

PKF

AHF Financial Audit Report External Audit 2022 by PKF International



**İNSANI ŐAM DERNEĐİ
(SHAM)
31 DECEMBER 2022**

**FINANCIAL STATEMENTS AND
INDEPENDENT AUDIT REPORT ON
FINANCIAL PERIOD**

INDEPENDENT AUDITOR'S REPORT

To the Board of **İNSANI ŞAM DERNEĞİ (SHAM)**.

1) Unqualified Opinion

We have audited the accompanying financial statements (**SHAM**), ("Association") which comprise the statement of financial position as of 31 December 2022 and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements comprising a summary of significant accounting policies.

In our opinion the financial statements present fairly, in all material respects, the financial position of the Association on 31 December 2022, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

2) Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISA). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Association in accordance with the International Ethics Standards Board for Accountants of Ethics for Professional Accountants (IESBA) together with the ethical requirements that are relevant to our audit of the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

The Association management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS, and for such internal control as management 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, management is responsible for assessing the Association'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 management either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

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

4) Key Control Subjects

It was decided that we did not have a key audit issue to report in our report.

5) Auditor's Responsibilities for the Audit of the Financial Statements

Responsibilities of independent auditors in an independent audit are as follows:

Our aim is to obtain reasonable assurance about whether the financial statements are free from material misstatement, whether due to fraud or error, and to issue an independent auditor's report that includes our opinion. Reasonable assurance expressed because of an independent audit conducted in accordance with IFRS is a high level of assurance but does not guarantee that a material misstatement will always be detected. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken based on these financial statements.

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As part of an independent audit conducted in accordance with IFRS, we exercise professional judgment and maintain professional skepticism throughout the audit. We are also:

- Identify and assess the risks of material misstatement in 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.
- Assess the internal control relevant to the audit to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 independent auditor's report. However, future events or conditions may cause the Association to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Association to express an opinion on the financial statements. We are responsible for the direction, supervision, and performance of the Association audit. We remain solely responsible for our audit opinion.

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.

We provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence. We also communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner who supervised and concluded on this independent auditor's report is Abdulkadir SAYICI.

İstanbul, 29 October 2023

PKF Aday Bağımsız Denetim A.Ş.

(A Member Firm of PKF International)

Abdulkadir SAYICI

Partner

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INSANI ŐAM DERNEĐİ.
(SHAM)

STATEMENT OF FINANCIAL POSITION AS OF 31 DECEMBER 2022
(Amounts expressed in Turkish lira ("TL") unless otherwise stated)

ASSETS	Note	<i>Audited</i> 31-Dec-22	<i>Audited</i> 31-Dec-21
Current Assets			
Cash and Cash Equivalents	4	28,990,164	6,494,348
Receivables and Prepaid Expenses	5	9,213	-
Inventories	6	52,692	41,760
TOTAL CURRENT ASSETS		29,052,068	6,536,108
Non-Current Assets			
Long-term Receivables and Prepaid Expenses	5	-	-
Tangible Fixed Assets	7	4,937,270	5,009,044
Intangible Fixed Assets	8	(0)	(0)
Right of Use Assets	8	194,971	330,042
TOTAL NON-CURRENT ASSETS		5,132,241	5,339,085
TOTAL ASSETS		34,184,309	11,875,193
LIABILITIES			
Current Liabilities			
Payables	9	27,081	81,087
Restricted in-kind donation	10	-	-
Restricted cash donation	11	-	-
Lease Payables		131,000	135,000
Benefits Provision to Employees	12	83,560	43,313
TOTAL CURRENT LIABILITIES		241,640	259,400
Non-Current Liabilities			
Liabilities Arising from Rental Transactions		141,101	272,101
Provisions		-	-
Provision For Employee Benefits	12	193,233	221,179
TOTAL NON-CURRENT LIABILITIES		334,334	493,280
NET ASSETS			
Difference of Previous Year Income and Expense		11,122,513	11,244,595
Difference of Period Income and Expense		22,485,821	(122,082)
Restricted cash from the period			
TOTAL NET ASSETS		33,608,335	11,122,513
TOTAL LIABILITIES		34,184,309	11,875,193

The accompanying notes form an integral part of these financial statements.

