I. 2.

In compliance with the relevant accounting principles, the following items are recorded in the funds:

- Public collections announced pursuant to Act no. 117/2001 Coll.
- Funds received by the Organisation from other persons for the implementation of the Organisation's primary mission: donations, subsidies, and bound funds (grants).
- Creation and utilisation of the reserve fund.
- Creation and utilisation of the operating reserve fund.

Bound funds are funds used primarily in terms of the purpose and conditions set by the provider or by other legislation.

Free funds are funds used in full charge by PIN and either not covered by any other legislation or eventually covered only very generally.

	Initial status as of 1 January 2023	Increase – donations accepted, gifts	Decrease – utilisation, provision of gifts	Decrease – refunds of unused resources/correction	Balance for utilisation in 2024
Funds total	3,021,925	6,036,505	5,461,578	628,916	2,967,936

Of which:

6.2.1. Funds – bound

	Initial status as of 1 January 2023	Increase – donations accepted, gifts	Decrease – utilisation, provision of gifts	Decrease – refunds of unused resources/correction	Balance for utilisation in 2024
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Public Collections (number / name)

	Initial status as of 1 January 2023	Increase – donations accepted, gifts	Decrease – utilisation, provision of gifts	Decrease – refunds of unused resources/correction	Balance for utilisation in 2024
S-MHMP/578034/2013 Support for education in Africa	1,647	727	1,381	0	993
S-MHMP/352276/2013 Banat (Romania)	0	16	16	0	0
Total public collections	1,647	743	1,397	0	993

	Initial status as of 1 January 2023	Increase – donations accepted, gifts	Decrease – utilisation, provision of gifts	Decrease – refunds of unused resources/correction	Balance for utilisation in 2024
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State and local administration budgetary contributions, budgetary contributions from the EU and subsidies from other foreign governments

	Initial status as of 1 January 2023	Increase – donations accepted, gifts	Decrease – utilisation, provision of gifts	Decrease – refunds of unused resources/correction	Balance for utilisation in 2024
State budget subsidies	4,659	200,451	198,341	2,035	4,734
Local administration subsidies	1,963	137,973	124,015	12,775	3,146
EU funds subsidies	781,972	2,052,635	1,596,140	587,541	650,926
Subsidies from operational programmes	2,676	97,606	64,057	790	35,435
Subsidies from funds of other foreign governments	218,706	2,090,830	2,090,695	2,722	216,119
Subsidies from UN Agencies	102,258	567,446	466,490	8,171	195,043
Total subsidies	1,112,234	5,146,941	4,539,738	614,034	1,105,403

	Initial status as of 1 January 2023	Increase – donations accepted, gifts	Decrease – utilisation, provision of gifts	Decrease – refunds of unused resources/correction	Balance for utilisation in 2024
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Funds – bound gifts (grants)

	Initial status as of 1 January 2023	Increase – donations accepted, gifts	Decrease – utilisation, provision of gifts	Decrease – refunds of unused resources/correction	Balance for utilisation in 2024
Bound gifts (grants) - NGOs	111,920	222,170	253,928	4,228	75,934
Total funds (grants)	111,920	222,170	253,928	4,228	75,934

	Initial status as of 1 January 2023	Increase – donations accepted, gifts	Decrease – utilisation, provision of gifts	Decrease – refunds of unused resources/correction	Balance for utilisation in 2024
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Other funds

	Initial status as of 1 January 2023	Increase – donations accepted, gifts	Decrease – utilisation, provision of gifts	Decrease – refunds of unused resources/correction	Balance for utilisation in 2024
Other	83,910	81,420	89,621	10,614	65,095
Non-monetary gifts	1,599	59,059	54,920	0	5,738
Total Other funds	85,509	140,479	144,541	10,614	70,833

Total bound funds	1,311,310	5,510,333	4,939,604	628,876	1,253,163
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6.2.2. Funds – free

Initial status as of 1 January 2023	Increase – donations accepted, gifts	Decrease – utilisation, provision of gifts	Decrease – refunds of unused resources/correction	Balance for utilisation in 2024
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Public Collections (number / name)

