

This is a translation into English of the statutory auditor's report on the financial statements of the Association issued in French and it is provided solely for the convenience of English-speaking users.

This statutory auditor's report includes information required by French law, such as the verification of the management report and other documents provided to the members.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.



Action Contre la Faim

Year ended December 31, 2021

Statutory auditor's report on the financial statements

ERNST & YOUNG Audit



Action Contre la Faim

Year ended December 31, 2021

Statutory auditor's report on the financial statements

To the Annual General Meeting of Action Contre la Faim,

Opinion

In compliance with the engagement entrusted to us by your Annual General Meeting, we have audited the accompanying financial statements of Action Contre la Faim for the year ended December 31, 2021.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the Association as at December 31, 2021 and of the results of its operations for the year then ended in accordance with French accounting principles.

Basis for Opinion

Audit Framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Statutory Auditor's Responsibilities for the Audit of the Financial Statements* section of our report.

Independence

We conducted our audit engagement in compliance with the independence requirements of the French Commercial Code (*Code de commerce*) and the French Code of Ethics for Statutory Auditors (*Code de déontologie de la profession de commissaire aux comptes*) for the period from January 1, 2021 to the date of our report.



Justification of Assessments

Due to the global crisis related to the COVID-19 pandemic, the financial statements for this period have been prepared and audited under special circumstances. Indeed, this crisis and the exceptional measures taken in the context of the health emergency have had numerous consequences for companies, particularly on their operations and their financing, and have led to greater uncertainties regarding their future prospects. Some of these measures, such as travel restrictions and remote working, have also had an impact on companies' internal organization and on the performance of audits.

It is in this complex, evolving context that, in accordance with the requirements of Articles L. 823-9 and R. 823-7 of the French Commercial Code (*Code de commerce*) relating to the justification of our assessments, we inform you of the assessments that, in our professional judgment, were of most significance in our audit of the financial statements of the current period.

These matters were addressed in the context of our audit of the financial statements as a whole,, and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the financial statements.

As part of our assessment of the accounting principles applied by your Association, we have assessed that the methods used to prepare the Income Statement with Source and Use of Funds (CROD) and the Application of Funds Statement (CER) are appropriately described in the Notes "General accounting principles" and "2021 Income Statement with Source and Use of Funds (CROD) and 2021 Application of Funds Statement (CER) " to the financial statements, comply with the provisions of ANC regulation No. 2018-06 and have been correctly applied.

Specific Verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations.

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the Treasurer's management report and in the other documents with respect to the financial position and the financial statements provided to the members.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with French accounting principles 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 it is expected to liquidate the Association or to cease operations.



The financial statements were approved by the Board of Directors.

Statutory Auditor's Responsibilities for the Audit of the Financial Statements

Our role is to issue a report on the financial statements. Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users made on the basis of these financial statements.

As specified in Article L. 823-10-1 of the French Commercial Code (*Code de commerce*), our statutory audit does not include assurance on the viability of the Association or the quality of management of the affairs of the Association.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- ▶ Identifies and assesses the risks of material misstatement of the financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his 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.
- ▶ Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- ▶ Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management in the financial statements.
- ▶ Assesses 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. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Association to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein.
- ▶ Evaluates the overall presentation of the financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.



Paris-La Défense, May 25, 2022

The Statutory Auditor
French original signed by
ERNST & YOUNG Audit

May Kassis-Morin



2021 FINANCIAL STATEMENTS



A nonprofit organization under French Law 1901 recognized as serving the public interest, authorized to receive gifts, bequests, and life insurance | SIRET No.: 318 990892 00065 | APE Code: 94 99Z
14/16 Boulevard de Douaumont, CS 80060, 75854 PARIS cedex 17 | Tel.: +33 (0) 170 847 070 | Fax: +33 (0) 170 847 071 | www.actioncontrelafaim.org

2021 Financial Statements

2021 Balance Sheet

Balance sheet - Assets					
(in US Dollars)	Rate = 1,1326		31.12.2021		31.12.2020
	Note	Gross	Depreciation	Net	Net
FIXED ASSETS					
Intangible assets					
Concessions, patents, licenses, brands, processes, software, rights and similar values		2 422 670	1 257 513	1 165 157	754 430
Intangible assets in progress		378 198	-	378 198	477 604
Tangible Assets **					
Technical installations		2 348 775	1 942 268	406 507	678 414
Equipment "Headquarter **		-	-	-	246 009
Equipment "Missions **		-	-	-	825 583
Computer & telephone equipment		1 279 038	1 218 020	61 019	-
Office equipment		198 315	59 533	138 783	-
Video equipment		112 469	110 258	2 211	-
Furniture		254 270	249 911	4 359	-
Technical equipment for research		47 445	47 445	-	-
Transportation equipment		4 347 616	3 611 923	735 693	-
Radio and communication equipment		1 666 840	1 289 952	376 887	-
Goods received by bequest or donation intended to be yield (0)		1 045 519	16 005	1 029 514	863 722
Financial assets					
Loans		4 356 807	-	4 356 807	4 831 301
Securities and participations		4 535 304	-	4 535 304	-
Others		595 585	-	595 585	588 103
TOTAL I.	(1)	23 588 853	9 802 827	13 786 026	9 265 166
CURRENT ASSETS					
Stocks	(2)	1 917 017	10 044	1 906 972	1 491 390
Receivable					
Donor receivables	(3.1)	264 147 311	600 986	263 546 325	268 380 134
Receivables received by bequest or donation (0)	(3.2)	1 460 937	-	1 460 937	1 645 249
Others	(3.3)	16 385 207	-	16 385 207	19 716 468
Receivables on the ACF international network	(3.4)	14 389 121	-	14 389 121	14 914 304
Investment Securities	(5)	4 889 816	-	4 889 816	4 889 816
Cash at bank and in hand	(6)	72 240 460	-	72 240 460	39 563 154
Prepaid expenses		2 033 374	-	2 033 374	1 934 351
TOTAL II.		377 463 242	611 030	376 852 212	352 534 866
Conversion difference - assets (III)	(7)	6 368 926	-	6 368 926	17 436 629
TOTAL ASSETS (I + II + III)		407 421 022	10 413 857	397 007 166	379 236 661

****In 2021, ACF modified its chart of accounts (COA) to ensure consistency between headquarters and field offices. As a result, the balance sheet now details fixed assets by type rather than differentiating between headquarters and field offices.**

Balance sheet - Liabilities

(in US Dollars)	Rate = 1,1326	Note	31.12.2021	31.12.2020
ASSOCIATIVE FUNDS				
Associative Fund without recovery rights			22 652 000	27 853 472
Statutory reserves			1 699	1 699
Additional reserve			22 650 301	27 851 773
Reserves for associative project			13 583 138	16 252 997
Applied Research			933 262	1 925 673
Operational Programs			8 588 639	10 041 346
International Developpement			1 215 013	1 288 107
Information Systems Development			2 846 224	2 997 871
Retained earnings			-	1 300 738
Excédent / Déficit de l'exercice			561 973	- 6 570 592
TOTAL I.	(8)		36 797 111	36 235 139
DEFERRED AND DEDICATED FUNDS				
Deferred funds related to bequests or donations (0)	(9.1)		2 248 201	2 001 737
Dedicated funds	(9.2)		16 346 371	5 926 476
TOTAL II.			18 594 571	7 928 212
PROVISIONS				
Provisions for risks and charges			15 904 502	20 592 408
TOTAL III.	(10)		15 904 502	20 592 408
DEBTS				
Loans and Debts with Credit Institutions			-	-
Donors debts			20 224 433	-
Trade payables & related accounts	(11.1)		17 927 739	18 623 241
Debts from bequests and donations (0)	(11.2)		304 816	377 844
Taxation and social security debts	(11.3)		10 457 917	8 550 581
Other debts	(11.4)		2 686 935	1 671 231
Debts related to ACF International Network	(11.5)		4 924 033	15 220 838
Financial instruments	(11.7)		215 590	-
Deferred Income	(12)		259 222 886	264 741 713
TOTAL IV.			315 964 349	309 185 449
Conversion Difference - Liabilities (V)	(13)		9 746 632	5 295 453
TOTAL LIABILITIES (I+ II+ III+ IV+ V)			397 007 166	379 236 661

2020–2021 Income Statement

INCOME STATEMENT (in US Dollars) Rate = 1,1326	2021 financial year (Under ANC 2018-06)	2020 financial year (Under ANC 2018-06)
OPERATING INCOME		
Contributions (c)	9 892	10 703
Goods and services sales		
Income from third party funders	303 077 602	317 081 863
Government grants and operating subsidies	239 138 931	270 088 800
Payments from the founders or consumption of the expendable allocation		
Resources related to public generosity	60 160 246	45 903 182
Manual donations	51 880 188	39 795 948
Sponsorship	6 089 319	3 191 652
Bequests, donations and life insurance	2 190 739	2 915 582
Financial contributions	3 778 426	1 089 881
Reversals of depreciation, amortization, provision	23 537 043	20 826 028
Uses of dedicated funds	3 596 976	4 768 029
Other income	19 940 067	16 057 999
Total I	326 624 538	337 918 594
OPERATING CHARGES		
Purchase of goods	127 063 668	131 223 145
Stock variation		
Other purchases and external expenses		
Financial aid		
Taxes, duties and similar prepayments	5 270 040	4 185 111
Wages and salaries	91 748 016	108 948 148
Social security charges		
Amortization and depreciation charges	1 224 382	1 800 618
Provisions	10864225,5	15653360,79
Carry forward in dedicated funds	14 016 871	1 830 201
Social security expenses	75 490 841	79 783 822
Financial aid	70 974 314	77 116 748
Other charges	4 516 527	2 667 074
Total II	325 678 043	343 424 405
1. OPERATING RESULT (I -II)	946 495	-5 505 812

INCOME STATEMENT (in US Dollars) Rate = 1,1326	2021 financial year (Under ANC 2018-06)	2020 financial year (Under ANC 2018-06)
1. OPERATING RESULT (I - II)	946 495	-5 505 812
FINANCIAL INCOME		
Equity investments		
Other transferable securities and receivables from fixed assets		
Other interest and similar income	530	4 083
Reversals of provisions, impairment	0	223 453
Exchange gains	5 651 518	5 345 698
Net income from sales of marketable securities	0	0
Total III	5 652 049	5 573 233
FINANCIAL CHARGES		
Allowances for depreciation and provisions	384 161	1 132 600
Interest and similar charges	0	11 719
Exchange losses	5 485 308	5 639 565
Net expenses on disposal of marketable securities	0	0
Total IV	5 869 469	6 783 883
2. FINANCIAL RESULT (III - IV)	- 217 420	- 1 210 650
3. CURRENT RESULT before tax (I - II + III - IV)	729 075	- 6 716 462
EXTRAORDINARY INCOME		
Extraordinary income on management operations	142 178	455 709
Extraordinary income on capital operations	67 593	32 554
Reversals of provisions, depreciation and expense transfers	0	0
Total V	209 772	488 263
EXTRAORDINARY CHARGES		
Extraordinary charges on management operations	357 163	342 393
Extraordinary charges on capital operations	11 905	0
Allowances for depreciation and provisions	0	0
Total VI	369 069	342 393
4. EXTRAORDINARY RESULT (V - VI)	-159 297	145 870
Employee participation in the result (VII)		
Income taxes (VIII)	7 805	0
Total Income (I + III + V)	332 486 358	343 980 089
Total charges (II + IV + VI + VII + VIII)	331 924 385	350 550 681
SURPLUS OR DEFICIT	561 973	- 6 570 592
VOLUNTARY CONTRIBUTIONS IN KIND		
In kind donations	4 029 483	6 621 108
In kind benefits	1 338 232	997 268
Volunteering	93 672	8 234
TOTAL	5 461 386	7 626 609
CHARGES FOR VOLUNTARY CONTRIBUTIONS IN KIND		
In kind rescue	5 197 934	6 621 108
Free provision of goods		
In kind services	263 452	997 268
Free provision of goods and services (a)		
Volunteer staff	0	8 234
TOTAL	5 461 386	7 626 609

Notes to the financial statements for the year ended December 31, 2021

About Action Contre la Faim (ACF)

Founded in 1979 by a group of French intellectuals and physicians, ACF is an NGO whose structure is defined by the French Law of 1901 and that seeks to save lives by eliminating world hunger, in the spirit of international solidarity.