İNSANI ŞAM DERNEĞİ.
(SHAM)

STATEMENT OF INCOME OR EXPENSE FOR THE PERIOD 1 JANUARY - 31 DECEMBER 2022
(Amounts expressed in Turkish lira ("TL") unless otherwise stated)

		<i>Audited</i>	<i>Audited</i>
	Note	1-january -31 December 2022	1-january -31 December 2021
Donation and Grants	13	111,252,221	43,525,784
Purposive Expenses (-)	14	(89,193,464)	(43,644,651)
MAIN OPERATING INCOME / EXPENSE		22,058,757	(118,867)
General Administrative Expenses (-)	15	(3,190,311)	(1,836,201)
Other Income from Operating Activities	16	4,039,864	2,433,009
Other Expenses from Operating Activities (-)	16	(422,489)	(600,022)
Operating Income / Expense		22,485,821	(122,082)
Financing expenses (-)	17	-	-
NET INCOME AND EXPENSE DIFFERENCE FOR THE PERIOD		22,485,821	(122,082)
Difference of Previous Year Income and Expense		11,122,513	11,244,595
TOTAL NET ASSETS		33,608,335	11,122,513

The accompanying notes form an integral part of these financial statements.

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INSANI ŞAM DERNEĞİ.
(SHAM)

1 OCAK - 31 ARALIK 2022 Cash Flow Statement
(Amounts expressed in Turkish lira ("TL") unless otherwise stated)

		<i>Audited</i> 1 Jan – 31-Dec-22	<i>Audited</i> 1 Jan – 31-Dec-21
A. Cash Flows from Operating Activities	Note		
Profit		22,485,821	(122,082)
Adjustments to Reconcile Profit for the period to net cash provided by operating activities:			
Adjustments For Depreciation And Amortization Expenses	10	302,040	296,894
Adjustments For Retirement Pay Provision Expenses	11	-	-
Adjustments For Provision of Permission Expenses	12	40,246	(13,466)
		22,787,861	174,813
Change in working capital			
Changes In Receivables and Prepaid Expenses	5	(9,213)	182,139
Changes In Inventories	6	(10,932)	138,227
Changes In Payables	9	(148,759)	(127,987)
Changes In restricted cash donation	11	-	-
Changes In Provision for Employee Benefits	12	(27,946)	121,541
Total		22,591,011	488,733
B. Cash Flow from Investing Activities			
Cash Inflows and Outflows from Sales and Purchases of Tangible and Intangible Assets	8-9	(95,196)	(1,263)
Total		(95,196)	(1,263)
C. Cash Flow from Financial Activities			
Cash Inflows / (Outflows) From Borrowings		-	(13,466)
Total		-	(13,466)
Foreign Currency Translation Differences of Cash and Cash Equivalents Before Effect to Net Increase / Decrease (A + B + C)			
		22,495,815	474,004
D. The Effect of Foreign Currency Translation Differences on Cash and Cash Equivalents			
Net Increase in Cash And Cash Equivalents in / Decrease (A + B + C + D)			
		22,495,815	474,004
E. Beginning Of The Period Cash and Cash Equivalents			
		6,494,348	6,020,344
Cash And Cash Equivalents At The End Of The Period (A*B+C+D+E)			
	5	28,990,164	6,494,348

The accompanying notes form an integral part of these financial statements.

1 THE ORGANISATION

Al-Sham Humanitarian Foundation was established in 2011, in Istanbul, and we officially registered in Turkey in 2013. The Foundation is keen to meet humanitarian needs by implementing projects and humanitarian services for the most vulnerable groups in Syria and Turkey.

AHF provides humanitarian services and development programs in both Syria and Turkey. AHF is working in northwest of Syria in Idlib, Aleppo countryside, and Tal Abyad in Raqqa. AHF works in the following sectors: health and nutrition, food security and livelihoods, early recovery, protection, shelter, and non-food items. In Turkey, AHF focuses on the protection and early recovery sectors through refugee women empowerment projects using several intervention mechanisms, like in-kind, cash, and vouchers.

AHF is a strategic partner for SCHF and other UN agencies such as UNICEF, WHO, IOM, and WFP, in addition to having other partnerships with INGOs like World Vision International, GIZ, MSF -Spain, GOAL and SV. To increase the effectiveness and coordination of the response, AHF is a member of several coordination bodies, such as the NGO Forum, ICVA network, CHS Alliance, and NEAR Network, and is a co-founder of the Syrian NGO Alliance (SNA).