S-MHMP/166354/2008					
S-MHMP/204638/2011					
S-MHMP/284758/2014 Long-term collection "Skutečná pomoc" (Real Aid)	135,874	57,601	45,023	0	148,452
S-MHMP/1230014/2012 Long-term humanitarian collection:					
„Povodně“ (Flood) in the Czech Republic	8	9	0	0	17
Syria and Iraq	7,534	960	1,082	0	7,412
Ukraine	1,177,909	151,431	364,504	0	964,836
Czechia	17,713	1,582	8,308	0	10,987
World	3,524	19	3,543	0	0
Armenia	0	1,342	235	0	1,107
Afghanistan	3,412	322	192	0	3,542
Türkiye-Syria Earthquake	0	109,037	28,054	0	80,983
„Svoboda“ (Freedom)	0	1,910	427	0	1,483
Gracious Summer	979	64	2	0	1,041
Moravia	8,445	135	4,057	0	4,523
S-MHMP/1551858/2014 "Lepší škola pro všechny" (Better School for Everyone)	31,513	17,274	2,845	0	45,942
Total public collections	1,386,911	341,686	458,272	0	1,270,325

Initial status as of 1 January 2023	Increase – donations accepted, gifts	Decrease – utilisation, provision of gifts	Decrease – refunds of unused resources/correction	Balance for utilisation in 2024
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Other funds

Fund created from resources of: Charles Stewart Mott Foundation, The Ford Foundation, Šimon Pánek - Quadriga prize, Unilever prize	9,259	0	0	0	9,259
Club of Friends	248,086	165,562	55,526	0	358,122
Reserve fund and operating reserve fund (created from profit from previous periods)	12,391	2,199	0	0	14,590
Other	53,968	16,725	8,176	40	62,477
Total other funds	323,704	184,486	63,702	40	444,448

Total free funds	1,710,615	526,172	521,974	40	1,714,773
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7. Profit/Loss

7.1. Profit/Loss and tax calculation as of 31 December 2023

The financial result of the Organisation for 2023 is an accounting profit of CZK 13,375 thousand (after tax).

The Profit and Loss Account includes revenues and expenses for:

- Implementation of activities which comply with the Organisation's mission – in the main activity column
- Implementation of additional activities – supplementary activity column

In compliance with Act no. 248/1995 Coll. on Public Benefit Organisations, expenses and revenues related to the administration of a public benefit organisation are recorded in the Organisation's accounting separately broken down by centres.

Tax liability for the 2023 taxation period relating to corporate income tax is CZK 3,761 thousand. The Organisation has used the exemption option pursuant to § 20, par. 7 of Income Tax Act no. 586/1992 Coll.

Tax calculation (in thousand CZK)

Revenues total	6,125,506
Expenses total (except for 591)	6,108,370
Taxable income	17,136
Adjustment of the tax base	5,912
Total tax base	23,048
Deduction of the tax base under § 20 of the Income Tax Act	1,000
Final tax base	22,048
Final tax base after rounding	22,047
19% tax	4,189
Tax allowance	428
19% tax after allowance	3,761

In 2022, the deduction under § 20 within the income tax of corporate bodies in the amount of CZK 1,000,000 was applied. Resources acquired by the attained tax obligation saving under § 20 of Act no. 586/1992 Coll. from previous years were used to cover costs related to non-business activities performed in 2023.

7.2. Approval of the financial statements for 2022

The Board of Trustees, at its meeting in June 2023, approved the financial statements of the Organisation for the 2022 accounting period, showing a profit after tax of CZK 2,198,579.82 that was in accordance with the decision of the Board of Trustees posted on 26 June 2023, as an increase in the Organisation operating reserve fund.

