

Hunger Free World, a specified non-profit corporation

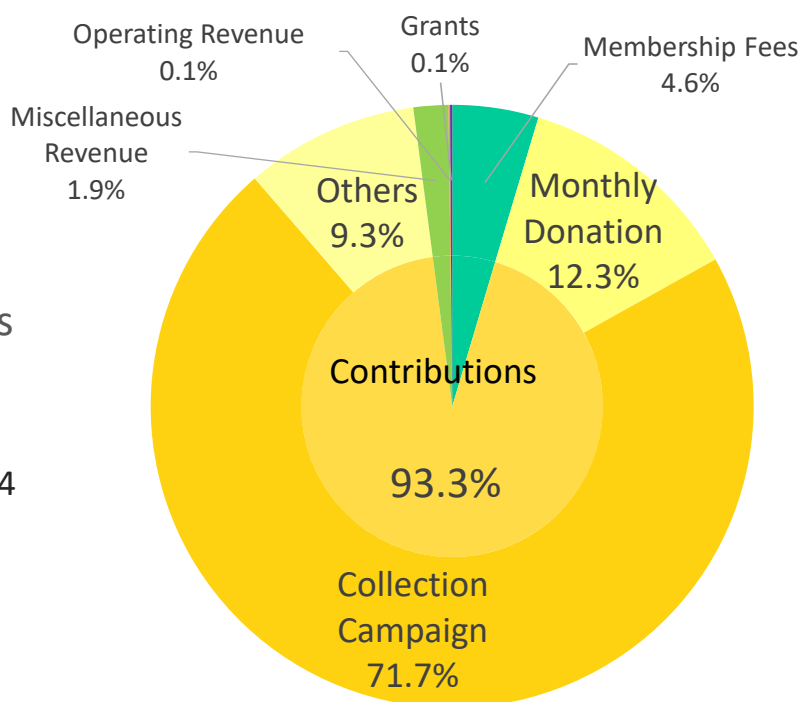
Statement of Activities for FY 2022 from January 1 to December 31, 2022

[Unit : yen]

【A】 Ordinary revenues		
Membership fees		11,916,500
Contributions received		240,324,398
Grants receivable		277,247
Operating revenue		243,346
Miscellaneous revenue		4,794,743
Interest income	246,932	
Differences in foreign exchange rates	3,440,794	
Miscellaneous revenue	1,107,017	
Total ordinary revenues		257,556,234
【B】 Ordinary expenses		
1. Business expenses		
(1) Personnel expenses		79,519,475
Compensation paid to directors	840,000	
Salaries	66,796,609	
Statutory welfare	8,341,218	
Welfare	2,591,490	
Retirement benefit expenses	950,158	
(2) Other expenses		106,547,640
Printing and binding	32,786,754	
Communication and delivery	18,176,127	
Travel	9,865,783	
Rent	9,291,987	
Utilities	945,314	
Fees	8,649,181	
Supplies	2,598,778	
Books and subscription	55,621	
Meeting	2,590,990	
Dues	103,954	
Compensations	9,369,363	
Taxes and dues	170,455	
Repairs and maintenance expenses	1,028,753	
Advertising expenses	323,098	
Contribution	8,269,724	
Depreciation	2,124,246	
Insurance	145,557	
Miscellaneous	51,955	
Total Business expenses		186,067,115
2. Administration expenses		
(1) Personnel expenses		24,554,465
Compensation paid to directors	360,000	
Salaries	20,210,227	
Statutory welfare	2,975,650	
Welfare	662,048	
Retirement benefit expenses	346,540	
(2) Other expenses		19,762,465
Printing and binding	861	
Communication and delivery	394,627	
Travel	2,302,915	
Rent	3,357,977	
Utilities	277,922	
Fees	4,418,989	
Supplies	694,880	
Books and subscription	1,700	
Meeting	6,709	
Dues	140,975	
Compensations	7,349,113	
Taxes and dues	800	
Training expenses	91,440	
Repairs and maintenance expenses	66,000	
Depreciation	575,627	
Miscellaneous	81,930	
Total Administration expenses		44,316,930
Total ordinary expenses		230,384,045
Surplus/(deficits) of ordinary revenues and expenses 【A】 - 【B】		27,172,189
【C】 Nonrecurring revenues		
Total Nonrecurring revenues		0
【D】 Nonrecurring expenses		
Total Nonrecurring expenses		0
Surplus/(deficits) of nonrecurring revenues and expenses 【C】 - 【D】		0
Net surplus/(deficits) for the period		27,172,189
Amount of net worth brought forward		79,528,985
Amount of net worth carried forward		106,701,174