It has qualified cadres, highly experienced staff in the humanitarian sector, and a solid and organized structure in various departments and technology based on the best international and humanitarian standards.

The registration number: 34-195-143

Address: Göztepe Mah. İnönü Cad. No:122 Başkule Plaza Kat:10 D:104 Bağcılar/İstanbul

NCİRLİPİNAR, PROF. Muammer Aksoy bulvarı NO: 27090 Osmanlı iş merkezi, KAT:1,

dış kapı 26 iç kapı NO: 63- 64, ŞEHİTKAMİL /GAZİANTEP

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2. BASIS OF PRESENTATION

Applied Financial Reporting Standards

The Association keeps its financial records in Turkish lira ("TL") and in line with the code of commerce and applicable legislation that is in force in Turkey. In late 1992 the Ministry of Finance published a communique that covered all corporations (other than financial corporations) that keep their accounting records on a balance sheet basis. This communique requires that, as from 1994, these corporations prepare their financial statements in a standard manner using a uniform chart of accounts and certain fundamental accounting and reporting concepts. This communique also stated that the referred fundamental accounting concepts would later be complemented with accounting standards to be published in the future.

Financial statements have been prepared in keeping with the International Financial Reporting Standards ("IFRS") published by the International Accounting Standards Board ("IASB").

The financial statements the Association publishes comply with the provisions of the Law on Associations and the requirements of the Uniform Chart of Accounts published by the Ministry of Finance, and its financial statements are prepared in accord with the following accounting policies. The financial statements have been prepared by reflecting on the statutory records prepared according to the historical cost principle the necessary correction and classification records required by the IFRS.

Offsetting

Financial assets and financial liabilities are offset, and the net amount presented in the statement of financial position when, and only when, the Association currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

Comparative Information and Previous Periods Adjustments

For conducting a comparison of financial position and performance trend, Association's current financial statements are prepared comparative with previous periods. Comparative information is reclassified to be compatible with the presentation of current financial statements, when necessary.

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Going concern

The Association prepared financial statements in accordance with the going concern assumption.

foreign currency

Transactions in foreign currencies are recorded in US dollars at the exchange rates prevailing on the date of each transaction. Assets and liabilities in foreign currencies at the end of the financial year are converted into US dollars at the exchange rates prevailing on that date. The currency differences resulting from the conversion are taken to the comprehensive statement of income and expenses.

Important Accounting Policies

Cash and Cash Equivalents

Cash and cash equivalent values contain cash on hand, bank deposits and high liquidity investments. Cash and cash equivalents are shown with obtaining costs and the total of accrued interests.

Tangible Fixed Assets and Amortizations

Property, plant, and equipment are carried at cost less accumulated depreciation. Depreciation is provided for property, plant, and equipment on a straight-line basis over their estimated useful lives. Land is not depreciated as it is deemed to have an indefinite useful life. Gains or losses on disposals of property, plant and equipment are determined by comparing proceeds with their net carrying amounts and are classified under "gains/losses" in the current period.

Tangible fixed assets except lands, buildings are carried at cost, restated by deduction of the yearly accumulated depreciation.

Land and buildings are valued for their fair values. Borrowing costs are recognized in accordance with TAS-23 as an element of the book value of assets that are manufactured by the entity. Entities may subject their tangible assets to revaluation. Depreciation is calculated on a straight-line basis over the adjusted amounts and at the rates that reflect the economic useful lives of the following assets. Land is considered as limitless useful life, so it is not subject to depreciation. Expected useful life, residual value and amortization method are reviewed for possible effects of changes in estimates and are accounted for prospectively if there is a change in estimates.

The depreciation rates for property, plant, and equipment, which approximate the useful economic lives of these assets, are as follows:

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Useful Life

Buildings	20 years
Motor vehicles	5 years
Furniture, fixtures, and office equipment	3-5 years
Electronic devices	5 years

Revaluation Model

Land or buildings that are held for production or use for goods or services or for administrative purposes are expressed with their re-valued amounts. The re-valued amount is determined by deducting accumulated depreciation and accumulated deprecation in the next periods from the fair value at the revaluation date. Revaluations are carried out at regular intervals, such that the fair value to be determined at the balance sheet date does not differ materially from the carrying amount. If the book value of an asset has increased because of revaluation, the increase is recognized in other comprehensive income and is directly attributable to revaluation value increase in the equity account group. However, a revaluation value increase is recognized at the scale which it reverses the revaluation value associated with the previous profit or loss of the same asset. If the book value of an asset decreases because of revaluation, the decrease is recognized as an expense.