To achieve this aim it takes concrete action for the prevention, detection, and treatment of malnutrition, particularly during and after humanitarian crises arising from armed conflict or natural disasters.

Organized as an international network, ACF spans 45 countries and carries out missions in 22.

The priority of ACF, accredited as an organization serving the public interest, is to take concrete action in the field and communicate on the plight of those populations it aids.

Since 2019, ACF has been a member of Alliance Urgences, a collective of six NGOs that seeks to develop nationwide solidarity powering a response to humanitarian crises.

Measures taken to combat hunger reflect multiple areas of expertise: nutrition and health; food security; water, sanitation, and hygiene; mental health, care practices, gender, and protection; advocacy; risk and disaster management; and research.

Intervention	22 countries
Deployment of humanitarian aid	13.5 million people
Areas of Activity	France and International
Employees	4 391

General Accounting Principles

The 2021 annual financial statements have been prepared and presented in accordance with the general rules for the preparation and presentation of annual financial statements applicable to nonprofits and defined by Regulation No. 2018-06 of December 5, 2018, of the French Accounting Standards Authority (Autorité des Normes Comptables, or ANC), as amended by ANC Regulation No. 2020-08 of December 4, 2020, concerning annual financial statements of nonprofit private-law legal persons.

For aspects not addressed by ANC Regulation No. 2018-06 of December 5, 2018, the annual financial statements adhered to the rules of ANC Regulation No. 2014-03 of June 5, 2014, amended, concerning the French General Chart of Accounts.

The rules for preparing the annual financial statements comply with the accounting principles of

- continuity of operation
- consistency of accounting methods from one period to the next
- reporting of results for the stated time period
- conservatism

The principal accounting rules and methods used are detailed in the various notes that follow the annual financial statements, each relating to a particular item in the balance sheet or income statement. The historical cost method was applied when evaluating accounting entries.

The balance sheet is presented in accordance with the General Chart of Accounts, except with regards to the following operations, which are presented as stipulated by ANC Regulation No. 2018-06 of December 5, 2018:

- resources acquired through bequests or gifts that are to be transferred
- receivables acquired through bequests or gifts
- operating reserves
- restricted funds
- carryover funds
- debt linked to bequests or gifts

The CROD and the application of funds statement (*compte d'emploi des ressources*, or CER) were prepared according to ANC Regulation No. 2018-06 of December 5, 2018, amended.

The income statement is prepared on the basis of financial accounting data and in accordance with Article 511-2 of the General Chart of Accounts. As defined by these rules, it presents a list of expenditures and revenue by type.

The income statement adopts the format prescribed by the General Chart of Accounts, except for the following elements:

- operating income (dues, income from third-party funders)
- carryover and use of restricted funds
- voluntary contributions in kind and charges related to such contributions

Highlights of the Year

ACF France carried out missions in 22 countries in 2021 and provided needed humanitarian aid to 13.5 million people.

After several years of vigorous growth, funding of humanitarian missions (\$277 million) decreased by ~9% in 2021, mainly due to the reduction in operational expenses (\$227 million vs. \$255 million in 2020). This may in part be explained by security issues limiting our ability to act in certain countries, including Myanmar, Nigeria, and Yemen, but is first and foremost the result of a 11% reduction in institutional funding (from \$269 million in 2020 to \$239 million in 2021). This reduction primarily concerned our programs in Asia and the Middle East.

Private funding broke a record this year, hitting \$60 million, which is 31% more than the previous year. This may be due to the resumption of fundraising events like the ACF Challenge, Race against Hunger, and most of all, Z Event. A charitable video game streaming event that each year brings together fifty-some participants for a weekend of game streaming, Z Event raised over \$11 million for ACF between October 28 and 31, 2021.

There is a surplus of \$0.6 million for the 2021 fiscal year, mainly because of successful fundraising and a write-back of the large 2020 currency exchange provision.

Creation of SCI and Purchase of Headquarters

ACF currently leases its Porte de Clichy premises, which have been its headquarters since 2014, but must vacate them in late November 2022.

An SCI was created in June 2021 to buy the six-story 4,185-m² building, a third of which (two stories, spanning 980 m²) will be leased to third parties. The 400,000 shares at \$11 each that constitute the capital of the SCI are held by ACF France (399,999 shares) and ACF President Pierre Micheletti (1 share).

The agreement to purchase the building at 102 rue de Paris, in Montreuil (Seine-Saint-Denis, France), was signed on July 12, 2021.

The ACF SCI is financing its purchase and remodeling (\$28.9million) through a \$24.3-million bank loan and a down payment from ACF France of \$5 million in operating reserves.

Events after the Reporting Period

Ukrainian Crisis

Following the Russian invasion of Ukraine on February 24, 2022, ACF commenced activities in Ukraine and in nearby Poland and Romania. Over 10 million people have fled from the fighting. We are active in three major zones: eastern Ukraine, western Ukraine, and neighboring countries (i.e., Romania and Poland).

Substantial funds to respond to the crisis have already been levied from private individuals, especially in the UK, through the Disaster Emergency Committee (\$7 million). Individual donors in France have provided \$1 million. Requests for institutional funding are in progress.

Compounding the problem are important considerations concerning other countries we assist that are indirectly impacted by this conflict. According to the Food and Agriculture Organization (FAO), as many as 13.1 million more people worldwide may face malnutrition. Thus ACF teams are highly mobilized to track the impact of soaring food prices on nutritional needs and the populations we assist.

Implementation of Partitioning

Starting January 1, 2022, ACF will partition its activities for accounting purposes. The main lucrative activities permitted by this partitioning are

- certain partner-product operations
- sports events and challenges
- sharing of staff or material resources between associations
- purchase of goods or services on behalf of other members of the network

The 2022 budget predicts that lucrative activities will account for 1% to 2% of ACF France resources next year.

Notes to the Balance Sheet

Comment on the Scope

ACF is a member of the ACF International (ACF-IN) network. The accounts presented here are those of ACF France. As the different entities constituting ACF-IN are independent, their accounts are not presented together.

Note 1: Fixed Assets

1.1 Tangible and Intangible Fixed Assets

The organization's fixed assets are recorded and valued in accordance with the rules set down by the regulation on assets.

Fixed assets located in France, at the organization's headquarters, are accounted for at acquisition cost in accordance with CRC Regulation 2004-06, and are depreciated on a straight-line basis over their useful lives, as given below:

IT Software	3 years
Fixtures & Installations	5–9 years
Computer & Telephone Equipment	3 years
Hardware for Information System Projects	7 years
Office Equipment	5 years
Video Equipment	5 years
Furniture	5–10 years

Capital goods (transport, radio, and communication equipment) located at field offices, acquired with operating reserves and having a unit value exceeding \$2K, are recorded as fixed assets at their acquisition cost.

Since 2008, the depreciation period for this equipment and vehicles has been aligned with the backer re-invoicing period:

Transport Equipment	2–3 years
Telecommunication Equipment	1–2 years
Computer Hardware and Video Equipment	1 year
Other Major Equipment for Programs	1–2 years
Other Equipment	1–2 years

For any other equipment not listed, acquired with operating reserves and having a value exceeding \$17K, the depreciation period is determined by duration of useful life. Capital goods located at field offices, whose purchase is funded directly by our institutional donors, are directly accounted for in field office expense accounts. Methods of accounting for fixed assets located in France and at field offices remain unchanged for 2021.

The change in gross fixed assets since the previous fiscal year breaks down as follows:

(in US Dollars)	Rate = 1,1326	Total as at 31.12.2020	Increases	Decreases	Transfers between items	Total 31.12.2021
Computer software		1 739 988	682 682	-	-	2 422 670
Assets under construction		477 605	159 842	259 248	-	378 199
Intangible assets		2 217 593	842 524	259 248	-	2 800 868
Fixtures & installations		2 348 775	-	-	-	2 348 775
Computer & telephone equipment		1 509 608	139 923	239 421	131 072	1 279 039
Office equipment		69 462	-	2 198	131 072	198 337
Video equipment		112 469				112 469
Furniture		254 270				254 270
Technical equipment for research		47 445				47 445
Transport equipment		3 932 382	433 866	18 631	-	4 347 616
Radio and communication equipment		1 311 503	355 315	-	-	1 666 818
Hardware		3 985	-	3 985	-	-
Tangible assets		9 589 900	929 104	264 235	-	10 254 769
TOTAL ASSETS		11 807 492	1 771 628	523 483	-	13 055 638

Intangible Fixed Assets

At December 31, 2021, fixed assets in progress mainly concern

- expenses incurred in 2021 for IT projects launched by ACF France— namely, acquisition of TalentSoft HR software (\$108K) and upgrade of Saga financial software (8.1) for field offices (\$37K)
- expenses incurred in 2019 for UNIFI project yet to be implemented at December 31, 2021

Growth in software expenses mainly reflects

- processing of expenses incurred in 2020 for various IT projects launched by ACF France and implemented in 2021—i.e., time sheets and shared costs, time-tracking software, and new HR management system (Nibelis) (+\$259K)
- continued investment (+\$424K) in ACF software, in 2021—and primarily in
 - o Nibelis HR management system (+\$161K)
 - o time-tracking software (+\$80K)
 - o UBW ERP and Saga (+\$78K) for UNIFI project
 - o LINK logistics system (+\$76K)

Tangible Fixed Assets

The increase in tangible fixed assets (+\$929K) can mainly be attributed to the purchase of vehicles (+\$434K), especially in the Democratic Republic of the Congo (DRC), and of hardware (+\$356K) in the Central African Republic.

Given the relocation planned for the following year, there were few investments in fixed assets at ACF headquarters in 2021, beyond the additional \$140K spent on computer equipment.

The observed decrease (–\$264K) mainly relates to scrapping of equipment acquired more than five years ago and thus completely depreciated.

The change in depreciation since the previous fiscal year is detailed below:

(in US Dollars)	Rate = 1,1326	Total as at 31.12.2020	Increases	Decreases	Transfers between items	Total 31.12.2021
Computer software		985 557	271 955	-	-	1 257 512
Depreciation of intangible Assets		985 557	271 955	-	-	1 257 512
Fixtures & installations		1 670 361	271 907	-	-	1 942 268
Computer & telephone equipment		1 287 797	160 929	236 032	5 325	1 218 019
Office equipment		60 281	6 775	2 198	5 325	59 533
Video equipment		105 590	4 668	-	-	110 258
Furniture		246 132	3 779	-	-	249 910
Technical equipment for research		47 445	-	-	-	47 445
Transport equipment		3 239 541	382 495	10 114	-	3 611 922
Radio and communication equipment		3 985	-	3 985	-	-
Hardware		1 178 763	111 189	-	-	1 289 953
Depreciation of tangible Assets		7 839 896	941 741	252 329	-	8 529 308
TOTAL DEPRECIATION		8 825 452	1 213 697	252 329	-	9 786 820

1.2 Resources Acquired through Bequests or Gifts That Are to Be Transferred

Change in resources acquired through bequests to be transferred was as follows:

(in US Dollars)	Rate = 1,1326	31.12.2020	Increase	Decrease	31.12.2021
Goods received by bequest or donation intended to be yield		892 751	690 913	538 145	1 045 519
Depreciation on goods received by bequest or donations		-	29 029	1 019	14 043
Net total of goods received by bequest or donation		863 723	689 893	524 102	1 029 514

Since January 1, 2020, resources acquired through bequests or gifts have been recorded as assets on the balance sheet, in accordance with the new accounting regulation.

Resources and debts received through a bequest were recorded on the date of its acceptance by the Board of Directors, or on the date of its first use, whichever was later, barring any suspensive conditions. In case of the latter, recording of said resources and debts was deferred until all of the conditions were met.

Resources acquired through bequests to be transferred include all resources received by ACF except

- cash, bank assets, listed financial assets, and OPCVM³ shares and similar securities
- resources that the testator or donor wanted to have supplement our operating reserves
- resources to be retained, by decision of the Board of Directors

Resources to be transferred were valued in the following manner:

- for resources accepted by Board of Directors in 2021, their value at the time of their acceptance

The monetary value (net proceeds) was applied for resource valuation. These resources are not depreciated. In the event of loss of value, the net book value of the fixed asset was brought down to the current value through a depreciation.

