

Financial Report for fiscal **2019**  
**Hunger Free World,**  
a specified non-profit corporation



# Financial Report for fiscal 2019

Statement of Activities for FY 2019 from January 1 to December 31, 2019

[Unit : yen]

	Actual
<b>I Ordinary revenues</b>	
1 Membership fees received	14,698,000
2 Contributions received	261,780,954
3 Grants receivable	23,717,055
4 Operating revenue	1,538,771
5 Miscellaneous revenue	
Interest income	620,228
Miscellaneous revenue	1,980,231
<b>Total ordinary revenues</b>	<b>304,335,239</b>

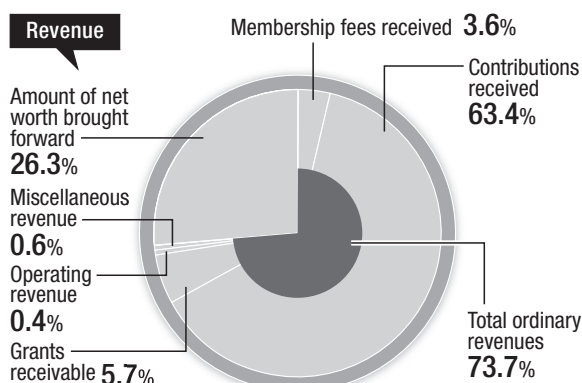
## II Ordinary expenses

<b>1 Business expenses</b>	
(1) Personnel expenses	
Salaries	46,490,791
Statutory welfare	5,747,656
Welfare	2,036,149
Retirement benefit expenses	347,400
<b>Total personnel expenses</b>	<b>54,621,996</b>
(2) Other expenses	
Printing and binding	1,723,090
Communication and delivery	2,000,649
Travel	8,698,150
Rent	5,190,978
Utilities	982,006
Fees	56,377
Supplies	8,482,491
Books and subscription	1,239
Meeting	7,420,785
Dues	75,991
Compensations	9,981,597
Taxes and dues	5,814
Training expenses	3,240
Repairs and maintenance expenses	1,091,134
Advertising expenses	803,666
Consultant fees, Consignment expenses	676,350
Contribution	1,076,508
Depreciation	3,662,398
Insurance	23,660
Miscellaneous	3,149,181
Miscellaneous loss	64,755
Foreign currency losses	1,057,619
Total other expenses	56,227,678
<b>Total business expenses</b>	<b>110,849,674</b>

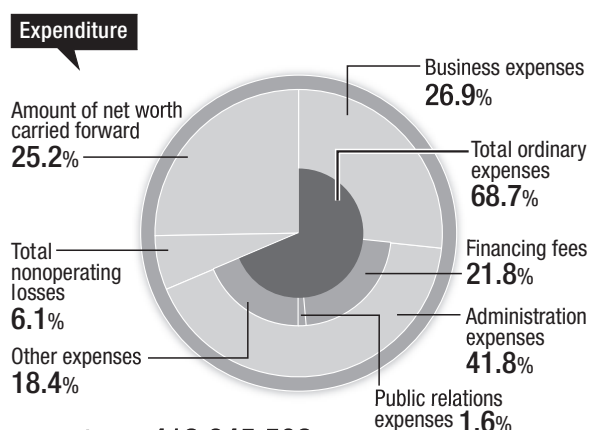
<b>2 Administration expenses</b>	
(1) Personnel expenses	
Directors' compensation	400,000
Salaries	57,431,839
Statutory welfare	8,299,641
Welfare	339,575
Retirement benefit expenses	1,059,372
<b>Total personnel expenses</b>	<b>67,530,427</b>
(2) Other expenses	
Printing and binding	24,522,305
Communication and delivery	22,296,221
Travel	10,350,796
Rent	6,556,331
Utilities	309,598
Fees	16,766,084
Supplies	1,539,677
Books and Subscription	61,491
Meeting	170,199
Dues	262,590
Compensations	17,043,967
Taxes and dues	355,404
Training expenses	346,692
Repairs and maintenance expenses	194,921
Advertising expenses	155,800
Consultant fees, Consignment expenses	671,261
Depreciation	2,821,104
Insurance	376,094
Miscellaneous	288,428
Miscellaneous loss	106,657
<b>Total other expenses</b>	<b>105,195,620</b>
<b>Total administration expenses</b>	<b>172,726,047</b>
<b>Total ordinary expenses</b>	<b>283,575,721</b>
<b>Surplus/(deficits)of ordinary revenues and expenses</b>	<b>20,759,518</b>

## III Nonoperating expenses

Financial losses from Community development project in Uganda	25,052,914
<b>Total nonoperating losses</b>	<b>25,052,914</b>
<b>Net surplus/(deficits) for the period</b>	<b>△4,293,396</b>
<b>Amount of net worth brought forward</b>	<b>108,510,263</b>
<b>Amount of net worth carried forward</b>	<b>104,216,867</b>