Intangible Fixed Assets

Intangible fixed assets comprise of rights, and they are recorded at acquisition cost. Intangible fixed assets are amortized on a straight-line method with prorated basis over period of between 3-10 years from the date of acquisition.

Receivables

Receivables are presented at their realizable value, which is derived from their net realizable value by deducting provisions for probable doubtful receivables.

Payables

Payables refers to the payments to be made for goods and services provided from suppliers within ordinary activities. Payables are measured first in their fair value and then at their amortized cost, which is calculated by the effective interest method.

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Inventory

In-kind donations are shown according to their fair value on the date of receipt.

Donations and Grants

All kinds of donations and grants from natural or legal persons are recorded as income. Non-cash donations and grants are evaluated according to the relevant legislation and recorded.

revenue recognition

Unrestricted donations:

Cash income is recognized when it is received. Revenues from in-kind donations are recognized upon receipt according to their estimated value.

Restricted donations:

Restricted donations are those donations received from other parties, cash or in-kind donations, which must be used by the Foundation for the purposes and objectives for which the donation was made. These donations are shown under "restricted donations" in the statement of assets and liabilities when received or when due and are recognized in the statement of activities when they are implemented.

When the restricted donations are disbursed according to the specific purposes, the income and expense are included in the comprehensive income and expenses statement under the headings "project income - restricted" and "project payments - restricted" respectively.

The Foundation deducts an administrative percentage from the value of the registered donations upon implementation, in return for the Foundation's expenses and various obligations, and this percentage varies according to the contract concluded between the donor and the Foundation. This deduction is shown in comprehensive income and expenses.

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Effects of Change in Currency Rate

Assets and liabilities in foreign currency and purchase and sale commitments create exchange risk. Foreign exchange risk stemming from depreciation or appreciation of foreign currency managed by top management by following the currency position of Association and taking position according to approved limits.

Accounting Estimates

The accompanying financial statements necessitate that some predictions about income and expenses regarding possible assets and liabilities in the financial statements prepared by the Association management to be compatible with statements required by Public Oversight Accounting and Auditing Standards Authority. Realized amounts can differ from the predictions.

These predictions are observed regularly and reported periodically in income statements.

3 Events occurring after the balance sheet ends.

The information flow that provides information about the information about the realized subsequent events (games) are reflected in the related financial statements. Events that do not require correction are explained in footnotes if they have a certain importance.

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4 Cash and Cash Equivalentents

Cash and Cash Equivalentents are follows:

	<u>31-12-2022</u>	<u>31-12-2021</u>
Cash on hand	6,375	74,064
Banks	28,983,789	6,420,284
Other		
Total	28,990,164	6,494,348

5 Receivables and Prepaid Expenses

Receivables and Prepaid Expenses are follows:

	<u>31-12-2022</u>	<u>31-12-2021</u>
Receivables projects	9,213	-
Prepaid expenses	-	-
Total	9,213	-

Long-term Receivables and Prepaid Expenses

Long-term Receivable are follows: (31 December 2021: None)

6 Inventories

Inventories are follows: (31 December 2021: None)

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7. TANGIBLE FIXED ASSETS

Cost	Buildings	Vehicles	Furniture & Equipments	Special Costs	Toplam
31 December 2020 balance	5,681,582	-	469,287	330,552	6,481,421
Addition	-	-	-	-	-
Disposals	-	-	-	-	-
31 December 2021 balance	5,681,582	-	469,287	330,552	6,481,421
Addition	38,884	-	56,312	-	95,196
Disposals	-	-	-	-	-
31 December 2022 balance	5,720,466	-	525,599	330,552	6,576,617
Accumulated depreciation					
31 December 2020 balance	(611,920)	0	(370,105)	(329,793)	(1,311,817)
Charge for the period	(113,632)	-	(46,929)	-	(160,560)
Disposals	-	-	-	-	-
31 December 2021 balance	(725,551)	0	(417,034)	(329,793)	(1,472,377)
Charge for the period	(114,409)	-	(52,560)	-	(166,969)
Disposals	-	-	-	-	-
31 December 2022 balance	(839,961)	0	(469,593)	(329,793)	(1,639,347)
Net book value 31 December 2021	4,956,031	0	52,254	759	5,009,044
Net book value 31 December 2022	4,880,505	0	56,006	759	4,937,270