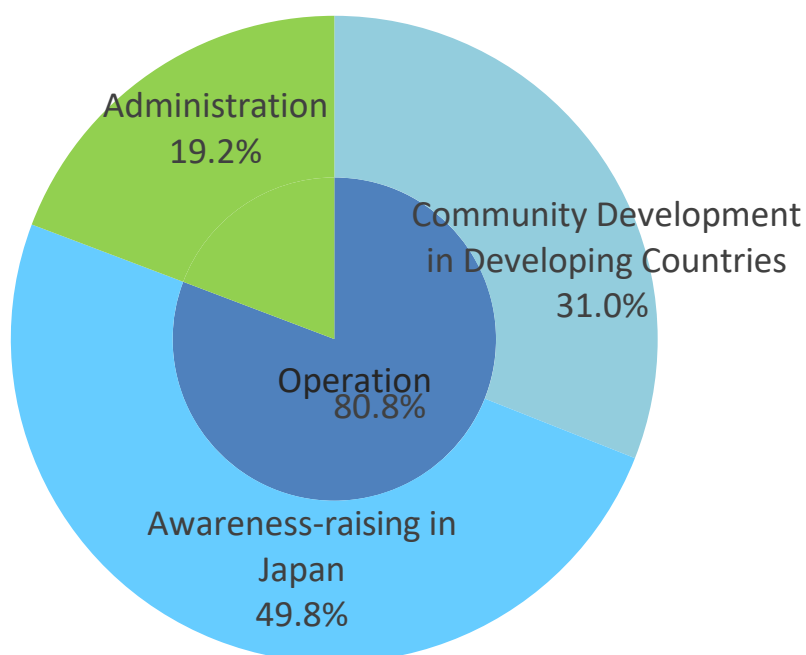
Ordinary Revenues

total
¥257,556,234



Ordinary Expenses

total
¥230,384,045



Balance Sheet

As of December 31, 2022

[Unit: yen]

【A】 Asset		
1 Current assets		
Cash and bank accounts	111,506,332	
Supplies	21,875,056	
Advances	2,285,494	
Prepaid expenses	644,156	
Short-term loans receivable	280,000	
Total current assets		136,591,038
2 Fixed assets		
(1) Tangible fixed assets		18,541,651
Building	2,919,072	
Facilities attached to buildings	3,815	
Vehicle (overseas)	916,177	
Tools, furniture and fixtures	2,668,541	
Land	12,034,046	
(2) Intangible fixed assets		169,884
Software	169,884	
(3) Investment and other assets		1,926,090
Long-term loans receivable	403,360	
Guarantee deposits	1,522,730	
Total fixed assets		20,637,625
Total assets		157,228,663
【B-1】 Debt		
1 Current liabilities		
Other accounts payable	15,936,326	
Deposit received	2,195,724	
Loss provision on affiliate office	31,477,017	
Total Current liabilities		49,609,067
2 Fixed liabilities		
Provision for retirement benefits	918,422	
Total fixed liabilities		918,422
Total liabilities		50,527,489
Net worth		
Net worth brought forward	79,528,985	
Surplus/(deficit) of net worth	27,172,189	
Total net worth		106,701,174
Total liabilities and net worth		157,228,663

