

Financial Report for fiscal 2017
Hunger Free World,
a specified non-profit corporation



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Financial Report

for fiscal 2017

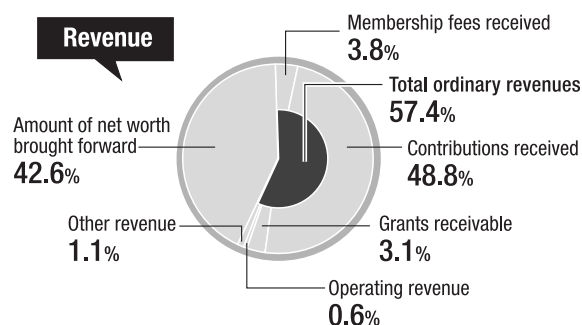
Statement of Activities for FY 2017 From January 1 to December 31, 2017

[Unit:yen]

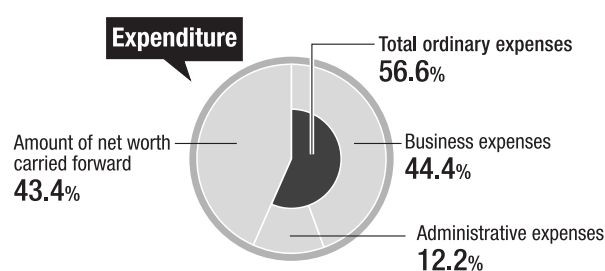
	Budget	Actual
I Ordinary revenues		
1 Membership fees received	12,250,000	12,310,500
2 Contributions received	123,500,000	160,362,053
3 Grants receivable	19,150,000	10,128,046
4 Operating revenue	0	1,905,488
5 Miscellaneous revenue		
Interest income	600,000	363,517
Foreign exchange gains	0	22,172
Miscellaneous revenue	3,500,000	3,277,938
Total ordinary revenues	159,000,000	188,369,714

II Ordinary expenses		
1 Business expenses		
(1) Personnel expenses		
Salaries	45,600,000	42,555,419
Statutory welfare	7,170,000	7,288,489
Welfare	840,000	44,688
Retirement benefit expenses	1,680,000	872,902
Total personnel expenses	55,290,000	50,761,498
(2) Other expenses		
Operating expense for affiliate offices	9,600,000	11,952,063
Project expenses for affiliate offices	58,100,000	42,976,846
Printing and binding	1,000,000	6,353,151
Communication and delivery	10,000,000	9,582,168
Travel	8,500,000	5,913,857
Rent	4,275,000	3,134,015
Utilities	165,000	112,399
Fees	4,600,000	9,939,091
Supplies	750,000	786,944
Lease	20,000	0
Books and subscription	20,000	2,515
Meeting	200,000	26,409
Dues	268,000	96,000
Compensations	270,000	1,133,062
Taxes and dues	1,000	3,100
Training expenses	0	4,000
Depreciation	900,000	2,148,532
Insurance	100,000	136,503
Miscellaneous	207,000	180,186
Miscellaneous loss	0	577,321
Contribution	0	100,000
Total other expenses	98,976,000	95,158,162
Total business expenses	154,266,000	145,919,660

2 Administration expenses		
(1) Personnel expenses		
Salaries	14,929,000	23,387,895
Statutory welfare	1,736,000	3,628,925
Welfare	165,000	36,546
Retirement benefit expenses	600,000	713,918
Total personnel expenses	17,430,000	27,767,284
(2) Other expenses		
Operating expense for affiliate offices	1,100,000	1,328,020
Communication and delivery	200,000	314,392
Travel	2,050,000	2,154,571
Rent	1,600,000	2,557,981
Utilities	60,000	91,735
Fees	190,000	181,201
Supplies	480,000	567,572
Lease	10,000	0
Books and subscription	20,000	13,057
Meeting	400,000	160,234
Dues	180,000	156,150
Compensations	1,630,000	2,691,050
Taxes and dues	4,000	116,500
Training expenses	750,000	1,156,952
Depreciation	150,000	463,533
Insurance	150,000	58,320
Miscellaneous	600,000	151,977
Miscellaneous loss	0	844
Total other expenses	9,574,000	12,164,089
Total administration expenses	27,004,000	39,931,373
Total ordinary expenses	181,270,000	185,851,033
Surplus/(deficits) of ordinary revenues and expenses	△22,270,000	2,518,681
Net surplus/(deficits) for the period	△22,270,000	2,518,681
Amount of net worth brought forward	140,086,908	140,086,908
Amount of net worth carried forward	117,816,908	142,605,589



Total Revenue 328,456,622



Total Expenditure 328,456,622

*Percentages are rounded off to the one decimal place.

Notes to financial statements

1. Significant accounting policies

The financial statement has been prepared in conformity with Accounting Standards for NPOs (established by Accounting Standards Board for NPOs on July 20, 2010 and partially revised on November 20, 2011).