8. INTANGIBLE FIXED ASSETS

Intangible Fixed Assets follows:

Cost	Other intangible Fixed assets	Total
31 December 2020 balance	3,648	3,648
Addition	1,263	1,263
Disposals	-	-
31 December 2021 balance	4,911	4,911
Addition	-	-
Disposals	-	-
31 December 2022 balance	4,911	4,911
Accumulated depreciation		
31 December 2020 balance	(3,648)	(3,648)
Charge for the period	(1,263)	(1,263)
Disposals	-	-
31 December 2021 balance	(4,911)	(4,911)
Charge for the period	-	-
Disposals	-	-
31 December 2022 balance	(4,911)	(4,911)
Net book value 31 December 2021	(0)	(0)
Net book value 31 December 2022	(0)	(0)

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RIGHT OF USE ASSETS

The Association has adopted the TFRS 16 "Leases" as of 1 January 2019 for the first time. Right of use assets and Deliverables from subleases are measured at an amount equal to lease liability adjusted by the amount of any prepaid or Freud lease payments for lease liabilities which had previously been classified as "operating leases" under the Caples of TAS 17 in the condensed financial statements.

The movement table of the right of use assets as of 31 December 2020 is as follows.

Cost	Buildings	Total
01 JANUARY 2021 balance	792,148	792,148
Addition	-	-
Disposals	-	-
31 December 2021 balance	792,148	792,148
		-
Accumulated depreciation		-
01 JANUARY 2021 balance	(327,035)	(327,035)
Addition	(135,071)	(135,071)
Disposals	-	-
31 December 2021 balance	(462,106)	(462,106)
		-
31 December 2022 balance	330,042	330,042

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Payables

Short-term Payable are follows:

	<u>31-12-2022</u>	<u>31-12-2021</u>
Payables	4,010	67,689
Other	23,071	13,397
Total	27,081	81,087

FINANCIAL BORROWINGS

Short-term financial borrowings are follows:

	<u>31-12-2022</u>	<u>31-12-2021</u>
Lease Payables	131,000	135,000
Total	131,000	135,000

Long-term financial borrowings are follows:

	<u>31-12-2022</u>	<u>31-12-2021</u>
Liabilities Arising from Rental Transactions	141,101	272,101
Total	141,101	272,101

BENEFITS PROVIDED TO EMPLOYEES

Short-term benefit provided to employees are followed:

	<u>31-12-2022</u>	<u>31-12-2021</u>
Severance pays provisions		
Taxes and funds payable for personal		4,010
Social security premiums payable	83,560	39,303
Total	83,560	43,313

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10 **Restricted in-kind donation**

Restricted in-kind donation are follows: (31 December 2021: None)

11 **Restricted cash donation**

Restricted cash donation are follows: (31 December 2021: None)

12 **MBENEFITS PROVIDED TO EMPLOYEES**

Employees Short Term Liabilities within Benefits Provided

Short-Term Provisions for Employee Benefits

There is no provision for unused leave. (31 December 2021: None).

Long-Term Provisions for Employee Benefits

Provisions are follows:

	<u>31-12-2022</u>	<u>31-12-2021</u>
Provision For Employee Benefits	193,233	221,179
Total	193,233	221,179

Under labor laws effective in Turkey, it is a liability to make legal retirement pay to employees whose employment is terminated in such way to receive retirement pay. In addition, according to Article 60 of Social Security Law numbered 506 which was changed by the laws numbered 2422, dated 6 March 1981, and numbered 4447, dated 25 August 1999, it is also a liability/ to make legal retirement pay to those who entitled to leave their work by receiving retirement pay.

The compensation to be paid is equal to one month's gross salary for each year of service and this amount is 10,596.741as of 31 December 2022. It is limited to TL (31 December 2021: 8.284.51TL). Severance pays liability is not legally subject to any funding.

The provision for severance pays represents the present value of the estimated total provision for the probable future liabilities arising from the retirement of the personnel. In the scope of TAS 19 ("Employee Benefits"), the provision for severance pay is calculated by estimating the present value of the future probable obligation of the employees arising from their retirement. It envisages that the obligations of the Association will be developed using actuarial valuation methods within the scope of

defined benefit plans. All actuarial gains and losses are recognized in equity as other comprehensive income.

