

Hunger Free World, a specified non-profit corporation

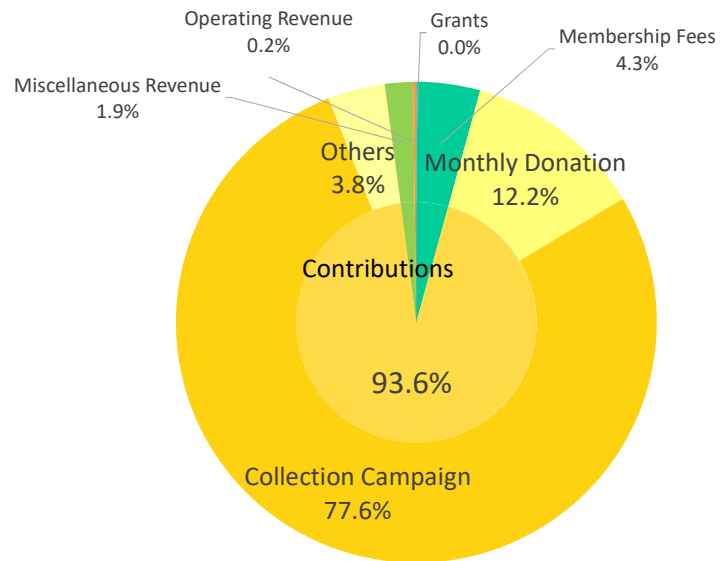
[Unit : yen]

【A】 Ordinary revenues		
Membership fees		11,095,000
Contributions received		242,698,701
Grants receivable		32,010
Operating revenue		513,974
Miscellaneous revenue		4,910,054
Interest income	1,401,030	
Differences in foreign exchange rates	1,821,354	
Miscellaneous revenue	1,687,670	
Total ordinary revenues		259,249,739
【B】 Ordinary expenses		
1. Business expenses		
(1) Personnel expenses		83,906,862
Compensation paid to directors	700,000	
Salaries	69,395,481	
Statutory welfare	10,182,021	
Welfare	2,605,954	
Retirement benefit expenses	1,023,406	
(2) Other expenses		119,444,477
Printing and binding	39,355,785	
Communication and delivery	19,763,371	
Travel	8,437,626	
Rent	9,368,327	
Utilities	1,023,186	
Fees	18,563,160	
Supplies	2,378,946	
Books and subscription	12,440	
Meeting	4,263,802	
Dues	64,000	
Compensations	9,939,668	
Taxes and dues	42,529	
Repairs and maintenance expenses	1,217,303	
Advertising expenses	956,140	
Contribution	3,464,504	
Depreciation	414,975	
Insurance	145,557	
Miscellaneous	33,158	
Total Business expenses		203,351,339
2 Administration expenses		
(1) Personnel expenses		28,034,801
Compensation paid to directors	300,000	
Salaries	23,059,543	
Statutory welfare	3,643,595	
Welfare	665,812	
Retirement benefit expenses	365,851	
(2) Other expenses		13,968,634
Printing and binding	122,012	
Communication and delivery	733,396	
Travel	2,370,805	
Rent	3,278,949	
Utilities	292,034	
Fees	1,443,707	
Supplies	645,436	
Books and subscription	2,310	
Meeting	57,972	
Dues	139,600	
Compensations	4,018,797	
Taxes and dues	1,080	
Training expenses	214,750	
Repairs and maintenance expenses	405,032	
Depreciation	131,313	
Insurance	21,420	
Miscellaneous	90,021	
Total Administration expenses		42,003,435
Total ordinary expenses		245,354,774
Surplus/(deficits)of ordinary revenues and expenses 【A】－【B】		13,894,965
【C】 Nonrecurring revenues		
Total Nonrecurring revenues		0
【D】 Nonrecurring expenses		
Allowance for loss at affiliate	487,990	
Total Nonrecurring expenses		487,990
Surplus/(deficits)of nonrecurring revenues and expenses 【C】－【D】		△487,990
Net surplus/(deficits) for the period		13,406,975
Amount of net worth brought forward		106,701,174
Amount of net worth carried forward		120,108,149

2023

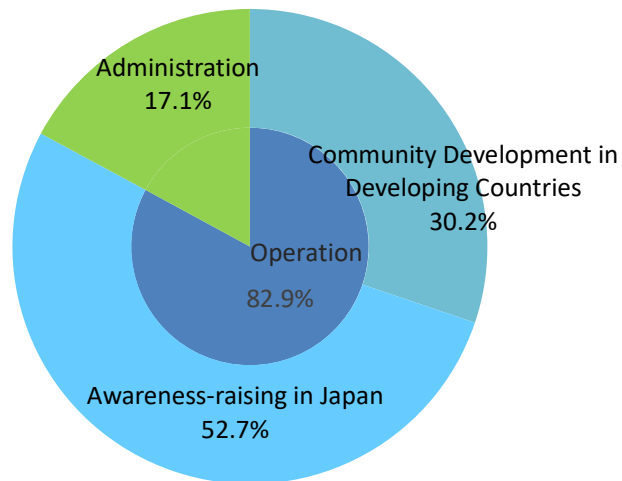
Ordinary Revenues

total
¥259,249,739



Ordinary Expenses

total
¥245,354,774



Balance Sheet

As of December 31, 2023

[Unit: yen]