8. Liabilities

	Status as of 31 December, 2022	Status as of 31 December, 2023
8.1. Long-term liabilities (thousand CZK) B. II.		
Advances received and other long-term liabilities	216	1,006
<i>These are deposits received from tenants of the block of flats in Hartigova Street, Prague 2 and private savings of employees in Cambodia</i>		
8.2. Liabilities (thousand CZK) B. III.	Status as of 31 December, 2022	Status as of 31 December, 2023
<i>Matters in italics relate to the year 2023</i>		
Liabilities (suppliers, advances received, other payables) – total	168,277	244,192
Of which		
Suppliers total	164,838	239,849
Payables overdue more than 365 days	0	1
Payables overdue 181 to 364 days	657	1,421
Payables overdue 91 to 180 days	49	424
Payables overdue 0 to 90 days	17,336	25,282
Payables prior to maturity	146,796	212,721
<i>Amount of unpaid payables as of the date of drawing up the financial statements: 68,669.</i>		
Advance payments received	1,057	690
<i>The most significant parts are advance payments and deposits received from tenants of the block of flats in Hartigova Street, Prague 2</i>		
Other payables	2,382	3,653
<i>of which retentions on purchase of construction works in Ethiopia, Syria, Ukraine, and Yemen</i>	2,019	2,878
<i>of which other liabilities to partner organisation L'Office Français de l'Immigration et de l'Intégra within the project Reintegration Assistance Programme through Employment in Georgia and Armenia, and other minor liabilities</i>	363	775
Payables to employees	38,082	42,281
<i>Amount of unpaid payables as of the date of the drawing up of the financial statements: 5</i>		
Payables to social security institutions (Czech Republic)	9,131	10,670
<i>As of the date of the drawing up of the financial statements, none of these liabilities was overdue.</i>		
Payables to health insurance institutions (Czech Republic)	3,950	4,615
<i>As of the date of the drawing up of the financial statements, none of these liabilities was overdue.</i>		
Payables to social and health insurance institutions	1,806	2,519
Angola, Armenia, Bosna, Cambodia, Costa Rica, DR Congo, Ethiopia, Georgia, Iraq, Jordan, Kosovo, Laos, Moldova, Mongolia, Nepal, Philippines, Ukraine, Yemen, Zambia		
<i>Amount of unpaid payables as of the date of the drawing up of the financial statements: 1</i>		
State budget payables (Czech Republic)	7,081	21,089
<i>These are refunds of unutilised parts of subsidies from the state budget, VAT, employment tax for employees and contributions for default of the mandatory share of persons with disabilities.</i>		
<i>Amount of unpaid payables as of the date of the drawing up of the financial statements: 0</i>		

State budget payables	6,907	8,580
Afghanistan, Angola, Armenia, Bosna, Cambodia, Costa Rica, DR Congo, Ethiopia, Georgia, Iraq, Moldova, Myanmar, Nepal, Philippines, Serbia, Turkey, Ukraine, Yemen, Zambia		
<i>Amount of unpaid payables as of the date of the drawing up the financial statements: 3 285</i>		
<i>of which liabilities to institutions in Iraq and Myanmar of CZK 3 219 thousand due to the incomplete registration caused by the poor security situation, political coup, and change of government institutions</i>		
Sundry payables	21,946	23,564
<i>The majority is formed by payables to partner organisations and refunds of unused received subsidies.</i>		
Estimated payables (personal line insurance, supplies of services to the leased property)	10,824	15,421
<i>These are costs for the accounting period that have not yet been invoiced to the Organisation.</i>		
Total liabilities	268,004	372,931

	Status as of 31 December, 2022	Status as of 31 December, 2023
8.3. Other liabilities (thousand CZK) – liabilities and equity B. IV.		
Accrued expenses	77,180	22,539
<i>Through this account, the Organisation accounts for expenses related to the current accounting period, but payments were made in the following period. These are mainly donated food via a voucher system in Syria (CZK 16 811 thousand).</i>		
Deferred revenues	165	468
Total other liabilities	77,345	23,007

9. Profit and loss account – expenses

Item A.I.6 "Other services" with a value of CZK 1,156,283 thousand mainly includes the costs of purchases from services suppliers within the realisation of projects (mostly abroad), focusing on the promotion of education and healthcare, social services, improving access to water and improving sanitary conditions, securing livelihoods, poverty reduction and environmental protection and the costs of office rental and operation.

Item A.V.20, "Donations to beneficiaries," valued at CZK 2,434,834 thousand, mainly includes financial donations and donated material provided within humanitarian and development aid, mainly in Ukraine, Syria, Moldova, Afghanistan, and other countries. Financial contributions and donated materials were used to provide assistance to refugees and their families; securing accommodation, food and water, hygiene needs or equipment for refugee centres, inhabitants in war zones and internally displaced people, mainly in Ukraine, Syria, and Iraq.

Item A.V.22 "Other expenses" in a value of CZK 955 881 thousand includes mainly costs of partners spent during the implementation of joint projects via "partnership agreement".

10. Profit and loss account – revenues

Item B.IV.8. "Foreign exchange gains" with a value of CZK 296,640 thousand includes foreign exchange gains arising mainly from fund revaluation and revaluation of short-term financial assets registered in foreign currency (cash and banks),

Item B.IV.9. "Accounting for funds" with a value of CZK 5,420,875 thousand includes revenues associated with the use of the funds reported in the balance sheet under liabilities and equity item A.I.2. "Funds" on the main activities of the Organisation.