Note that life insurance is not subject to approval by the Board of Directors and thus recorded as “life insurance” at the date of receipt of the funds.

In 2021, ACF was the beneficiary of 17 new bequests, for a total of \$691K in fixed assets. The \$538K decrease is due to the settlement related to the sale of fixed assets from seven bequests (six received before 2020, and one received in 2021)

1.3 Financial Fixed Assets

Change in financial fixed assets was as follows:

(in US Dollars)	Rate = 1,1326	31.12.2020	Increase	Decrease	31.12.2021
ACF Canada loans		300 902			300 902
ACF Germany loans		3 505 070		474 494	3 030 576
ACF Italy loans		2 157 930		1 132 600	1 025 330
Total ACF network loans		5 963 902	-	1 607 094	4 356 808
SCI securities			4 530 389		4 530 389
SCIC securities			4 915		4 915
Total securities and participations		-	4 535 304	-	4 535 304
Deposits and guarantees		588 103	7 483		595 586
Total financial fixed assets		6 552 005	7 483	1 607 094	9 487 698
Impairment on loans		1 132 600		1 132 600	-
Dépréciation dépôts et cautionnements		-		-	-
		1 132 600	-	1 132 600	-
Total net financial fixed assets		5 419 405	7 483	2 739 694	9 487 698

ACF-IN Loans

ACF Italy

After partial conversion of the loan granted to ACF Italy into a \$1million financial contribution to its operating reserves, the \$2.2 million loan was depreciated in 2020 to \$1 million. This part of the loan was thus removed from ACF France financial fixed assets in 2021.

What remains of the loan to ACF Italy is \$1 million, which will be reimbursed starting in 2025, as stipulated by an amendment to the loan contract signed on February 2, 2021. Moreover, ACF Italy made a pledge, also signed on February 2, 2021, to send us \$1 million in donations by 2025, as compensation for the part of the loan converted into a contribution to its operating reserves. Of that total, \$453,040 were transferred to us in 2021 and recorded as a share of donations from the general public.

³ OPCVM: French structure for collective investment in securities

ACF Germany

The amount lent was \$3,505K. In 2021, an amendment to the initial loan contract was signed to accelerate reimbursement by raising the amount of the first repayment installment, due in December 2021. In 2021, \$0.5 million were reimbursed.

ACF Canada

Loans made total \$301K. The loan agreements stipulate initial repayment installments in 2024.

Investments and securities

In 2021, ACF France acquired shares in two entities:

- the ACF France SCI created for the purchase of the new headquarters (see Highlights of the Year), for which ACF France made a \$5million down payment
- Humanitarian Logistics Cooperative (HLC), a company created in 2021 by nine NGOs in order to pool resources related to logistics management, and to which ACF France contributed \$4,915

Table of investments and securities

SIREN number	Denomination	Head office	% holding	Shares	Book value (€)	Share capital	Result of the last closed financial year
318 990 892	SCI ACTION CONTRE LA FAIM	14/16 Boulevard de Douaumont 75017 Paris	100%	399 999	3 999 990	4 000 000	n/a*
In progress	Humanitarian Logistics Cooperative (HLC)	89, rue de Paris, 92110 Clichy	11%	334	3 340	30 060	n/a*

*Note that the first fiscal year of the SCI and HLC is set to end on December 31, 2022. Thus data on financial results are not yet available.

Deposits and guarantees (\$596K) may be split between guarantees for headquarters (\$298K) and those for field offices (\$298K)

Note 2: Inventory

Inventory consists of equipment and supplies for missions. Inventory makes it possible to reduce time needed to meet the procurement needs of missions and thus increase the effectiveness of ACF in the event of a crisis.

Inventory is valued at purchase cost, including any associated costs. It is managed during the year using the perpetual inventory method. Volumes of inventory used are recorded as mission expenditures.

For several years now, inventory has been kept in many of the countries in which we carry out our humanitarian missions, to shorten delivery times for certain items. This inventory is replenished when needed, as determined by an estimation of requirements for projects to be formally approved in upcoming months. Use of this inventory has increased over the last four years, which explains the growth of its value by \$426K and the rising number of storage locations. In 2021, ACF mission inventory grew most in Yemen, Nigeria, and the DRC, while inventory in Lyon shrank.

At the end of the fiscal year, inventory in our warehouses is directly counted.

A provision for depreciation is established on the basis of inventory age and any expiration dates for perishables.

Note 3: Accounts Receivable

3.1 Institutional Donor Receivables

Institutional donor receivables for the 2021 fiscal year are detailed below:

(in US Dollars)	Rate = 1,1326	31.12.2021	31.12.2020
Receivables		264 147 311	268 981 120
Depreciation on donors' receivables	-	600 986 -	600 986
Donors' receivables		263 546 325	268 380 134

Donor receivables due more than one year from now totaled \$196.1 million at December 31, 2021 (vs. \$133 million at December 31, 2020).

In accordance with the new regulation ANC No. 2018-06, institutional funding contracts that may be considered “grants,” together with financial contributions not associated with any suspensive clause, are credited to an income account, while debiting a receivables account, for the full amount on the date of notification, i.e., the date of contract signature.

In the case of multiyear institutional donor funding or financial contributions, the portion of the multiyear grant reserved for the following years is entered in the “Deferred Income” account at the end of the fiscal year.

Unless the funding agreement indicates specific accounting milestones, income from multiyear grants is recorded on the income statement as expenses eligible under the funding contracts are actually incurred. If there are accounting milestones, multiyear grant income is recorded according to those milestones and the amount not used during the fiscal year is recorded as restricted funds.

The portion of the multiyear grant reserved for future milestones is entered in a “Deferred Income” account at the end of the fiscal year.

For operations in foreign currencies, entries for receivables apply the

- historical exchange rate (on the date the funding contract was signed) for the total amount stipulated under the agreement
- monthly exchange rate at the time funds are received

Receivable amounts were converted to the rate at the end of the period (December 31, 2021) and the unrealized exchange gains or losses recorded.

3.2 Receivables Acquired through Bequests or Gifts

Receivables acquired through bequests or gifts for the 2021 fiscal year are detailed below:

(in US Dollars)	Rate = 1,1326	31.12.2020	Increase	Decrease	31.12.2021
Receivables from bequests or donations		1 645 249	837 743	1 022 055	1 460 937

As of January 1, 2020, receivables associated with bequests or gifts are recorded on the organization's balance sheet. They include cash, bank assets, listed financial assets, and OPCVM shares or similar securities. These receivables are settled on the date of receipt of funds or transfer of securities.

In 2021, ACF was the beneficiary of 17 new bequests, totaling \$837K in receivables. The \$1,022K decrease mainly reflects the settlement of receivables associated with 22 bequests (19 received before 2020, and 3 received in 2021).

3.3 Other Receivables

The “Other Receivables” item is detailed below:

(in US Dollars)	Rate = 1,1326	31.12.2021	31.12.2020
Debtors suppliers - Headquarter		296 589	126 865
Tax and social security receivables - Headquarter		115 259	63 273
Partner advances - Missions		11 891 448	16 219 169
Products to receive - fundraising		2 885 578	3 087 378
Others		1 196 333	219 784
Total other receivables		16 385 208	19 716 468

Other receivables decreased by \$3.3 million in 2021.

They mostly concern advances made to ACF partners for the implementation of humanitarian programs (\$11.8 million), which decreased by \$4.9 million, in line with the observed reduction in partner expenses for 2021 (–\$4.6 million).

The observed reduction in 2021 partner expenses concerns

- Bangladesh (–\$12.4 million), with the ending of two major programs serving Rohingya refugees at Cox’s Bazar
- Yemen (–\$6.5 million), with the 2021 conclusion of the program launched in 2020 to address the COVID-19 public health crisis

Fundraising receivables total \$2.6 million (vs. \$3.1 million in 2020).

The “Other” line mostly corresponds to payments made by ACF France on behalf of the ACF SCI and HLC, two entities created in 2021 in which ACF France holds shares (\$1 million in 2021 vs. \$0 in 2020).

3.4 ACF-IN Receivables

The item “ACF-IN Receivables” corresponds to receivables resulting from economic or financial transactions between ACF and other ACF-IN entities, i.e., ACF USA, ACF UK, ACF Spain, ACF Canada, and ACF India. These transactions may be of different kinds:

- re invoicing by ACF France, at cost of purchase, of equipment and supplies acquired through its purchasing department on behalf of another entity
- cross-billing (including sums chargeable to ACF France), at cost, of expatriate personnel contracted with a network entity and made available to another entity for its missions
- receipt of private donations or public grants for countries whose operations are carried out by another member of the network, subject to specific monitoring of the operations concerned
- repayment of institutional donor grants to ACF-IN for the execution of contracts
- receipt of private donations or public grants made by network members for ACF France humanitarian missions
- gifts made by ACF France to another entity in the network to help it develop its humanitarian missions These are integrated into income statement accounts as expenditures are incurred.

Note that these accounts only integrate transactions between ACF France and network entities. “Institutional Donor Receivables” accounts for flows related to contracts with institutional donors.

The breakdown of “ACF-IN Receivables” is as follows:

(in US Dollars)	Rate = 1,1326	31.12.2021	31.12.2020	31.12.2019
Amounts receivable from AAH USA		4 091 497	9 875 505	9 703 071
Amounts receivable from AAH UK		375 970	334 472	215 024
Amounts receivable from ACH Spain		9 713 538	3 496 008	8 077 638
Amounts receivable from ACF Canada		9 957	1 113 288	270 410
Amounts receivable from ACF FHF India		138 984	67 956	67 956
Others amounts receivable from the network		59 176	27 074	49 694
Total amounts receivable from ACF network		14 389 121	14 914 304	18 383 792

The volume of ACF-IN receivables fell by \$0.6 million in 2021.

We note that receivables from ACF USA decreased by \$5.8 million after payments pertaining to the transfer of country management roles in 2020 and preceding years.

This decrease is offset by an increase in receivables from ACF Spain (+\$6.2 million).

ACF USA receivables concern

- flows related to the exchange, with ACF USA, of country affiliations—namely, the balance of the successor agreement signed with ACF USA following the transfer of the Nigerian affiliation, including
 - administrative expenses (overhead) paid for all countries transferred, totaling \$443K (vs. \$3,577K in 2020)
- flows related to current transactions between ACF France and ACF USA—namely,
 - the difference between the sums paid by ACF France for the execution of institutional donor contracts signed by ACF France and the expenses actually incurred by ACF USA as at December 31, 2021, totaling \$2,210K (vs. \$1,302K in 2020, i.e., an increase of \$0.9 million)
 - re invoicing of employee pay, logistics purchases, and expenses for ACF-IN network-wide projects

Receivables from ACF Spain correspond to

- repayment by ACF Spain of grants to cover the execution of contracts, for a total of \$8,569K (vs. \$2,283K in 2020), including programs implemented under the contract signed between ACF France and the AIDS donor, especially for Sudan (\$4,479K)
- re invoicing for purchases and for the provision of personnel, amounting to \$1,144K (vs. \$1,212K in 2020)

Note 4: Impairment of Assets

Here is the impairment summary table:

(in US Dollars)	Rate = 1,1326	Total as at 31.12.2020	Allocations	Write-backs		Total as at 31.12.2021
				Used provisions	Unused provisions	
Deposits and guarantees		-			-	-
Loans		1 132 600		1 132 600		-
Stocks		-	10 044			10 044
Goods received by bequest or donation intended to be yie		29 029	1 019	14 043		16 005
Amounts receivable from institutional donors		600 986				600 986
TOTAL PROVISION FOR DEPRECIATION		1 762 615	11 064	1 146 643	-	627 035
Allocations and Write-Backs	- operating	630 015	11 064	14 043	-	627 035
	- Financial	1 132 600	-	1 132 600	-	-
	- extraordinary					

The \$1 million write-back corresponds to the ACF Italy loan depreciation removed from fixed assets in 2021.

Note 5: Marketable Securities

The item “Marketable Securities” consists of liquid money-market mutual funds and a capitalization contract whose maturity corresponds to the portfolio held in France. This portfolio is recognized at acquisition cost and valued using the first-in, first-out method.