The basic assumption is that the ceiling liability determined for each year of service will increase in line with inflation. Thus, the discount rate applied represents the expected real rate after adjusting for the expected effects of inflation.

Accordingly, the actuarial assumptions used in the calculation of total liabilities are as follows:

	31 December 2022	31 December 2021
Discount rate	9.75%	14.75%
Inflation rate	46.27%	36.80%
Net discount rate	-36.52%	-22.05%
Real salary increase rate	46.27%	36.80%
Possibility of leaving the work due to severance pay	100.00%	100.00%
Severance pays limit	10,596.74	8.284.51

The provision for severance pays represents the present value of the estimated total provision for the probable future liabilities arising from the retirement of the personnel. In the scope of TAS 19 ("Employee Benefits"), the provision for severance pay is calculated by estimating the present value of the future probable obligation of the employees arising from their retirement. It envisages that the obligations of the Association will be developed using actuarial valuation methods within the scope of defined benefit plans. All actuarial gains and losses are recognized in equity as other comprehensive income.

The basic assumption is that the ceiling liability determined for each year of service will increase in line with inflation. Thus, the discount rate applied represents the expected real rate after adjusting for the expected effects of inflation.

Accordingly, the actuarial assumptions used in the calculation of total liabilities are as follows:

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13 Grands received

	<u>31-12-2022</u>	<u>31-12-2021</u>
Donation and Grants	104,746,192.03	42,974,478.02
Unrestricted revenue	6,501,952.48	551,306.07
Other	4,076.86	
Total	111,252,221.37	43,525,784.09

14 Expenses

Direct Expenses for projects are followers:

	<u>31-12-2022</u>	<u>31-12-2021</u>
Aid expenses	88,055,354.73	42,880,644.77
Amortization and depreciation expenses	166,969.22	161,823.34
Transportation expense	47,776.15	18,474.44
Travel and accommodation expenses	188,488.75	36,596.87
Consultancy expenses	516.84	131,637.66
Cargo expenses	2,221.14	11,296.51
Communication expenses	16,637.57	18,125.34
Electric expenses	164,045.04	86,768.45
Food expenses	47,045.06	35,787.24
Publication expenses	1,557.60	10,934.33
Small fixture expenses	53,765.49	6,206.60
Dues expenses	49,579.32	49,813.58
Stationery expenses	7,637.16	19,433.99
Advert promotion expenses	78,727.95	-
Maintenance expenses	100,962.89	17,729.50

Occupational safety and health expenses	2,198.35	4,032.60
Rental Expense	142,500.00	149,777.78
Other expenses	67,481.04	5,567.78
Total	89,193,464.30	43,644,650.78

15 In Direct Expenses for projects are followers:

	<u>31-12-2022</u>	<u>31-12-2021</u>
Personnel wages and similar expenses	2,852,800.10	1,458,159.52
Lease depreciation	135,071.00	135,071.00
consultancy expenses	-	7,030.92
Tax withholding expenses	-	
Consultancy Expenses	93,496.97	120,046.97
Bank Commission Expense	10,492.28	11,672.59
Attorneys Expenses	94,291.63	99,300.30
Provision for severance pay	-	
Other	4,158.94	4,919.91
Total	3,190,310.92	1,836,201.21

In Direct Expenses/Direct Expenses

	<u>31-12-2022</u>	<u>31-12-2021</u>
In Direct Expenses	7,652,663.89	4,869,232.09
Direct Expenses	89,193,464.30	43,644,650.78
Total	96,846,128.19	48,513,882.87

Percentage for ((In Direct Expenses/Direct Expenses))	8.58%	11.16%
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16 Other Income from Operating Activities

	<u>31-12-2022</u>	<u>31-12-2021</u>
Foreign Exchange income	3,909,165.04	2,378,022.74
Other	130,698.99	54,985.83
Total	4,039,864.03	2,433,008.57

Other Expenses from Operating Activities (-)

	<u>31-12-2022</u>	<u>31-12-2021</u>
Foreign Exchange expenses	421,900.12	600,022.31
Other	588.82	
Total	422,488.94	600,022.31

17 FINANCIAL INCOME/EXPENSE

Financial Income:

Financial income: None. (31 December 2021: None).

Financial Expense:

Financial expenses: None. (31 December 2021: None).