Item B.IV.10. "Other revenues" in a value of CZK 278,804 thousand relates to the main activities of the Organisation. This item mainly includes revenue estimates for outstanding grants that the Organisation benefited from a valid contract in 2023. The funds from the donor have not been paid by the date of the drawing up of the financial statements. There are also contracted and received incomes in the next accounting period for projects already partially implemented in 2023.

11. Remuneration for audit company

The remuneration of CZK 700 thousand excl. VAT belongs to the audit company for the statutory audit of the annual financial statements for 2023. CZK 386 thousand excl. VAT was invoiced in 2023 for other verification services.

12. Other important facts

The Organisation concluded an overdraft credit contract with Československá obchodní banka a.s. on 24 November 2017—the current credit limit of CZK 35,000 thousand is valid from 23.10.2020

The credit was not drawn as of the balance sheet date. Following this contract, a pledge agreement was concluded on 27 November 2017. The subject of the collateral is real estate listed in the property sheet LV 239, cadastral area Žižkov, Prague.

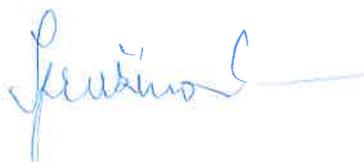
Other Organisation's assets are not encumbered with any lien.

The Organisation does not register any other payables not included in the financial statements or Notes to the financial statements.

No other events occurred after the balance sheet date and by the date of drawing up the financial statements that would significantly affect the reported values of assets and liabilities, the financial situation, and the financial result of the Organisation in the financial statements as of 31 December 2023.

Prague, 25 June 2024

Prepared by: Anna Spružinová
Accountant



Jan Kamenický
Chief Financial Officer (CFO)
Člověk v tísni, o.p.s.



Cash flow statement
 as of 31 December 2023
 (In thousands of CZK)

		current period	prior period
P.	Cash and cash equivalents, beginning of year	2 583 356	863 192
Net operating cash flow			
Z.	Accounting profit (loss) before taxation	17 136	2 355
A.1.	Non-cash transactions	-20 835	-12 295
A.1.1.	Depreciation of fixed assets	33 272	23 179
A.1.2.	Change in provisions and other adjustments		
A.1.3.	Profit(-) Loss(+) on sale of fixed assets	-453	-366
A.1.4.	Expense and revenue interests accounted for	-53 654	-35 243
A.1.5.	Other non-cash transactions		
A.1.6.	Gifts (buildings)		135
A.*	Net operating cash flow before taxation, changes in working capital and extraordinary items	-3 699	-9 940
A.2.	Current assets	269 049	-225 734
A.2.1.	Change in receivables and other temporary assets	174 822	-272 169
A.2.2.	Change in short-term liabilities and other temporary liabilities	47 377	148 344
A.2.3.	Change in inventory	46 850	-101 909
A.2.4.	Change in short term financial assets	0	0
A.**	Net operating cash flow before financial balances, taxation and extraordinary items	265 350	-235 674
A.3.	Interest paid excluding amounts capitalised		
A.4.	Interest received	53 654	35 243
A.5.	Income tax paid on ordinary income and income tax relating to prior periods	-549	-324
A.***	Net operating cash flow	318 455	-200 755
Investment activity			
B.1.	Acquisition of fixed assets	-41 807	-35 931
B.1.1.	Acquisition of tangible fixed assets	-24 975	-18 476
B.1.2.	Acquisition of intangible fixed assets	-16 832	-17 455
B.1.3.	Acquisition of long-term investments		
B.2.1.	Proceeds from sales of fixed assets	453	366
B.2.2.	Proceeds from sales of long-term investments		
B.***	Net cash flow from investment activity	-41 354	-35 565
Financial activity			
C.1.	Change in long-term liabilities and bank loans	790	-374
C.1.1.	Increase and decrease in long-term loans		
C.1.2.	Increase and decrease in other long-term payables	790	-374
C.2.	Increase and decrease in equity	-40 316	1 956 858
C.2.1.	Change in own equity	15 871	16 097
C.2.2.	Change in funds	-56 187	1 940 761
C.***	Net cash flow from financial activity	-39 526	1 956 484
F.	Net increase or decrease in cash balance	237 575	1 720 164
R.	Cash and cash equivalents, end of period	2 820 931	2 583 356