The change in value of marketable securities over the last three fiscal years is as follows:

(in US Dollars)	Rate = 1,1326	31.12.2021	31.12.2020	31.12.2019
Marketable securities		4 889 816	4 889 816	4 886 344
		4 889 816	4 889 816	4 886 344

At December 31, 2021, the following breakdown applied to this item:

- medium-term investments (four and five years): \$5 million
- open-ended money-market mutual funds, in euros: \$0.3 million

Note 6: Liquid Assets

Liquid assets are divided into two items:

- “mission” (i.e., field office) liquid assets
- “headquarters” liquid assets

The breakdown of liquid assets over the last three fiscal years is as follows:

<i>(in US Dollars)</i>	<i>Rate = 1,1326</i>	31.12.2021	31.12.2020	31.12.2019
Bank accounts		16 829 098	15 234 119	16 653 781
Cash Boxes		1 125 006	983 166	1 032 388
Cash at bank and in hand "missions"		17 954 104	16 217 284	17 686 169
Bank accounts		54 066 080	23 139 926	43 547 468
Cash Boxes		220 276	205 942	180 544
Cash at Bank and in Hand "Headquarters"		54 286 356	23 345 868	43 728 012

"Mission" liquid assets consist of the bank account balances and cash holdings held by field offices at December 31, 2021. They rose from \$16,217K in 2020 to \$17,954K in 2021, an increase of \$1.7 million, which is explained by growth in operational activity at the end of the year.

"Headquarters" liquid assets consist of the bank account balances and cash holdings held by the headquarters at December 31, 2021.

The increase in liquid assets for headquarters (+\$30.9 million) is due to

- expanded fundraising activity, including Z Event, which brought in \$11 million in November 2021
- application of new "advance payment" conditions, as of September 2021, for new contracts signed with the American institutional donor

Liquid assets in hard foreign currencies held in France or abroad (bank accounts and cash holdings) were valued using the official rate at December 31, 2021.

Liquid assets in local currencies held abroad (bank accounts and cash) were valued at the official rate or at the local weighted average rate (WAR) in cases where the official rate was not correlated with rates applied locally.

Note 7: Unrealized Exchange Loss

<i>(in US Dollars)</i>	<i>Rate = 1,1326</i>	31.12.2021	31.12.2020
Foreign exchange differences Assets on receivables and debts		6 105 558	17 436 628
Difference in valuation on financial futures		263 368	-
Foreign exchange Asset		6 368 926	17 436 628

The decrease in unrealized exchange loss reflects the revaluation of donor receivables. In 2020, the combination of the significant increase in the volume of receivables following implementation of the new accounting regulation and the devaluation of the dollar at the end of the year led to a \$16 million devaluation of receivables.

In 2021, in order to limit exposure to currency fluctuations, ACF modified its currency strategy and set up hedging instruments allowing it to reduce the risk associated with unsettled receivables in foreign currencies at December 31, 2021.

Differences in the valuation of hedging instruments reflect the revaluation of those active at December 31, 2021, and maturing in 2022.

Note 8: Operating Reserves

ACF has two types of reserves:

- its organizational funds, whose purpose is to ensure the sustainability of the organization in the event of sudden funding difficulties
- its reserve fund for organizational projects, intended to fund operational projects or applied research programs and to support the development of ACF-IN or its information systems.

As a reminder, the General Meeting of June 26, 2021, decided to allocate the 2020 deficit of \$6,570,592 as follows:

(in US Dollars)	Rate = 1,1326	As at 31.12.2020 (before allocation of 2020 Results)	of which public generosity	Allocation of 2020 Results			Résultat 2021	Au 31.12.2021 (avant affectation du résultat 2021)	of which public generosity
				Increase	of which public generosity	Decrease			
Equity without recovery rights		27 853 472	11 603 044	-		5 201 471	1 966 723	22 652 000	9 636 322
Equity		27 853 472	11 603 044	-		5 201 471	1 966 723	22 652 000	9 636 322
Reserve funds for the Associative Project		16 252 997	10 322 660	2 455 781		5 125 640	4 305 904	13 583 138	6 016 756
Applied research		1 288 107	1 165 738	-		73 095	73 095	1 215 013	1 092 643
Operational Programs		10 041 346	7 231 250	1 670 920		3 123 627	3 123 627	8 588 639	4 107 623
Information development		1 925 673	1 925 673	116 772		1 109 182	1 109 182	933 262	816 490
Information Systems Development		2 997 871	-	668 089		819 736		2 846 224	-
Retained earnings		- 1 300 738	-	-		1 300 738		-	-
Results of the financial year		- 6 570 592	-	-		6 570 592	561 973	561 973	-
TOTAL EQUITY		36 235 139	21 925 704	2 455 781	-	2 455 781	6 272 626	36 797 112	15 653 078

Note 9: Restricted Funds and Carryover Funds

9.1 Carryover Funds

Change in carryover funds is detailed below:

(in US Dollars)	Rate = 1,1326	31.12.2020	Increase	Decrease	31.12.2021
funds carried forward		2 001 737	1 485 496	1 239 032	2 248 201

Since January 1, 2020, carryover funds related to the recording of bequests and donations are integrated into the ACF balance sheet.

Carryover funds represent the net future assets that will result when the bequeathed or gifted resource is realized or sold. Their volume is estimated on the basis of information available to ACF at the moment the bequeathed or donated resource is integrated into the balance sheet.

On the basis of a management decision made by the Board of Directors, carryover funds can later be adjusted in accordance with the observed discrepancies between the management decisions made during their initial integration into the balance sheet and the revaluations of assets and liabilities during the following years. Such adjustments may be made up until the resource to be transferred is effectively realized.

These funds are said to be carried over because the action that has a financial result, i.e., transfer of the resource, has not occurred by the end of the fiscal year.

The increase in carryover funds may be explained by the acquisition of 17 new bequests during the past year. In 2021, 18 bequests were closed: 15 acquired before 2020, and 3 in 2021.

Note that no 2021 carryover funds have been allocated.

9.2 Restricted Funds

For accounting purposes, restricted funds are treated according to the provisions of ANC Regulation No. 2018-06, amended.

The allocated resources not used at the end of the fiscal year are offset by an expense of the same amount on the application of funds statement (under the item “Remaining Resources to be Used”) and on the income statement (under the item “Commitments to be Made on Allocated Resources”). These unused funds are then recorded as “restricted funds” on the liabilities and reserves side of the balance sheet.

The use—during the following year—of part of these funds generates income on the application of funds statement (under the item “Carryover of Unused Resources”) and on the income statement (under the item “Carryover of Unused Resources from Previous Fiscal Years”) for the amount actually consumed during the fiscal year and results in a decrease, by the same amount, for the “restricted funds” item on the liabilities and reserves side of the balance sheet.

Donations from the general public constitute the sole source of restricted funds.

Allocation of Restricted Funds

In 2021, the amount of restricted funds changed as a result of new allocations, on the one hand, and the use of existing funds, on the other. The new allocations come from several sources:

- all donations allocated, by donor decision, to activity in a particular country or to a specific priority, including funds collected through Z Event (see discussion of Z Event in the section below concerning the application of funds statement)
- private partnership allocations for specific countries or priorities (e.g., water and sanitation, logistics, and COVID-19)

(in US Dollars)	Rate = 1,1326	01/01/2021	Increase	Utilization		Transferts	31/12/2021	
				Allocation of Funds	Funds Raised		Total Amount	Of which dedicated funds corresponding to projects without expenditure over the last two years
			Fund raising	Expenses	Expenses			
FONDS DEDIES FRANCE								
Restricted funds Afghanistan	58 087	935 939	283 150	-	-	710 876	-	
Restricted funds Bangladesh	30 232	45	-	-	-	30 278	30 278	
Restricted funds Burkina Faso	56 719	204 747	233 063	21 475	-	6 929	-	
Restricted funds Myanmar	101 666	-	-	-	-	101 666	101 666	
Restricted funds Central African Republic	397 448	3 947	-	94 702	-	306 693	-	
Restricted funds Ivory Coast	131 898	143 274	13 583	221 529	-	40 060	-	
Restricted funds The Horn of Africa	222 891	-	-	222 891	- -	0 -	0	
Restricted funds Djibouti	44 433	-	-	-	-	44 433	44 433	
Restricted funds Indonesia	0	340	-	-	-	340	-	
Restricted funds India	21 811	140 576	67 659	2 056	-	92 672	-	
Restricted funds Iraq	93 152	-	-	60 386	-	32 766	-	
Restricted funds Cameroon	187 577	113 260	116 896	183 941	-	1	-	
Restricted funds Liberia	15 450	79 267	2 467	-	-	92 250	-	
Restricted funds Madagascar	241 233	721 317	70 706	455 622	-	436 222	-	
Restricted funds Mongolia	6 946	-	-	-	-	6 946	6 946	
Restricted funds Nepal	366 925	-	-	366 423	-	502	-	
Restricted funds West Africa	209 893	204	-	193 672	-	16 425	16 425	
Restricted funds Forgotten populations PARIS	63 899	-	-	-	-	63 899	63 899	
Restricted funds Sahel crisis	119 611	83 379	-	-	-	202 989	202 989	
Restricted funds Sierra Leone	170 069	116 780	123 138	12 096	-	151 615	-	
Restricted funds Somalia	74 237	-	-	74 141	-	96	96	
Restricted funds Chad	778 562	-	-	425 495	-	353 067	-	
Restricted funds Yemen	384 963	159 145	144 804	282 971	-	116 333	-	
Restricted funds Zimbabwe	-	-	-	-	-	-	-	
Restricted funds Syrian crisis	0	-	-	-	-	0	-	
Restricted funds Vanuatu	-	-	-	-	-	-	-	
Restricted funds Jordan	76 395	-	31 144	10 651	-	34 601	-	
Restricted funds Emergency programs	498 772	284 840	-	281 539	-	502 073	-	
Restricted funds Lake Chad	-	-	-	-	-	-	-	
Restricted funds Ukraine	227	-	-	-	-	227	227	
Restricted funds Congo	262 006	458 403	453 040	42 600	-	224 769	-	
Restricted funds Pakistan	53 934	-	-	-	-	53 934	-	
Restricted funds Malawi	11	-	-	-	-	11	11	
Restricted funds Mozambique	3 316	566	-	-	-	3 883	3 883	
Restricted funds Southern Africa	1 359	-	-	-	-	1 359	1 359	
Restricted funds Nigeria	42 289	130	-	-	-	42 419	42 419	
Restricted funds COVID	81 506	25 979	25 978	81 506	-	0	-	
Restricted funds Logistics	41 113	98 310	-	26 163	-	113 260	113 260	
Restricted funds Wash projet	192 804	4 825	-	23 703	-	173 926	173 926	
Restricted funds Mission France	157 449	536 140	253 648	91 097	-	348 845	-	
Restricted funds Zevent	-	11 659 440	-	-	-	11 659 440	11 659 440	
TOTAL RESTRICTED FUNDS France	5 188 885	15 770 852	1 819 277	3 174 657	0	15 965 803	12 461 256	
FONDS DEDIES ACF SPAIN								
Restricted funds Guatemala	164	-	-	-	-	164	164	
Restricted funds Mali /Mission	3 351	113	-	-	-	3 465	3 465	
Restricted funds Niger /Mission	1 133	-	-	-	-	1 133	1 133	
Restricted funds Palestine	51	13 565	-	-	-	13 616	13 616	
Restricted funds Philippines	895	181	-	-	-	1 076	1 076	
Restricted funds Senegal	290 752	28 770	28 315	28 315	-	262 892	-	
Restricted funds Syria	2 865	-	-	-	-	2 865	2 865	
Restricted funds Colombia	957	1 133	-	-	-	2 090	2 090	
Restricted funds Mauritania	136	-	-	-	-	136	136	
Restricted funds Lebanon	104 954	31 668	-	104 954	-	31 668	31 668	
Restricted funds Venezuela	-	113	-	-	-	113	113	
TOTAL RESTRICTED FUNDS SPAIN	405 258	75 544	28 315	133 269	0	319 218	56 326	
RESTRICTED FUNDS ACF UNITED STATES								
Restricted Funds Uganda	1 523	-	-	-	-	1 523	1 523	
Restricted Funds South Soudan	24 797	1 740	-	24 796	-	1 740	1 740	
Restricted Funds Ethiopia	260 269	680	-	218 601	-	42 348	42 348	
Restricted Funds Haiti	45 654	15 648	-	45 654	-	15 648	15 648	
TOTAL RESTRICTED FUNDS ACF UNITED STATES	332 333	18 068	0	289 051	0	61 350	61 260	
TOTAL RESTRICTED FUNDS								
	5 926 476	15 864 463	1 847 592	3 596 976	0	16 346 371	12 578 841	