(1) Depreciation method for fixed assets

Tangible fixed assets Depreciation is provided on straight-line basis.

Long-term prepaid expenses Depreciation is provided on straight-line basis.

(2) Accounting for the consumption tax and other taxes

The consumption taxes are accounted for using the tax-included method as the taxes are exempted.

2. Breakdown of business expenses

[Unit: yen]

Item	Development project		Awareness-rising		Advocacy		Youth development		Public relations	Funding	Total
	Overseas		Overseas	Domestic	Overseas	Domestic	Overseas	Domestic			
(1) Personnel expenses											
Salaries	11,391,796	3,932,623	2,789,409	4,336,746	366,584	3,940,379	1,837,103	2,973,298	10,987,481	42,555,419	
Statutory welfare	2,064,759	765,983	421,424	827,038	55,384	767,155	277,549	449,206	1,659,991	7,288,489	
Welfare	8,344	1,188	4,721	1,874	620	1,202	3,109	5,033	18,597	44,688	
Retirement benefit expenses	163,008	23,207	92,224	36,568	12,120	23,464	60,738	98,303	363,270	872,902	
Total personnel expenses	13,627,907	4,723,001	3,307,778	5,202,226	434,708	4,732,200	2,178,499	3,525,840	13,029,339	50,761,498	
(2) Other expenses											
Operation expense for affiliate offices	4,780,827	2,390,412	0	2,390,412	0	2,390,412	0	0	0	11,952,063	
Project expense for affiliate offices	31,937,379	4,933,160	0	1,764,445	0	4,341,862	0	0	0	42,976,846	
Printing and binding	0	0	607,710	0	0	0	3,720	869,303	4,872,418	6,353,151	
Communication and delivery	95,709	29,243	69,832	32,904	4,774	33,238	51,333	37,656	9,227,479	9,582,168	
Travel	2,490,476	529,383	131,067	872,449	17,099	529,375	94,803	63,516	1,185,689	5,913,857	
Rent	570,338	81,395	340,382	128,638	44,398	83,105	256,710	355,750	1,273,299	3,134,015	
Utilities	20,455	2,919	12,208	4,614	1,593	2,980	9,207	12,758	45,665	112,399	
Fees	54,429	72	1,026	72	1,232	72	0	1,782	9,880,406	9,939,091	
Supplies	101,259	14,331	63,930	22,648	11,093	14,629	51,315	64,706	443,033	786,944	
Lease	0	0	0	0	0	0	0	0	0	0	
Books and subscription	2,045	0	0	0	0	0	340	130	0	2,515	
Meeting	1,000	1,003	1,810	1,004	5,000	1,003	13,108	2,481	0	26,409	
Dues	0	0	20,000	0	40,000	0	0	0	36,000	96,000	
Compensations	233,330	26,275	0	26,275	0	26,274	16,706	60,480	743,722	1,133,062	
Taxes and dues	0	0	200	0	0	0	0	0	2,900	3,100	
Training expenses	0	0	0	0	4,000	0	0	0	0	4,000	
Depreciation	789,905	374,222	34,627	379,028	4,516	374,396	26,115	36,190	129,533	2,148,532	
Insurance	93,143	11,509	0	20,342	0	11,509	0	0	0	136,503	
Miscellaneous	12,189	1,739	57,494	2,751	949	1,775	11,487	7,603	84,199	180,186	
Miscellaneous loss	577,321	0	0	0	0	0	0	0	0	577,321	
Contribution	0	0	0	0	100,000	0	0	0	0	100,000	
Total other expenses	41,759,805	8,395,663	1,340,286	5,645,582	234,654	7,810,630	534,844	1,512,355	27,924,343	95,158,162	
Total	55,387,712	13,118,664	4,648,064	10,847,808	669,362	12,542,830	2,713,343	5,038,195	40,953,682	145,919,660	

3. Breakdown of funds designated for specified purposes

Breakdown of funds designated for specified purposes are as follow: Net worth of the corporation is ¥142,605,589. Among which ¥5,028,200 is designated to use for community development projects in Bangladesh. Consequently, the net worth that has no restriction for use is ¥137,577,389.

[Unit: yen]

Item	Opening balance	Surplus of net worth for the period	Deficit of net worth for the period	Closing balance
Contributions received				
Support for Benin		133,030	133,030	0
Support for Burkina Faso		5,000	5,000	0
Community development in Burkina Faso		662,713	662,713	0
Support for Uganda		449,750	449,750	0
Community development in Uganda		1,038,250	1,038,250	0
Support for Bangladesh		914,968	914,968	0
Community development in Bangladesh	4,624,000	2,402,200	1,998,000	5,028,200
Grants receivable				
Grant Assistance for Japanese NGO Projects				
Community development in Uganda*		8,482,596	8,482,596	0
Public Resource Foundation				
Community development in Benin		11,900	11,900	0
Community development in Uganda		38,250	38,250	0
Total	4,624,000	14,138,657	13,734,457	5,028,200

* The total amount of the grant is 23,987,775 yen. The difference of 15,505,179 yen from the increase in the current term is posted as an advances received on the balance sheet.