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AI-SHAM ACTIVITIES 2022

Al-Sham Humanitarian Foundation is a non-profit, non-governmental organization, established in 2011 in response to the Syrian humanitarian crisis, and officially registered in Türkiye in 2013. The organization works to meet people's humanitarian needs by implementing projects and humanitarian services for the most vulnerable groups in Syria and Türkiye. It has a team of highly experienced employees qualified in the humanitarian sector, in addition to a strong, organized structure, with technology based on the best international and humanitarian standards.

Vision:

To be one of the most effective and distinguished Organization in enabling the Syrian society to make it more stable and sustainable.

Mission:

We contribute to providing humanitarian services and social development programs to build and empower the Syrian society with institutional competence and effective partnership.

Values:

Quality - Teamwork - Initiative - Reliability

Main Objectives:

- ✓ Working within rational institutional effectiveness.
- ✓ Empowering Syrian civil society with all its civil components.
- ✓ Contributing to achieving community development and security.
- ✓ Achieving stakeholder requirements and satisfaction.

Strategic Plan 2022-2025

Al-Sham Humanitarian Foundation launched in mid-2022, its new strategic plan centered on five basic initiatives, under which the strategic goals help achieve the strategic direction.

Main initiatives

Administrative development

Enhancing financial sustainability and grants

Optimizing services and programs.

Enhancing the internal structure and capacity building

Developing communication and connection.

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Humanitarian Response 2022

The Number of beneficiaries in 2022 was 984,305 beneficiaries. The response and type of intervention is as follows:

Health and Nutrition:841,061 beneficiaries

Primary Health Care.

Secondary Health Care.

Rehabilitation Centers.

Emergency and Referral Services

Screening & Referral

Distribution of Nutrition Supplements and micronutrients

Follow-up and treatment for the SAM MAM and MAM PLW cases

IYCF-E messages.

Food security and livelihood: (92,753 beneficiaries)

Supporting Agriculture Value Chain

Bakeries

Livestock

Food Vouchers

Protection:(49,774 beneficiaries)

Child Protection

Gender-Based Violence

Psychosocial Support

Cash-based intervention

Legal Awareness and Consultation

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Early recovery :(595 beneficiaries)

Road Rehabilitation

Debris Removing

Health Facilities Rehabilitation.

Markets Rehabilitation

Supporting small businesses with Grants

Capacity Building through Vocational & Soft Skills Training

Area of Reach

Al-Sham Humanitarian Foundation was able to expand its reach in the regions of northwestern Syria (Idlib Governorate and its countryside and rural Aleppo Governorate) within the Syrian humanitarian response and the refugee response in Türkiye in both Adana and Hatay. It also has the necessary legal approvals to operate in these areas:

Türkiye: İstanbul, Gaziantep, Adana

Syria: Idlib, Rural Aleppo, Rural Alraqa

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PROJECTS 2021

***	Sector	Project Name	Donor	Year	Budget	From	To
1	Health	Sustaining access to PHC services through two health facilities in IDPs concentrated areas.	WHO	2022	\$ 130,908	1/1/2022	6/30/2022
2	Health	Expand and support COVID-19 treatment services in NWS through Al Sham Isolation hospital and Maar Tmisrin CCTC.	WHO	2022	\$ 65,440	1/1/2022	1/31/2022
3	Health	supporting one mobile clinic attached to Kafr Bony PHC	MSF	2022	\$ 8,750	1/1/2022	2/28/2022
4	Health	Medical support for kafr bony PHC	MSF	2022	\$ -	1/1/2022	2/28/2022
5	Health	Supporting effective and equitable Routine Immunization services to eligible children	WHO	2022	\$ 82,758	1/1/2022	4/30/2022
6	Health	implementation of a primary health care network with health facilities in north Syria to improve health coverage and efficiency in service delivery	WHO - Al Ameen Network	2022	\$ 17,815	1/1/2022	6/30/2022
7	FSL	Provision of integrated ER, FSL & Protection services to the PiN in Idlib governorate - Envelope 2 (70%)	OCHA - SCHF	2022	\$ 485,702	1/15/2022	11/14/2022
8	ER	Provision of integrated ER, FSL & Protection services to the PiN in Idlib governorate - Envelope 2 (20%)			\$ 138,772		
9	Protection	Provision of integrated ER, FSL & Protection services to the PiN in Idlib governorate - Envelope 2 (10%)			\$ 69,386		
10	Health	Ensure continuity of emergency life-saving referral services in Idleb and Aleppo governorates - Envelope 1	OCHA - SCHF	2022	\$ 471,066	2/1/2022	12/31/2022
11	Health	Purchase of medical equipment for the children's hospital in Sarmada.	WHO	2022	\$ 58,378	1/21/2022	2/20/2022
12	ER	Karim Microfinance Project	Insania Fund	2022	\$ 75,917	2/1/2022	7/31/2023