Breakdown of business expenses

item	Community Development in Developing Countries	Awareness-raising in Japan	total
Ordinary expenses			
Personnel expenses			
Board members' compensation	¥0	¥840,000	¥840,000
Salaries	¥26,091,832	¥40,704,777	¥66,796,609
Statutory welfare	¥3,355,280	¥4,985,938	¥8,341,218
Welfare	¥2,511,256	¥80,234	¥2,591,490
Retirement benefit expenses	¥339,758	¥610,400	¥950,158
Total personnel expenses	¥32,298,126	¥47,221,349	¥79,519,475
Other expenses			
Printing and binding	¥870,566	¥31,916,188	¥32,786,754
Communication and delivery	¥1,163,078	¥17,013,049	¥18,176,127
Travel	¥6,724,889	¥3,140,894	¥9,865,783
Rent	¥3,496,094	¥5,795,893	¥9,291,987
Utilities	¥709,454	¥235,860	¥945,314
Fees	¥178,603	¥8,470,578	¥8,649,181
Supplies	¥2,289,807	¥308,971	¥2,598,778
Books and subscription	¥50,996	¥4,625	¥55,621
Meeting	¥2,590,990	¥0	¥2,590,990
Dues	¥43,954	¥60,000	¥103,954
Compensations	¥9,269,363	¥100,000	¥9,369,363
Taxes and dues	¥170,455	¥0	¥170,455
Taxes and dues	¥0	¥0	¥0
Repairs and maintenance expense	¥1,028,753	¥0	¥1,028,753
Advertising expenses	¥250,798	¥72,300	¥323,098
Consultant fees, Consignment exp	¥0	¥0	¥0
Contribution	¥8,269,724	¥0	¥8,269,724
Depreciation	¥1,874,682	¥249,564	¥2,124,246
Insurance	¥145,557	¥0	¥145,557
Miscellaneous	¥13	¥51,942	¥51,955
Foreign exchange loss/ gain	¥0	¥0	¥0
Total other expenses	¥39,127,776	¥67,419,864	¥106,547,640
Total	¥71,425,902	¥114,641,213	¥186,067,115

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 last revised on November 12, 2017).

(1) Method and basis for calculating inventory

supplies ... Cost is provided on the last purchase price method.

(2) 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.

(3) Basis for appropriating provisions

Allowance for affiliate office loss: To provide for expenses related to community development projects of affiliate offices in Bangladesh and Uganda, the expected amount is appropriated in advance.

Provision for retirement benefits: To provide for the payment of retirement benefits to employees of Bangladesh affiliate office, this reserve is appropriated based on the estimated amount of benefit obligations at the end of the fiscal year.

(4) 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

See other sheet

3 Breakdown of funds designated for specified purposes

Breakdown of funds designated for specified purposes (changes in net worth and condition of balances) are as follow. The net worth that has no restriction for use is 106,701,174 yen.

[Unit: yen]

Item	Opening balance	Surplus of net worth for the period	Deficit of net worth for the period	Closing balance
Contributions received				
Community Development in Developing Countries (Benin)	0	1,210,416	1,210,416	0
Community Development in Developing Countries (Burkina Faso)	0	41,815	41,815	0
Community Development in Developing Countries (General)	0	3,357,190	3,357,190	0
Grants receivable				
Public Resource Foundation				
Community Development in Developing Countries (Benin)	0	71,400	71,400	0
Community Development in Developing Countries (Burkina Faso)	0	47,143	47,143	0
Total	0	4,727,964	4,727,964	0

4 Breakdown of increase and decrease in fixed assets

[Unit: yen]

Item	Acquisition cost at the beginning	Acquisition	Disposal	Acquisition cost at the ending period	Accumulated depreciation	Book value at the ending period
Tangible fixed assets						
Building	11,659,503	0	0	11,659,503	8,740,431	2,919,072
Facilities attached to buildings	702,397	0	0	702,397	698,582	3,815
Vehicle	20,514,846	0	0	20,514,846	19,598,669	916,177
Tools, furniture and fixtures	6,353,993	1,354,049	0	7,708,042	5,039,501	2,668,541
Land	12,034,046	0	0	12,034,046		12,034,046
Intangible fixed assets						
Software	306,288	0	136,404	169,884		169,884
Investment and other assets						
Long-term loans receivable	698,160	0	294,800	403,360		403,360
Guarantee deposits	1,522,730	0	0	1,522,730		1,522,730
Total	53,791,963	1,354,049	431,204	54,714,808	34,077,183	20,637,625

5 Nonoperating liabilities

The former director of Uganda affiliate office is currently claiming the compensation of US\$401,867 (54,352,512yen) against our corporation for his displacement. We are defending our decision because of the lack of valid reason of his claim. We are also claiming the compensation for damage caused by the misappropriation against the former director.

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 2022, between January 1st, 2022 and December 31st, 2022. We conducted the audit in accordance to the Article 18 of the Act on Promotion of Specified Non-profit Activities.

1. 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 2022: List of Assets, Balance Sheet, Statement of Activities and Notes to Financial Statements.

2. 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 6, 2023 *OSHIMA Hitoshi, NIINAYA Hiroaki*
Auditor Hunger Free World, a Specified Nonprofit Corporation