Note 10: Provisions for Risks and Liabilities

The change in “Provisions for Risks and Liabilities” since the previous fiscal year breaks down as follows:

(in US Dollars)	Rate = 1,1326	Total as at 31.12.2020	Allocations	Write-backs		Total as at 31.12.2021
				Used provisions	Unused provisions	
General Financial Risks related to the Activity		11 774 645	7 063 719	975 265	6 131 934	11 731 165
Provision for losses and charges		7 013 653	2 222 662	975 265	1 447 833	6 813 217
<i>of which ineligible risks</i>		4 035 124	1 770 247	822 441	794 722	4 188 208
Provision for various risks		4 760 992	4 841 057		4 684 101	4 917 948
Currency risk		8 817 763	4 147 664	8 817 763	-	4 147 664
Provisions for donation expenses			25 673			25 673
TOTAL PROV^e FOR RISKS AND CHARGES		20 592 408	11 237 055	9 793 028	6 131 934	15 904 502
Allocations and Write-Backs	- operating		11 237 055	9 793 028	6 131 934	
	- Financial				-	0
	- extraordinary					

- Provisions for General Risks Connected to our Activities**

The provisions for “general risks connected to our activities” concern disputes or events related to ACF activity during the fiscal year (allocation) or previous fiscal years (carryover) and likely to generate expenses during subsequent fiscal years. Recording of provisions makes it possible to plan ahead for the financial settlement of identified risks that materialize, and to integrate this settlement into the figures for the fiscal year in which the risk was generated. Provision write-backs then neutralize the subsequent charge when the provision is “used,” or generate “extraordinary” income when the risk does not materialize (unused provision).

The provision for activity-related risks and charges reflects all risks linked to ACF activity. The 2021 allocation amounts to \$2,222K and essentially consists of

- risks following audits by institutional donors → +\$1.8 million
including
 - Nigeria audit allocation of +\$0.3 million*
 - Pakistan audit allocation of +\$0.3 million*
 - DRC audit allocation of +\$0.2 million*
 - Burkina Faso audit allocation of +\$0.2 million*
 - Cameroon audit allocation of +\$0.2 million*
- tax risks → +\$0.3 million
mostly for Afghanistan (+\$0.2 million)

The provision for miscellaneous risks essentially corresponds to the \$4.9-million Negotiated Indirect Cost Rate Agreement (NICRA) provision. The write-back of the NICRA provision occurred after the 2021 closeout of contracts for 2018 and 2019.

The NICRA rate is used to value structural costs charged for contracts signed with the US government. On signing a contract, the last approved rate is used; then this rate is updated yearly according to the ratio of structural costs to volume of activity for our organization. There is currently a period of two years between the signature of a contract and the final approval of the rate by the US government.

The provision recognized in 2021 therefore covers the amount that ACF France must reimburse to USAID in the event that the contractual NICRA rate exceeds the NICRA rate approved by USAID on the basis of 2021 data.

- **Provisions for Foreign Exchange Risks**

At the end of 2021, receivables and debts were revaluated using the rate at year-end. The revaluation of institutional donor receivables created an unrealized exchange loss of \$5,483K at the end of December 2021, for which a provision of \$3,547K (vs. \$8,121K in 2020), corresponding to the estimated risk of unrealized exchange loss, was made.

The amount of this provision takes into account

- operational and financial characteristics of funding agreements, and especially future expenses in the donor's currency, affording natural hedging
- hedging operations active at December 31, 2021, covering future (2022) fund receipt flows

Note 11: Liabilities

11.1 Supplier Debt and Related Accounts

Supplier debt breaks down as follows:

(in US Dollars)	Rate = 1,1326	31.12.2021	31.12.2020
Trade Payables		5 044 008	5 562 217
Invoices not received		12 883 731	13 061 024
Other expenses to pay		-	-
Total trade payables & related accounts		17 927 739	18 623 241

This item includes payables on purchases linked to our organization's ongoing activity (humanitarian missions, fundraising, and headquarters operations), fixed-asset liabilities, and amounts payable on unreceived invoices for headquarters and field offices.

At December 31, 2021, unreceived invoices for field offices accounted for \$12.9 million (vs. \$13.1 million in 2020). The total volume of unreceived invoices for partners remains stable at \$9.4 million (vs. \$9.2 million in 2020). Unreceived invoices are accounted for at the end of the year when ACF has not received approved financial reports from partners.

11.2 Debts Linked to Bequests or Gifts

(in US Dollars)	Rate = 1,1326	31.12.2020	Increase	Decrease	31.12.2021
Debts received by bequest		377 844	10 125	83 153	304 816

Since January 1, 2020, debts linked to bequests or gifts are integrated into the ACF balance sheet.

At the date of acceptance of bequests and gifts, their liabilities consist of

- debts not settled by the testator or donor before death
- debts attached to the resource and transferred with it to the beneficiary
- all obligations stipulated by the testator or donor that ACF agrees to honor in accepting the bequest or gift

The increase in debt is justified by the receipt of 11 new bequests, tied to \$10K in miscellaneous debts. The \$83K decrease is primarily due to settlement of debts associated with 17 bequests (16 received before 2020, and 1 in 2021).

11.3 Taxation and Social Security Debts

(in US Dollars)	Rate = 1,1326	31.12.2021	31.12.2020
Personnel and related accounts		688 420	305 967
Provision for paid leave		4 128 020	3 322 142
Organizations collecting payroll taxes and related accounts		5 641 477	4 922 472
Taxation and social security debts		10 457 917	8 550 581

The increase in tax and social security debts (+\$1.9 million) is mainly a result of growing provisions for the paid holidays of headquarters staff (+\$1 million) and associated payroll expenses (+\$0.6 million). Because of the COVID pandemic, staff members took far fewer holidays, saving them for later in their “time savings account” (*compte épargne-temps*, or CET), as permitted by the collective agreement.

11.4 Other Debts

(in US Dollars)	Rate = 1,1326	31.12.2021	31.12.2020
Partners - Donor grants donated		1 426 568	-
Expenses to pay		400 082	737 934
Missions outstanding (SWAPS)		774 098	734 549
Others		86 187	198 748
Total other debts		2 686 935	1 671 231

The item “Partners—Institutional Donor Grants Transferred” concerns grants transferred to partners in the implementation of operational programs. In 2020, ACF had advanced funds to its partners. In 2021, advances to partners were reduced.

11.5 ACF-IN Debts

(in US Dollars)	Rate = 1,1326	31.12.2021	31.12.2020	31.12.2019
Dues to AAH USA		2 326 204	10 972 169	14 841 419
Dues to AAH UK		477 407	987 141	420 953
Dues to ACH Spain		1 733 530	2 263 023	1 613 977
Dues to ACF Canada		347 521	998 505	311 820
Dues to ACF FHF India		39 371	-	163
Total Dues from ACF Network		4 924 034	15 220 838	17 188 332

ACF-IN (Canada, Spain, UK, US) debts consist of

- participation in operating expenses and administrative expenses for the exchange of country affiliations
- cross-billing, at cost, of expatriate personnel under contract with a network entity and made available to ACF for its missions

Note that this item only integrates financial flows between ACF France and the other members of the network; debts tied to management of contracts with institutional donors appear as Institutional Donor Advances.

The decrease in network debts (–\$10.3 million) is mainly explained by the variation in ACF France’s debt to ACF USA (–\$8.6 million).

Debts to ACF USA include

- flows relating to the exchange of country affiliations with ACF USA, i.e., the balance of the successor agreement signed with ACF USA following the transfer of all countries and the administrative costs (overhead) shifted over for all countries transferred, totaling \$17K (~\$2.6 million less than the 2020 amount of \$2,574K).
- flows related to current transactions between ACF France and ACF USA—namely,
 - the difference between the sums transferred by ACF France for the execution of donor contracts signed by ACF France and the expenses actually incurred by ACF USA as at 2021 year-end, amounting to \$748K
 - re-invoicing of employee pay, logistics purchases, and expenses for ACF-IN network-wide projects, for a total of \$330K

11.6 Debt Due Dates

(in US Dollars)	Rate = 1,1326	Total as at 31.12.2021	Timeliness	
			< 1 an	> 1 an
Trade payables & Related Accounts		17 927 739	17 927 739	
Liabilities related to bequests or donations		304 816	10 125	294 691
Taxation and social security debts		10 457 917	10 457 917	
Other debts		2 686 935	2 686 935	
Debts related to ACF International Network		4 924 033	3 300 553	1 623 480
Total		36 301 440	34 383 269	

Debts towards ACF-IN entities whose due dates exceed a year specifically concern debt to ACF Spain for two projects launched in 2020.

11.7 Hedging Instruments

In July 2021, to reduce its currency risk exposure for foreign-currency receivables, ACF modified its hedging strategy. It adopted instruments covering cash receipts expected from institutional donors in the main currencies (USD, GBP, and SEK).

The hedging strategy implemented is based on solid protection for up to one year, through forward sales or purchases, spot sales or purchases, and zero-cost symmetric tunnel options.

For accounting purposes, the hedging instruments adopted are treated according to

- the principle of symmetry between recognition of the hedged operation (receipt of receivables) and the effect of hedging (gain or loss associated with hedging operation)
- the exchange rate on the day the receivable is recorded and at the date of closing, all receivables being revaluated at the rate of the closing date, with a corresponding unrealized exchange gain or loss. Unrealized exchange losses lead to the establishment of a provision for risks.
- Some foreign-currency receivables are linked to hedging instruments (according to currency and maturity date) such as those described above; others benefit from “natural” hedging, as when future expenses in the same currency are expected at similar dates of maturity.
- In such cases, the provision established only hedges against remaining risk.

- Unrealized exchange losses related to receivables hedged by derivatives or future expenses in the same currency, as described above, are kept on the balance sheet without provision for risks and liabilities.
- For accounting purposes, assigned hedging instruments are treated in the same way, with revaluation differences integrated into the balance sheet at closing.
- When hedging operations and flows are unwound, change rate effects related to the hedging instrument and the hedged element are integrated into operating results.
- When hedging instruments are not assigned to receivables, they are considered to be
 - o means of protecting future receivable flows, in which case they fall under off-balance sheet commitments

excess hedging not assigned to future foreign-currency receivable flows, in which case they are revaluated on the balance sheet and are the object of a provision for unrealized loss (on December 31, 2021, hedging instruments for open positions of receivables were revaluated and differences were treated as financial instruments matched by an accruals account, the total coming to -\$215K)

Note 12: Deferred Income

(in US Dollars)	Rate = 1,1326	31.12.2021	31.12.2020
Deferred income		259 222 886	264 741 714
Total other receivables		259 222 886	264 741 714

Since January 1, 2020, institutional funding agreements that may be considered “grants,” together with financial contributions not associated with any suspensive clause, are credited to an income account, while debiting a receivables account, for the full amount on the date of notification, i.e., the date on which the relevant agreement was signed.

In the case of funding by institutional donors or multiyear financial contributions, the fraction of the multiyear grant linked to future fiscal years is entered into a “Deferred Income” account at year-end. Income from multiyear grants is recorded on the income statement as expenses eligible under the funding contracts are actually incurred.

Unless the funding agreement indicates specific accounting milestones, income from multiyear grants is recorded on the income statement as expenses eligible under the funding contracts are actually incurred. If there are milestones, multiyear grant income is recorded accordingly and the funds not used during the fiscal year are considered to be restricted.

The portion of the multiyear grant reserved for future milestones is entered in the “Deferred Income” account at the end of the fiscal year.

Note 13: Unrealized Exchange Gain

(in US Dollars)	Rate = 1,1326	31.12.2021	31.12.2020
Foreign exchange liability		9 746 632	5 295 454
Foreign exchange liability		9 746 632	5 295 454

Note 14: Off-Balance Sheet Commitments

As a reminder, the commitments given or received correspond to rights and obligations of ACF at December 31, 2021 that are not the object of accounting entries and that, when realized, impact the organization's net assets.