Revenue 412,845,502



Expenditure 412,845,502

## 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.

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

Investment and other assets ..... 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		Advocacy		Awareness-raising		Youth development		Total
	Overseas	Domestic	Overseas	Domestic	Overseas	Domestic	Overseas	Domestic	
<b>I Ordinary revenues</b>									
(1) Personnel expenses									
Salaries	19,038,407	0	8,301,313	0	6,128,421	2,581,983	8,113,529	2,327,138	46,490,791
Statutory welfare	2,112,008	0	1,088,125	0	771,565	376,158	1,060,769	339,031	5,747,656
Welfare	813,128	0	405,840	0	401,144	5,578	405,432	5,027	2,036,149
Retirement benefit expenses	99,284	0	66,261	0	24,193	49,985	62,625	45,052	347,400
Total personnel expenses	22,062,827	0	9,861,539	0	7,325,323	3,013,704	9,642,355	2,716,248	54,621,996
(2) Other expenses									
Printing and binding	573,331	0	99,227	0	590,045	137,925	322,562	0	1,723,090
Communication and delivery	907,821	0	298,391	7,447	262,850	139,049	352,338	32,753	2,000,649
Travel	5,228,098	0	1,064,541	117,266	143,442	64,283	914,993	1,165,527	8,698,150
Rent	1,885,377	0	992,344	0	782,915	293,542	972,231	264,569	5,190,978
Utilities	487,464	0	132,553	0	208,345	11,535	131,713	10,396	982,006
Fees	50,756	0	59	270	0	1,218	2,012	2,062	56,377
Supplies	6,247,993	0	460,258	39	893,928	64,896	753,900	61,477	8,482,491
Books and subscription	129	0	0	500	0	0	0	610	1,239
Meeting	3,679,410	1,779	1,295,937	0	776,242	11,396	1,580,255	75,766	7,420,785
Dues	33,411	0	2,580	20,000	0	20,000	0	0	75,991
Compensations	7,826,410	0	774,820	70,000	872,480	0	347,320	90,567	9,981,597
Taxes and dues	114	0	0	0	5,700	0	0	0	5,814
Training expenses	0	0	0	0	0	0	0	3,240	3,240
Repairs and maintenance expenses	645,118	0	142,972	0	145,364	5,646	146,946	5,088	1,091,134
Advertising expenses	59,660	0	218,205	0	261,367	0	264,434	0	803,666
Consultant fees, Consignment expenses	540,880	0	0	0	135,470	0	0	0	676,350
Contribution	930,738	0	145,770	0	0	0	0	0	1,076,508
Depreciation	1,371,121	0	724,863	0	625,379	118,218	716,267	106,550	3,662,398
Insurance	0	0	0	0	0	0	0	23,660	23,660
Miscellaneous	1,940,528	0	428,650	0	282,741	7,931	474,183	15,148	3,149,181
Miscellaneous loss	25,902	0	12,951	0	12,951	0	12,951	0	64,755
Foreign exchange losses	369,839	0	229,260	0	229,260	0	229,260	0	1,057,619
Total other expenses	32,804,100	1,779	7,023,381	215,522	6,228,479	875,639	7,221,365	1,857,413	56,227,678
<b>Total</b>	<b>54,866,927</b>	<b>1,779</b>	<b>16,884,920</b>	<b>215,522</b>	<b>13,553,802</b>	<b>3,889,343</b>	<b>16,863,720</b>	<b>4,573,661</b>	<b>110,849,674</b>

### 3 Breakdown of funds designated for specified purposes

"Breakdown of funds designated for specified purposes are as follow:

Net worth of the corporation is 104,216,867 yen. Among which 5,673,140 yen is designated to use for community development projects in Bangladesh. Consequently, the net worth that has no restriction for use is 98,543,727 yen.

[Unit : yen]

Item	Opening balance	Surplus of net worth for the period	Deficit of net worth for the period	Closing balance	Item	Opening balance	Surplus of net worth for the period	Deficit of net worth for the period	Closing balance
Contributions received					Grants receivable				
Support for Burkina Faso	0	40,000	40,000	0	Expenses for the Grant Assistance for Japanese NGO Projects				
Community development in Bangladesh	5,031,875	641,265	0	5,673,140	Community development in Uganda	0	22,835,705	22,835,705	0
Advocacy in Bangladesh	0	108,618	108,618	0	Tokyo Labor Bureau	0	570,000	570,000	0
Awareness-raising in Bangladesh	0	12,900	12,900	0	Grants for developing an employment environment	0	200,000	200,000	0
Youth development in Bangladesh	0	316,050	316,050	0	Public Resource Foundation				
Community development in Burkina Faso	0	965,296	965,296	0	Community development in Benin	0	19,550	19,550	0
Youth development general	0	100,000	100,000	0	Community development in Uganda	0	1,700	1,700	0
Overseas general	0	2,682,769	2,682,769	0	Community development in Burkina Faso	0	90,100	90,100	0
					<b>Total</b>	<b>5,031,875</b>	<b>28,583,953</b>	<b>27,942,688</b>	<b>5,673,140</b>