4. Breakdown of increase and decrease in fixed assets

[Unit: yen]

Item	Acquisition cost at the beginning period	Acquisition	Disposal	Acquisition cost at the ending period	Accumulated depreciation	Book value at the ending period
Tangible fixed assets						
Building	11,659,503			11,659,503	7,238,811	4,420,692
Facilities attached to buildings	965,002			965,002	725,886	239,116
Vehicle	11,923,836	8,049,510		19,973,346	9,656,267	10,317,079
Tools, furniture and fixtures	3,052,906			3,052,906	1,392,671	1,660,235
Land	12,034,046			12,034,046		12,034,046
Investment and other assets						
Long-term loans receivable		1,962,000		1,962,000		1,962,000
Long-term prepaid expense	247,490		202,490	45,000		45,000
Fixed deposit paid	2,023,730			2,023,730		2,023,730
Total	30,247,010	10,011,510	202,490	51,715,533	19,013,635	32,701,898

(Note: Major reasons for increase)

Vehicle: Increase due to the purchase of a vehicle (8,049,510 yen) by Uganda Affiliate Office

Long-term loans receivable: Increase due to the long-term loans receivable (1,962,000 yen) for purchasing land for cooperatives under Community Development Program at Uganda Affiliate Office

Financial Report

for fiscal 2017

Balance Sheet As of December 31, 2017

[Unit:yen]

I Asset	
1 Current assets	
Cash and bank accounts	125,257,609
Stok account	4,481,837
Advances	783,040
Other receivable	2,460,500
Total current assets	132,982,986
2 Fixed assets	
(1) Tangible fixed assets	
Building	4,420,692
Facilities attached to buildings	239,116
Vehicle (overseas)	10,317,079
Furniture and fixtures	1,660,235
Land	12,034,046
Total tangible fixed assets	28,671,168
(2) Investment and other assets	
Long-term loans receivable	1,962,000
Long-term prepaid expense	45,000
Fixed deposit paid	2,023,730
Total investment and other assets	4,030,730
Total fixed assets	32,701,898
Total assets	165,684,884

II Debt	
1 Current liabilities	
Other accounts payable	7,146,549
Advances received	15,505,179
Deposit received	427,567
Total current liabilities	23,079,295
2 Non-current liabilities	
Total non-current liabilities	0
Total Total liabilities fixed liabilities	23,079,295

III Net worth	
Net worth brought forward	140,086,908
Surplus/(deficit) of net worth for the period	2,518,681
Total net worth	142,605,589
Total liabilities and net worth	165,684,884

Audit Report

Mr. SEKIGUCHI Kazutaka Chairperson of the Board
Hunger Free World, a Specified Non-Profit Corporation

I carried out both accounting and operational audit of Hunger Free World (HFW) on financial year between April 1, 2017 and December 31, 2017, and report as fo March 20, 2018

1. Brief outline of auditing methods

- (1) As for accounting audit, I performed audit procedures required such as reviewing accounting books and relevant documents, and studied accuracy of financial statements.
- (2) As for operational audit, I participated in HFW board meetings to listen to reports by board of directors and HFW secretariat as well as performing audit procedures required such as reviewing relevant documents, and studied adequacy of the operation.

2. Auditor's opinion

- (1) Statement of Activities, Balance Sheet, and List of Property agree with entries of accounting books, thus I acknowledge that they present fairly the asset of the Corporation.
- (2) I acknowledge that the contents of business report are facts.
- (3) I acknowledge that there was no misconduct regarding board members' execution of corporation's business, or gross negligence against laws and/or article of incorporation.

March 20, 2018 **Oshima Hitoshi YAZAKI Mei**
Auditor Hunger Free World, a Specified Non-Profit Corporation

EXECUTIVES

Chairperson of the Board _____

SEKIGUCHI Kazutaka, Staff ,Hachioji city office

Vice-Chairperson _____

NISHIOKA Haruna, Former staff, Hunger Free World

Directors _____

HASEGAWA Masako, Program Officer, CSO Network Japan

HARADA Mariko, Project coordinator, Think the Earth

YAMAMOTO Noriko, Director of Non-profit Corporation Partnership for Democratic Governance

WATANABE Kiyotaka, Executive director, Hunger Free World

WTANABE Namiko, Staff, Japan International Cooperation Center

Auditor _____

OSHIMA Hitohi, Director of Education Development Foundation -Japan/

Mitsubishi Corporation Disaster Relief Foundation/

Director, KFC Holdings Japan, Ltd.

YAZAKI Mei, Yazaki Tax Accountant Office/Yazaki CPA Office

(positions are listed in Japanese alphabetical order)

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