Commitments Given:

Given the average age of ACF employees, the impact of pension provisions is considered negligible and has not been calculated.

ACF France signed the lease for its Clichy headquarters in October 2013. The remaining commitment at December 31, 2021, extending until November 2022, is for the payment of rent and rental charges and amounts to \$1,135K (vs. \$2,109K in 2020).

Commitments Received:

ACF Italy pledge of \$1 million, of which \$453K was transferred to ACF France in 2021.

Hedging Instruments

The nominal sums of instruments acquired on the market at December 31, 2021, are SEK40 million, GBP3.5 million, and USD40.55 million, which break down as follows:

Direction	Type of operation	Underlying nature	Amount (MSEK)	Market value (USD)
Sale	Term	Future receipts	7,5	4 387,1
Sale	Term	Future receipts	7,5	7 747,1
Sale	Term	Future receipts	5,0	4 720,8
Sale	Term	Future receipts	5,0	11 247,8
Sale	Term	Future receipts	5,0	17 711,6
Sale	Term	Future receipts	5,0	1 654,4
Sale	Term	Future receipts	5,0	308,9
			40,0	47 778

Direction	Type of operation	Underlying nature	Amount (MSEK)	Market value (USD)
Purchase	Put	receivables	0,5	71
Sale	Call	receivables	0,5	- 8 634
Sale	Term	receivables	0,5	- 13 992
Purchase	Put	receivables	0,5	437
Sale	Call	receivables	0,5	- 7 382
Purchase	Put	receivables	0,5	1 584
Sale	Call	receivables	0,5	- 5 426
Sale	Term	receivables	0,5	- 8 304
Sale	Term	receivables	0,5	- 4 215
Sale	Term	receivables	0,5	- 8 793
			3,50	- 54 655

Direction	Type of operation	Underlying nature	Amount (MSEK)	Market value (USD)
Purchase	Put	receivables	2,5	10
Sale	Call	receivables	2,5	- 30 531
Sale	Term	receivables	1	1 597
Purchase	Put	receivables	1	38
Sale	Call	receivables	1	- 23 877
Sale	Term	receivables	1,5	- 32 802
Sale	Term	receivables	0,55	- 16 287
Sale	Term	receivables	2,5	8 089
Purchase	Put	receivables	1,5	4 572
Sale	Call	receivables	1,5	- 14 417
Purchase	Put	receivables	2	4 619
Sale	Call	receivables	2	- 29 574
Purchase	Put	receivables	2,5	3 747
Sale	Call	receivables	2,5	- 72 382
Sale	Term	receivables	2	- 24 002
Purchase	Put	receivables	2,5	26 472
Sale	Call	receivables	2,5	- 22 615
Sale	Term	receivables	1,5	- 3 310
Purchase	Put	receivables	2,5	26 722
Sale	Call	receivables	2,5	- 23 018
Sale	Term	receivables	2,5	8 235
			40,55	- 208 714

Note that, at December 31, 2021, no SEK hedging instrument adopted was assigned to any receivable. The instruments hedged future receivable flows (receipts in April 2022 totaling SEK322 million).

Note 15: Voluntary Contributions In Kind

The only products valued were those delivered in 2021 for which proof of delivery exists in the form of a dated delivery note and for which a verifiable price has been

- provided by the donor
- established on the basis of an ACF procurement file—concerning the same products and the same period as when donations were received—that was prepared by a field office or by the purchasing team at headquarters, applying current purchasing procedures acceptable to institutional donors
- established on the basis of a local or international quotation if the product is not available in the country

When the two conditions of proof of delivery and verifiable price have been met, donations in kind are valued. If any condition is not met, they are not valued.

The breakdown by country (for the field) and by department (for headquarters) for these two types of contributions is as follows:

(in US Dollars)	Rate = 1,1326	2021	2020
Contributions in kind for missions			
Afghanistan			436 022
Bangladesh	2 994 970		3 201 863
Myanmar	336 995		383 337
Democratic Republic of Congo	452 208		296 595
Central Africa Republic			520 834
Ivory Coast			7 846
Cameroon	41 715		9 038
Nigeria	143 007		1 571 264
Chad	17 051		96 913
Zimbabwe	43 537		97 394
Contributions in kind for the headquarters*			
Youth service	13 373		6 580
Partnership Direction	1 328 761		997 268
Delegation Service	89 770		1 654
Total In-Kind Contributions	5 461 386		7 626 609

Note 16: Information on Staff Numbers and Remuneration

- Workforce, Average Age, and Length of Service**

Changes in the workforce and the breakdown by category are as follows:

Average staff	2021	2020
Total Employees at the French headquarters	337	308
Total Expatriates in ACF France Missions	284	251
Total Local Staff in ACF France Missions	3 770	4 409

Excluding work-study contracts, trainee conventions and volunteers

The average age and length of service for employees in France or expatriates are as follows:

Average Employees Age as at December 31	2021	2020
Total Employees at the French headquarters	36.3	36.5
Expatriates in ACF France Missions	39.2	39.0

Seniority as at December 31	2021	2020
Total Employees at the French headquarters	3.8	3.9
Expatriates in ACF France Missions	1.1	2.2

- **Remuneration at Headquarters**

At December 31, 2021, the monthly average (including the 13th month) of gross salaries at headquarters was as follows:

The average monthly gross salaries as at December 31, 2016 (including the 13th month salary) at the headquarters were as follows:	2021	2020
10 highest salaries	\$7 359	\$7 252
10 lowest salaries	\$3 041	\$3 008
The highest salary	\$9 304	\$9 204
The lowest salary	\$2 708	\$2 679
Average salary	\$4 337	\$4 245

	2021	2020
--	------	------

Gross Annual Salary Paid to the three highest executives	\$298 229	\$300 685
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* including annual leave payments and time savings accounts

Employees do not receive any ancillary remuneration such as staff incentives or profit sharing and do not enjoy any in-kind benefits.

The members of the Executive Committee receive the highest remuneration from the organization. While the President and the members of the Board of Directors do not receive any remuneration from the organization, they are entitled to the reimbursement of their job-related expenses according to current procedures.

The amount of professional expenses reimbursed by the organization to members of the Executive Committee for the 2021 fiscal year is \$9K (vs. \$1K in 2020). The amount of expenses reimbursed by the organization to directors for the same fiscal year amounts to \$15K (vs. \$1K in 2020). These expenses were higher in 2021 because work-related trips resumed at the end of the COVID-19 crisis.

Note 17: Statutory Auditor's Fees

Statutory audit fees were paid to the statutory auditor in 2021. The fees were as follows:

- Statutory audit fees: \$142K, excl. tax.

Note 18: Proposed Allocation of 2021 Income

(in US Dollars)	Rate = 1,1326	As at 31.12.2021 (before allocation of 2020 Results)	Allocation of 2021 Results		As at 31.12.2021 (After allocation of 2021 Results)
			Decrease in equity	Transfer of associative funds to Reserves	
Associative funds		22 652 000	0	0	22 652 000
	<i>Of which PG</i>	<i>9 636 322</i>	<i>4 669 515</i>	<i>0</i>	<i>4 966 807</i>
Reserve funds for the Associative Project		13 583 138	3 808 932	4 370 905	14 145 112
- Applied research		1 215 013	100 387	287 266	1 401 892
	<i>Of which PG</i>	<i>1 092 643</i>	<i>100 387</i>	<i>0</i>	<i>992 256</i>
- Operational Programs		8 588 639	1 841 264	2 029 480	8 776 855
	<i>Of which PG</i>	<i>4 107 623</i>	<i>1 841 264</i>	<i>0</i>	<i>2 266 359</i>
- International development		944 588	872 245	872 245	944 588
	<i>Of which PG</i>	<i>816 490</i>	<i>816 490</i>	<i>0</i>	<i>0</i>
- Information Systems Development		2 846 224	995 036	1 181 915	3 033 103
	<i>Of which PG</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>
Retained earnings		0			0
Financial year results		36 235 138			36 797 112
Results of the financial year		561 973			0
TOTAL EQUITY CAPITAL		36 797 112			36 797 112

PG: Public generosity

2021 Income Statement with Source and Use of Funds (CROD) and 2021 Application of Funds Statement (CER)

NOTES ON C.R.O.D. AND C.E.R.

PART 1—GENERAL

- With the implementation of ANC Regulation No. 2018-06 of December 5, 2018, amended, the financial report includes the following:
 - the CROD, which summarizes the revenues and expenses of the organization
 - the CER, detailing the use of donations from the general public (now including corporate donations in addition to donations and bequests from private individuals), which the CROD addresses in the Table of Resources and Uses for the year, under the heading “Of Which, Donations from General Public.”
- The CROD and the CER are prepared in accordance with elements of the income statement to provide the following information:
 - for the CROD,
 - comprehensive information on all uses and resources (column 1) for the fiscal year
 - allocation by use of publicly donated resources and tracking of resources donated before the fiscal year in question (column 2), in accordance with the methods presented below (Part 3) and approved by the ACF Board of Directors
 - for the CER, the same information is provided, but only for donations from the general public, and the volume of these resources held by the organization is reported

Based on the organization’s cost accounting, expenses and uses are broken down into three categories of resource use: Humanitarian Missions, Fundraising Expenses, and Operating Costs. This breakdown was approved by the ACF Board of Directors.

- The vast majority of costs are allocated directly to one of the categories on the basis of cost accounting. Thus, direct costs are allocated to the relevant services and activities.
- Nevertheless, certain expenditures are linked to actions associated with more than one category of expenses (i.e., resource use). In such cases, these indirect expenses are broken down into the different categories. This breakdown concerns the following expenses:
 - The costs of monitoring, administrative management, and recruitment of human resources at headquarters are broken down into the different categories according to the number (provided for by the annual budget) of permanent staff at the headquarters directly associated with each category of resource use.
 - Half of the costs associated with accounting management and the development of financial procedures and tools are attributed to operational support and half to operating expenses.
 - The costs of the Logistics, Human Resources, Administrative and Financial, Communication, and Development Departments are broken down into the different categories according to the number (provided for by the annual budget) of permanent employees in the departments concerned that are associated with each type of resource use.
 - Headquarters overhead (rent, utilities, maintenance, security guards, cleaning, photocopiers, postage, etc.) are broken down into the various categories according to the number (provided for by the annual budget) of permanent headquarters employees associated with each type of resource use.

As the Race against Hunger has an educational purpose, raising children’s awareness about world hunger, half of its associated expenses are recorded as expenditures for increasing public awareness and half as fundraising expenses. The same applies to delegation activity expenses, which serve the dual purpose of fundraising and raising awareness about ACF’s missions.

PART 2—2021 INCOME STATEMENT WITH SOURCE AND USE OF FUNDS (C.R.O.D.)