【A】 Asset			
1 Current assets			
Cash and bank accounts	105,408,506		
Supplies	30,044,837		
Advances	2,560,924		
Prepaid expenses	644,156		
Short-term loans receivable	164,000		
Accounts receivable	7,360,000		
Total current assets			146,182,423
2 Fixed assets			
(1) Tangible fixed assets			16,670,353
Building	2,602,038		
Facilities attached to buildings	2		
Vehicle (overseas)	4		
Tools, furniture and fixtures	2,034,263		
Land	12,034,046		
(2) Intangible fixed assets			33,480
Software	33,480		
(3) Investment and other assets			8,563,578
Guarantee deposits	1,522,730		
Temporal deposits	7,040,848		
Total fixed assets			25,267,411
Total assets			171,449,834
【B-1】 Debt			
1 Current liabilities			
Accrued amount payable	15,047,570		
Deposit received	3,253,486		
Loss provision on affiliate office	31,965,007		
Total Current liabilities			50,266,063
2 Fixed liabilities			
Provision for retirement benefits	1,075,622		
Total fixed liabilities			1,075,622
Total liabilities			51,341,685
Net worth			
Net worth brought forward	106,701,174		
Surplus/(deficit) of net worth	13,406,975		
Total net worth			120,108,149
Total liabilities and net worth			171,449,834

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 office in 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 120,108,149yen.

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	-	-	11,659,503	9,057,465	2,602,038
Facilities attached to buildings	702,397	-	-	702,397	702,395	2
Vehicle	20,514,846	-	-	20,514,846	20,514,842	4
Tools, furniture and fixtures	7,708,042	1,280,774	-	8,988,816	6,954,553	2,034,263
Land	12,034,046	-	-	12,034,046	-	12,034,046
Intangible fixed assets						
Software	169,884	-	136,404	33,480	-	33,480
Investment and other assets						
Long-term loans receivable	403,360	-	403,360	-	-	-
Guarantee deposits	1,522,730	-	-	1,522,730	-	1,522,730
Temporal deposits	-	7,040,848	-	7,040,848	-	7,040,848
Total	54,714,808	8,321,622	539,764	62,496,666	37,229,255	25,267,411

5 Nonoperating liabilities

- ✓ The former director of Uganda affiliate office is currently claiming the compensation 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.
- ✓ One of the bank accounts owned by our affiliate office in Uganda was designated as a dormant account by the bank. Now we are in the dialogue with the bank to turn the account to normal account again.

Breakdown of business expenses

item	Community Development in Developing Countries	Awareness-raising in Japan	total
Ordinary expenses			
Personnel expenses			
Board members' compensation	¥0	¥700,000	¥700,000
Salaries	¥29,075,200	¥40,320,281	¥69,395,481
Statutory welfare	¥4,032,719	¥6,149,302	¥10,182,021
Welfare	¥2,525,740	¥80,214	¥2,605,954
Retirement benefit expenses	¥407,406	¥616,000	¥1,023,406
Total personnel expenses	¥36,041,065	¥47,865,797	¥83,906,862
Other expenses			
Printing and binding	¥1,472,334	¥37,883,451	¥39,355,785
Communication and delivery	¥1,263,815	¥18,499,556	¥19,763,371
Travel	¥8,057,227	¥380,399	¥8,437,626
Rent	¥3,957,417	¥5,410,910	¥9,368,327
Utilities	¥820,261	¥202,925	¥1,023,186
Fees	¥148,368	¥18,414,792	¥18,563,160
Supplies	¥2,175,079	¥203,867	¥2,378,946
Books and subscription	¥7,511	¥4,929	¥12,440
Meeting	¥4,252,452	¥11,350	¥4,263,802
Dues	¥64,000	¥0	¥64,000
Compensations	¥9,790,769	¥148,899	¥9,939,668
Taxes and dues	¥39,461	¥3,068	¥42,529
Repairs and maintenance expenses	¥1,217,303	¥0	¥1,217,303
Advertising expenses	¥956,140	¥0	¥956,140
Contribution	¥3,464,504	¥0	¥3,464,504
Depreciation	¥260,587	¥154,388	¥414,975
Insurance	¥145,557	¥0	¥145,557
Miscellaneous	¥0	¥33,158	¥33,158
Total other expenses	¥38,092,785	¥81,351,692	¥119,444,477
Total	¥74,133,850	¥129,217,489	¥203,351,339

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 2023, between January 1st, 2023 and December 31st, 2023. 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 2023: 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.

April 15, 2024 *NIINAYA Hiroaki, MIKI Kotoba*
Auditor Hunger Free World, a Specified Nonprofit Corporation