## 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
<b>Tangible fixed assets</b>						
Building	11,659,503	0	0	11,659,503	8,630,567	3,028,936
Facilities attached to buildings	1,701,380	0	262,605	1,438,775	557,402	881,373
Vehicle	20,514,846	0	0	20,514,846	13,893,897	6,620,949
Tools, furniture and fixtures	4,986,460	360,633	228,100	5,118,993	3,890,455	1,228,538
Land	12,034,046	0	0	12,034,046	0	12,034,046
<b>Intangible fixed assets</b>						
Software	0	682,020	0	682,020	0	682,020
<b>Investment and other assets</b>						
Long-term loans receivable	2,211,000	0	0	2,211,000	0	2,211,000
Guarantee deposits	2,422,730	0	0	2,422,730	0	2,422,730
<b>Total</b>	<b>55,529,965</b>	<b>1,042,653</b>	<b>490,705</b>	<b>56,081,913</b>	<b>26,972,321</b>	<b>29,109,592</b>

## 5 Nonoperating liabilities

The former director of Uganda affiliate office is currently claiming the compensation of US\$401,867 (¥44,269,668) against our corporation for his displacement. We defend our decision because of the lack of valid reason of his claim.

## Audit Report

*Ms. HARADA Mariko*

Chairperson of the Board

Hunger Free World, a Specified Nonprofit Corporation

We carried out the operational and the financial audit of Hunger Free World (HFW) for the fiscal year of 2019, between January 1st, 2019 and December 31st, 2019. We conducted the audit in accordance to the Article 18 of the Act on Promotion of Specified Non-profit Activities.

•Outline of the methods of auditing

As for the operational audit, we applied the following methods to collect the relevant information: direct communication with the HFW board members and operational staffs to collect the relevant information as well as to establish the condition required for audit, participation in the HFW board meetings and the other important meetings to obtain operational reports by the board members and operational staffs, review of the relevant documents to investigate the operational conduct.

As for the financial audit, we reviewed accounting books and the relevant documents to investigate the accuracy of the following components of the accompanying Financial Report for the fiscal year of 2019: List of Assets, Balance Sheet, Statement of Activities and Notes to Financial Statements.

•Auditor's opinion

We acknowledge that the Annual Report accurately presents the facts in accordance to the relevant laws/articles of Japan.

We acknowledge that there was no misconduct regarding the operational conduct of the board members in the operational conduct, or gross negligence of the relevant laws/articles of Japan.

We acknowledge that List of Assets, Balance Sheet, Statement of Activities and Notes to Financial Statements accurately states the financial state of HFW.

March 13, 2020 OSHIMA Hitoshi, NIINAYA Hiroaki  
Auditor Hunger Free World, a Specified Nonprofit Corporation

## Balance Sheet As of December 31, 2019

[Unit : yen]

## I Asset

<b>1 Current assets</b>	
Cash and bank accounts	100,889,465
Stok account	10,923,715
Advances	6,399,134
Advances paid	132,225
Other receivable	689,155
Accounts receivable	2,960,375
Short-term loans receivable	291,000
<b>Total current assets</b>	<b>122,285,069</b>
<b>2 Fixed assets</b>	
<b>(1) Tangible fixed assets</b>	
Building	3,028,936
Facilities attached to buildings	881,373
Vehicle (overseas)	6,620,949
Furniture and fixtures	1,228,538
Land	12,034,046
<b>Total tangible fixed assets</b>	<b>23,793,842</b>
<b>(2) Intangible fixed assets</b>	
Software	682,020
<b>Total intangible fixed assets</b>	<b>682,020</b>
<b>(3) Investment and other assets</b>	
Long-term loans receivable	2,211,000
Guarantee deposits	2,422,730
<b>Total investment and other assets</b>	<b>4,633,730</b>
<b>Total fixed assets</b>	<b>29,109,592</b>
<b>Total assets</b>	<b>151,394,661</b>

## II Debt

<b>1 Current liabilities</b>	
Other accounts payable	12,207,906
Deposit received	1,723,940
Loss provision on affiliate office	32,420,940
<b>Total current liabilities</b>	<b>46,352,786</b>
<b>2 Fixed liabilities</b>	
Provision for retirement benefits	825,008
<b>Total fixed liabilities</b>	<b>825,008</b>
<b>Total liabilities</b>	<b>47,177,794</b>

## III Net worth

Net worth brought forward	108,510,263
Surplus/(deficit) of net worth for the period	△4,293,396
<b>Total net worth</b>	<b>104,216,867</b>
<b>Total liabilities and net worth</b>	<b>151,394,661</b>