A- INCOME AND EXPENDITURES BY ORIGIN AND DESTINATION		2021 FINANCIAL YEAR		2020 FINANCIAL YEAR	
(in US Dollars)	Rate = 1,1326		Of which Public Generosity		Of which Public Generosity
		TOTAL		TOTAL	
INCOME BY ORIGIN					
1 - INCOME RAISED FROM THE GENERAL PUBLIC		60 623 178	60 623 178	45 913 885	45 913 885
1.1 - CONTRIBUTION WITHOUT CONSIDERATION		9 892	9 892	10 703	10 703
1.2 - DONATIONS, BEQUESTS AND SPONSORSHIP		56 925 607	56 925 607	44 037 707	44 037 707
- Manual Donations		48 645 549	48 645 549	37 903 569	37 903 569
- Bequests, donations and life insurance		2 190 739	2 190 739	2 915 582	2 915 582
- Sponsorship		6 089 319	6 089 319	3 218 556	3 218 556
1.3 - OTHER INCOME RELATING TO APPEALING FOR PUBLIC DONATIONS		3 687 679	3 687 679	1 865 475	1 865 475
2 - RESOURCES NOT RELATED TO THE GENEROSITY OF THE PUBLIC		13 136 820		13 993 345	
2.1 - CONTRIBUTION WITH CONSIDERATION		0		0	
2.2 - CORPORATE SPONSORSHIP		0		0	
2.3 - FINANCIAL CONTRIBUTION WITHOUT CONSIDERATION		3 325 386		1 697 902	
2.4 - OTHER INCOMES NOT RELATED TO PUBLIC GENEROSITY		9 811 434		12 295 443	
3 - GRANTS AND OTHER PUBLIC CONTRIBUTIONS		239 138 931		269 480 779	
4 - WRITING-BACK OF PROVISIONS		15 990 453		9 824 051	
5 - USE OF PREVIOUS DEDICATED FUNDS		3 596 976	3 596 976	4 768 029	4 768 029
TOTAL		332 486 358	64 220 155	343 980 089	50 681 914
		TOTAL		TOTAL	
EXPENDITURES BY DESTINATION					
1 - SOCIAL MISSIONS		276 666 502	39 293 127	303 686 745	39 711 305
1.1 - CARRIED OUT IN FRANCE		4 324 274		3 974 632	
Actions carried out by the organization		4 324 274		3 974 632	
Payments to a central organization or to other organizations operating in France		0		0	
1.2 - CARRIED OUT ABROAD		272 342 227		299 712 113	
Actions carried out by the organization		249 522 007		274 677 885	
Payments to a central organization or to other organizations operating in France		22 820 220		25 034 228	
2 - FUNDRAISING COSTS		18 031 243	17 689 007	15 533 387	14 991 499
2.1 -PUBLIC GENEROSITY CALL FEES		17 229 457		14 552 034	
2.2 - OTHER RESOURCES RESEARCH EXPENSES		801 785		981 353	
3 - OPERATING COSTS		11 943 534	0	12 295 124	0
4 - DEPRECIATION, AMORTIZATION AND PROVISIONS		11 266 236		17 205 224	
5 - INCOME TAX		0		0	
6 - RETURNS IN DEDICATED FUNDS FOR THE FINANCIAL YEAR		14 016 871	14 016 871	1 830 201	1 830 201
TOTAL		331 924 385	70 999 006	350 550 681	56 533 005
SURPLUS OR DEFICIT		561 973	-6 778 851	-6 570 592	-5 851 091

B - VOLUNTARY CONTRIBUTIONS IN KIND (in US Dollars) Rate = 1,1326	2021 FINANCIAL YEAR		2020 FINANCIAL YEAR	
		Of which Public Generosity		Of which Public Generosity
INCOMES BY ORIGIN				
1 - VOLUNTARY CONTRIBUTIONS RELATED TO THE PUBLIC GENEROSITY	1 431 904	1 431 904	1 005 501	1 005 501
- Volunteering	93 672		8 234	
- Benefits in kind	1 338 232		997 268	
- Donations in kind	0		0	
2 - VOLUNTARY CONTRIBUTIONS NOT RELATED TO THE PUBLIC GENEROSITY	0		0	
3 - PUBLIC AID IN KIND	4 029 483		6 621 108	
- Benefits in kind				
- Donations in kind				
TOTAL	5 461 386	1 431 904	7 626 609	1 005 501
EXPENDITURES BY DESTINATION				
1 - VOLUNTARY CONTRIBUTIONS TO SOCIAL MISSIONS	5 197 934	1 168 451	6 621 108	
- Carried out in France	1 168 451	1 168 451	0	
- Carried out abroad	4 029 483		6 621 108	
2 - VOLUNTARY CONTRIBUTION TO FUNDRAISING	263 452	263 452	997 268	997 268
3 - VOLUNTARY CONTRIBUTION TO OPERATING COSTS	0		8 234	8 234
TOTAL	5 461 386	1 431 904	7 626 609	1 005 501

A. Expenses

The different expense categories encompass external expenses (e.g., purchases, professional fees, and travel) and the salaries of staff associated with these categories.

A.1—HUMANITARIAN MISSIONS

Our humanitarian missions are defined in the ACF Articles of Association and explained in its organizational project. These missions are aimed at saving lives by eliminating hunger through concrete action taken to prevent, detect, and treat malnutrition, particularly during and after humanitarian crises arising from armed conflict or natural disasters. ACF initiatives to fight hunger focus on several areas of expertise: nutrition and health; food security; water, sanitation, and hygiene; mental health, care practices, gender, and protection; advocacy; risk and disaster management; and research..

Expenses associated with humanitarian missions include all those incurred for each ACF humanitarian mission aligned with the declared purpose of the association.

A.1.1—Humanitarian Missions Carried Out in France

- Actions Carried Out Directly

Actions carried out in France include the costs associated with organizing events and operations to raise public awareness as well as communication and advertising expenditures if they are not associated with calls for donations.

In 2020, the public health crisis greatly expanded humanitarian operations in France. In 2021, the response to the health crisis diminished but our humanitarian missions in France continued to develop.

The other activities in France have returned to their 2019 levels, before application of public health restrictions on our operations.

(in US Dollars)	Rate = 1,1326	2021	2020
Mission France		880 664	974 740
Communication events and general events		1 337 676	1 030 226
Communication and advertising		186 008	219 948
Cost incurred for organizing information and raising-awareness campaigns		1 919 927	1 749 718
Total for Social missions performed directly in France		4 324 274	3 974 632

- **Payments to Other Organizations Acting in France**

ACF does not fund any organization in France.

A.1.2—Humanitarian Missions Carried Out Abroad

- **Actions Carried Out Directly**

Humanitarian missions carried out directly abroad are broken down into four items:

(in US Dollars)	Rate = 1,1326	2021	2020
Operational expenses		226 529 884	255 006 385
Other operational projects		4 178 681	1 644 317
Technical assistance to operations		17 656 322	16 134 497
Expatriate staff in missions managed by other headquarters		1 157 121	1 892 686
Total for Social Missions performed directly abroad		249 522 007	274 677 885

- **Operational Expenditures**

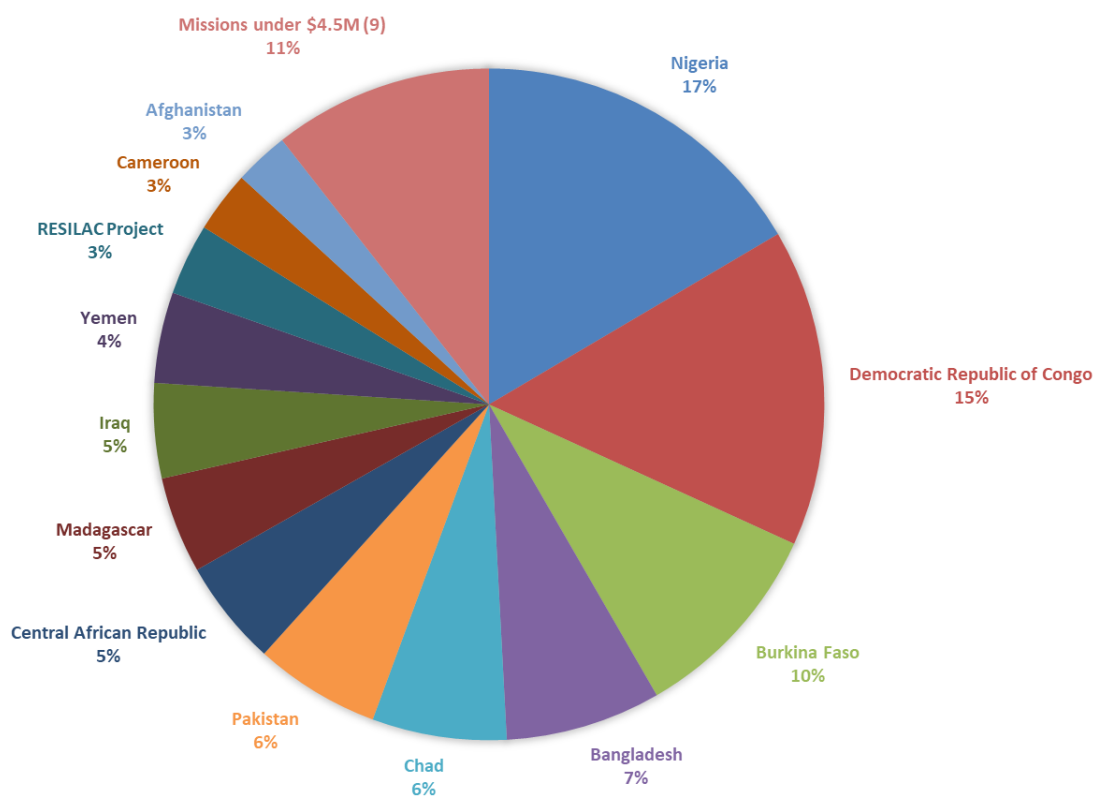
The item “Operational Expenditures” includes costs relating to the execution of programs in the field: human resources present on the ground, logistical resources, and purchasing of equipment and supplies (nutrition, water, mental and physical health, and food security).

(in US Dollars)	Rate = 1,1326	2021	2020
Afghanistan		5 873 361	7 725 017
Bangladesh		16 769 694	36 368 683
RESILAC Project*		7 702 622	5 258 083
Middle East regional office		85 671	79 523
Burkina Faso		22 029 462	11 571 540
Cameroon		6 617 864	12 274 922
Central African Republic		11 443 776	13 103 141
Democratic Republic of Congo		34 199 516	21 956 545
Ivory Coast		2 549 639	2 239 356
Ethiopia		0	3 849 262
Iraq		10 221 956	10 215 947
Jordan		4 353 205	9 790 363
Liberia		4 518 804	1 998 978
Libya		967 576	435 428
Madagascar		10 405 875	6 868 119
Mozambique		655 269	30 748
Myanmar		4 178 170	4 930 421
Nepal		920 808	889 146
Nigeria		36 986 603	56 143 518
Pakistan		13 550 812	9 841 006
Sierra Leone		2 192 003	2 165 077
Chad		14 493 609	11 880 535
Yemen		9 781 474	19 225 807
Zimbabwe		3 247 889	3 153 809
Closed missions and miscellaneous charges		2 784 226	3 011 411
Total Operational Expenses		226 529 884	255 006 385
<i>*: Project Strengthening Resilience and Social Cohesion of the Territories of the Lake Chad Basin</i>			

Operational volume fell in 2021, though figures vary greatly according to the situation in each region or country.

This reduction in operations is mainly due to security risks and difficulty accessing sites in Nigeria, Yemen, and Myanmar. Activities among Rohingya refugees in Bangladesh were cut back by the reduction in institutional funds. In Jordan too, funds available for humanitarian projects tied to the Syrian crisis were sharply reduced.

Our Madagascar mission staff was very mobilized in response to the extreme drought in the south of the country. Finally, we expanded our humanitarian responses in Burkina Faso and the DRC as the humanitarian crises there worsened.



- **Other Operational Projects**

This item pertains to projects that are not directly linked to field operations in a given country and that are mostly funded by institutional donors. For the most part, these projects concern scientific and technical research or advocacy activities aimed at increasing and sharing knowledge internationally, and improving the quality of practices implemented in field programs.

The volume of projects funded by headquarters has significantly increased—from \$1,645K to \$4,178K. There are new projects focusing on mental health, protection, nutrition, and above all, water and sanitation, ACF having taken the lead for a Global WASH Cluster consortium project.

- **Operational Support**

This item groups together the direct and indirect costs for ACF headquarters that are associated with the management and support of humanitarian missions abroad, including

- costs of monitoring, managing, recruiting and training human resources
- technical support costs for operations—namely, expertise in nutrition, food safety, water, and sanitation
- coordination and steering of programs by operational departments
- advocacy and mobilization activities
- logistics coordination and procurement management for missions
- costs related to administrative and accounting management, financial auditing of missions, and internal auditing

(in US Dollars)	Rate = 1,1326	2021	2020
Management of Human Resources		3 965 060	3 673 751
Technical support to Operations and Scientific Research and advocacy		3 422 325	3 296 542
Coordinating and piloting of programs		7 398 235	6 836 271
Logistics coordination		1 504 117	981 459
Administrative and financial management, controlling and internal audit		1 366 584	1 346 475
Total Support for Operations		17 656 322	16 134 497

The volume of “Operational Support” was higher for 2021 than for 2020 because of the lifting of public health restrictions on recruitment and work-related travel that had limited activity.

- **Expatriate Staff on Missions for Other ACF-IN Entities**

This item includes the cost of expatriates assigned to missions managed by another ACF-IN entity (the cost is covered and offset by income allocated to humanitarian missions).

It totaled \$1,156K (vs. \$1,893K in 2020).

- **Payments to Central Body or Other Organizations**

This item includes gifts, grants, and financial agreements between ACF France and ACF-IN.