13	ER	Vocational training for the people of northern Syria	Insania Fund	2022	\$ 59,426	2/1/2022	7/31/2022
14	Health	Sustaining services of Expanded Program on Immunization (EPI) - Phase 6	WHO - Hand in Hand	2022	\$ 2,606	12/7/2021	12/31/2021
15	Health	Sustaining services of Expanded Program on Immunization (EPI) - Phase 7	WHO - Hand in Hand	2022	\$ 16,723	1/1/2022	6/6/2022
16	protection	Dar Al mahmoud	Qatar Charity	2022	\$ 15,470	3/1/2022	3/31/2022
17	Protection	Operating Dar Mahmoud	Qatar Charity	2022	\$ 141,715	4/1/2022	2/28/2023
18	Health	Operating Atarib Health Center	Muslim Hands UK	2022	\$ 70,950	6/1/2022	10/31/2022
19	Health	Supporting COVID-19 Hospital-based Isolation with ICU care services.	WHO	2022	\$ 289,881	5/26/2022	8/25/2022
20	Nutrition	Provision of treatment for MAM cases in Dana and A'zaz subdistricts	WFP	2022		1/1/2022	12/31/2022
21	Health	Provision of specialized child healthcare services through pediatric hospital	WHO	2022	\$ 280,000	6/6/2022	9/5/2022
22	Protection	Orphans care - Idlib - kahateen	Gazi Vakafi	2022	\$ 6,060	6/1/2022	11/30/2022
23	FSL	Adahi	TRC	2022	\$ 162,000	6/16/2022	7/15/2022
24	Health	Provision of integrated life-saving health and protection services to the PiN in NWS (80% health)	OCHA - SCHF	2022	\$ 972,529	7/1/2022	5/31/2023
25	Protection	Provision of integrated life-saving health and protection services to the PiN in NWS (20% Protection)			\$ 243,132		
26	FSL	Provision of integrated FSL, ER & Nutrition services to the PiN in Idlib governorate (Envelope 2) (50 %FSL)	OCHA - SCHF	2022	\$ 717,623	7/1/2022	6/30/2023

27	ER	Provision of integrated FSL, ER & Nutrition services to the PiN in Idlib governorate (Envelope 2) 25 %ER)	OCHA - SCHF	2022	\$ 358,811	7/1/2022	6/30/2023
28	Nutrition	Provision of integrated FSL, ER & Nutrition services to the PiN in Idlib governorate (Envelope 2) 25 %Nutrition)	OCHA - SCHF	2022	\$ 358,811	7/1/2022	6/30/2023
29	Health	Sustaining services of Expanded Program on Immunization (EPI)	WHO - Hand in Hand	2022	\$ 44,476	6/24/2022	6/23/2023
30	FSL	Adahi	Qatar Charity	2022	\$ 41,753	7/6/2022	8/5/2022
31	Health	Supporting effective and equitable routine immunization services to eligible children (EPI).	WHO	2022	\$ 233,640	6/24/2022	6/23/2023
32	Health	Operating Leen Clinic	Muslim Hands France	2022	\$ 3,795	7/1/2022	7/31/2022
33	Health	Sustaining access to PHC services through two health facilities in IDPs concentrated areas.	world vision	2022	\$ 134,040	7/8/2022	1/7/2023
34	Health	rehabilitation of Sham children hospital, paint and polish	UDER	2022	\$ 1,624	6/8/2022	12/7/2022
35	Health	implementation of a primary health care network with health facilities in northern Syria to improve health coverage and efficiency in service delivery phase 4	WHO - Al Ameen Network	2022	\$ 11,180	10/1/2022	12/31/2022
36	Health	Provision of specialized child healthcare services through pediatric hospital in Sarmada	WHO	2022	\$ 970,230	9/7/2022	6/30/2023
37	ER	Provision of integrated livestock development support in Idlib	Muslim Hands UK	2022	\$ 19,087	11/15/2022	2/14/2023

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