(in US Dollars)	Rate = 1,1326	2021	2020
Assistance to ACF International Network		1 085 576	2 634 741
Grants for the Funding of Other Headquarters Programs		21 734 644	22 399 487
Payments to a central body or other bodies		22 820 220	25 034 228

Support for ACF-IN has fallen as administrative expenses related to the swapping of country affiliations between ACF France and ACF USA are no longer shared.

The bulk of grants provided to the network come from the Swedish government (see Part B.3—Grants), with whom ACF France directly interacts but whose funds are then transferred to other ACF-IN entities for implementation of their programs (\$20.7 million in 2021 vs. \$22 million in 2020).

A.2—FUNDRAISING EXPENSES

This section includes all expenditures incurred to collect donations, particularly from private sources. All costs relating to fundraising campaigns initiated during a given fiscal year are linked to that fiscal year.

A.2.1—Costs of Appeals for Donations from the General Public

(in US Dollars)	Rate = 1,1326	2021	2020
Expenses incurred for raising funds		9 491 311	7 889 538
Expenses Incurred for Organizing Events		133 335	137 999
Management of campaigns and donations processing		6 154 581	5 378 344
Expenses Incurred for sponsorship research		1 450 230	1 146 153
Expenses incurred for raising funds from public generosity		17 229 457	14 552 034

The first three categories encompass all costs relating to appeals for donations from the general public: direct costs of operations (direct marketing, bequests, and half the cost of Race Against Hunger), costs of monitoring and managing campaigns, and costs of processing donations. The increase in costs for 2021 is related to investments aimed at developing direct-debit donations and to the resumption of activities that were hindered in 2020.

Costs for seeking corporate donations include expenses incurred for the purpose of collecting funds from businesses.

A.2.2—Expenses Related to Seeking Grants and Other Public Aid

Since 2017, ACF France has centralized the costs of the unit responsible for seeking grants and for relations with institutional donors. To this end, ACF France is financially supported by the entire network.

At December 31, 2021, costs for seeking grants stood at \$802K, down from \$981K in 2020. Costs fell because we received funding from the Swedish government for management of activities within its perimeter.

A.3—OPERATING COSTS

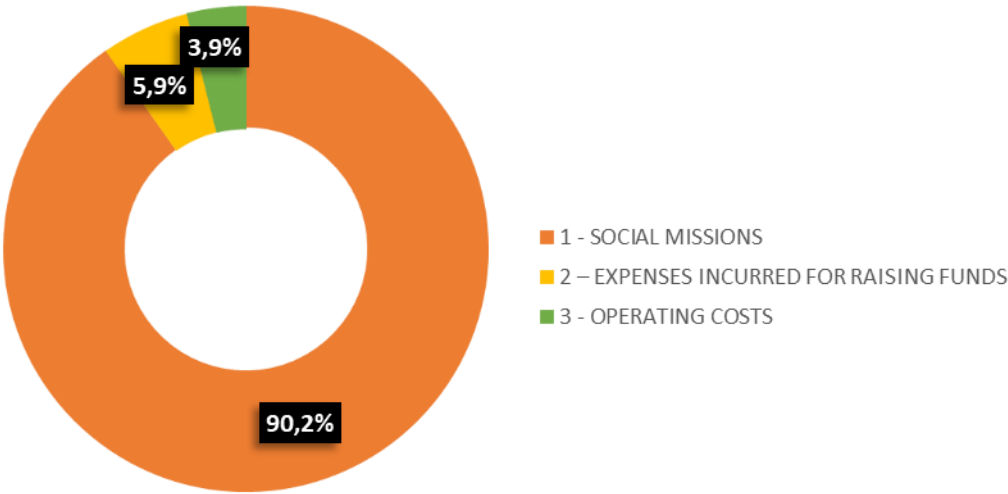
This section includes costs related to structural activities and facility management at ACF headquarters, to information systems, and to financial and extraordinary expenses.

(in US Dollars)	Rate = 1,1326	2021	2020
Operating costs and general services costs - Headquarters		9 285 565	9 052 941
Financial charges		2 511 245	3 234 576
Extraordinary charges		146 723	7 608
Total Operating Costs		11 943 534	12 295 124

Financial expenses mostly concern currency exchange losses for financial flows of hedging operations, adding up to \$1.8 million. When analyzing these expenses, we must consider financial income, which amounts to \$2 million (see B.2.4).

A.4—BREAKDOWN OF EXPENSES BY FUND USE CATEGORY (column 1)

This graphic shows amounts for each category of fund use with respect to all fund uses on the CROD (except allocations of provisions and carryover of restricted funds for the fiscal year).



B—2021 INCOME

Per Article 432-9 of Regulation No. 2018-6, a breakdown of donations from the general public is given below and takes into account whether donors wished them to be used for specific projects.

Incomes restricted by the third-party funder to a defined project and Non-Restricted Incomes (in US Dollars) Rate = 1,1326	Restricted	Non-Restricted	Total
Manual donations	10 432 897	38 212 652	48 645 549
Bequests, donations and life insurance		2 190 739	2 190 739
Sponsorship	4 212 561	1 876 758	6 089 319
Other income relating to appealing for public donations	1 174 466	2 513 213	3 687 679
Public Generosity	15 819 925	44 793 361	60 613 286

B.1—DONATIONS FROM GENERAL PUBLIC

This income includes all donations from private individuals and businesses (i.e., corporate donations).

Z Event

A charitable video game streaming event that each year brings together fifty-some participants for a weekend of game streaming, Z Event raised over \$11 million for ACF between October 28 and 31, 2021, breaking a record. Donations from private individuals account for \$8.4 million, while corporate funding (for Z Event T-shirts) yielded \$3.3 million.

The creation of a dedicated Z Event fund ensures that use of the money raised can be traced. Z Event funds are employed to support many of our programs in need of financing or carried out in challenging environments, including war zones and areas hard for humanitarian workers to access.

Below you will find a table summarizing projects funded through Z Event donations at April 30, 2022.

In the event of a major emergency such as a war or natural disaster, the “emergency” fund lets us quickly launch programs without having to wait for donations from private individuals and institutional backing to come in.

The “complex situations” fund allows us to pursue activities in areas posing a high security risk, for which the costs of our intervention are higher. For example, in the interest of impartiality, we have been aiding populations on either side of the conflicts in Iraq, Libya, and Yemen, and this dual presence in each country has increased our HR, facility, transportation, and other costs.

The “joint funding risk” fund makes it much easier to obtain money from institutional donors who require that ACF cover a share of program funding.

Region / Country	Description	Funding amount Z Event (Rate = 1,1326)
	Dedicated envelope	\$2 906 116
	Dedicated envelope for Emergency responses	\$226 520
	Dedicated envelope for other complex contexts	\$1 196 714
	Co-financing risk envelope	\$1 482 881
	Projects identified in progress	\$8 738 834
Bangladesh	Providing life-saving care and improving sustainability and wellbeing of most vulnerable households/refugees in Cox's Bazar	\$1 132 600
Burkina Faso	Contribute to nutritional security in 5 African countries by improving the care of victims of undernutrition, developing preventive actions and proposing adequate public policies. Confluences slice 2	\$180 401
Burkina Faso	Integrated program for the diversification of production and nutritional improvement in the Hauts-Bassins region (PADI)	\$294 713
DRC	Research project on emergency nutritional care for malnourished children of malnourished children	\$83 478
Myanmar	Emergency WASH and MHPSS response to conflict-affected IDPs in Sagaing region, Myanmar	\$283 150
Central African Republic	Support and Strengthening of the Health System in Bangui	\$577 626
Central African Republic	Support Project for Agricultural Recovery and the Seed Sector in the Prefecture of Ouham, Central African Republic	\$510 839
Central African Republic	Emergency assistance to crisis-affected communities of Central African Republic – phase III	\$300 006
Ivory Coast	Young entrepreneurs in urban and organic agriculture	\$186 879
Ivory Coast	Reinforcement and preparation of the Ivory Coast mission	\$161 962
Iraq	Improving resilience and food security in Basra, Iraq through promotion of sustainable agriculture(Strategicco-financing for ACF Iraq's Basra office and ongoing Basra programming including the "WASH in Schools" CDCS project)	\$453 040
Jordanie	WASH Social Behaviour Change in Azraq Camp	\$792 820
Cameroon	Support project in primary health, mental health and nutrition in the Department of Logone and Chari	\$283 150
Libya	LY-Safe water and hygiene promotion in East Libya	\$217 459
Madagascar	Contribute to nutritional security in 5 African countries by improving the care of victims of undernutrition, developing preventive actions and proposing adequate public policies. Confluences slice 2	\$129 894
Madagascar	Inclusive Resilience and Crisis Response Support Project in South West Madagascar 2 (PARIRAC 2)	\$67 410
Middle East	Extraordinary support for complex country offices	\$906 524
Mission France	Implementation of the 2021-2025 intervention strategy	\$373 758
Mission France	Improve the well-being of exiled people directly or indirectly affected by the Ukrainian crisis (Ile-de-France)	\$124 586
Nepal	Strengthening livelihood and community resilience through the promotion of nutrition sensitive food production of Neglected and Underutilised Crops Species (NUCS)	\$169 890
Pakistan	Programme for Improved Nutrition in SINDH-Nutrition Specific Component (PINS-ER2)	\$39 048
Sierra Leone	Unlocking the potential of groundnut value chain in Sierra Leone, Moyamba district	\$373 758
Sierra Leone	Strengthening health systems in Sierra Leone	\$226 520
Yemen	Support Nutrition & Health programming in Yemen	\$232 183
Yemen	Reduction of malnutrition and morbidity in Yemen (specifically targeting women/children)	\$208 986
Zimbabwe	Strengthening the indigenous poultry value chain for diversified livelihoods and improved household income in Chiredzi and Mwenezi districts	\$215 194
Burkina Faso	Programme intégré de diversification de la production et d'amélioration nutritionnelle dans la région des Hauts-Bassins (PADI)	\$195 953
Liberia	Integrated program for the diversification of production and nutritional improvement in the Hauts-Bassins region (PADI)	\$17 006

B.1.1—Non–Quid Pro Quo Membership Dues

This section concerns fees for becoming a member of our organization, which totaled \$9,892 in 2021.

B.1.2—Donations, Bequests, and Corporate Donations

B.1.2.1 Donations

(in US Dollars)	Rate = 1,1326	2021	2020
Sponsorship and partnerships - Non restricted		38 212 652	37 258 621
Sponsorship and partnerships - Restricted		10 432 897	644 948
Other private funds		48 645 549	37 903 569

The volume of donations collected from private individuals increased by over 28% in 2021. Most of this additional volume has been allocated and may be attributed to Z Event (\$8.4 million), though substantial volumes of funds were also raised for Afghanistan and Madagascar.

B.1.2.2 Bequests

Per Article 431-8 of ANC Regulation No. 2018-06, the sum for bequests (both on the CROD and the income statement) to consider is \$2,190K, which may be broken down into the following components for accounting purposes:

	2021	2020
	(in US Dollar) Rate = 1,1326	(in US Dollar) Rate = 1,1326
Income		
Amount received for life insurance	991 779	691 947
Amount of the section "Bequests or donations" defined in article 213-9	1 517 546	1 341 316
Selling price of goods received by bequest or donations intended to be sold	540 250	1 524 149
write-backs of depreciations of assets received by bequest or donations intended to be sold		
Use of deferred funds related to bequests or donations	1 165 824	2 406 321
Expenditures	(in US Dollar) Rate = 1,1326	(in US Dollar) Rate = 1,1326
Net book value of goods received by bequest or donations intended to be sold	538 145	1 707 499
Depreciation of assets received by bequest or donations intended to be sold	1 019	29 030
Carryover in deferred funds related to bequests or donations	1 485 496	1 311 622
Balance of the section	2 190 739	2 915 582

B.1.2.3 Corporate Donations

(in US Dollars)	Rate = 1,1326	2021	2020
Corporate philanthropy and sponsorships – Non-Restricted		1876757,728	1453225,752
Corporate philanthropy and sponsorships – Restricted		4212561,294	1765330,399
Other private funds		6 089 319	3 218 556

The main variations with respect to 2020 relate to the resumption of company fundraising events (“challenges”), and above all, to Z Event, which generated nearly \$3,242K in corporate funding allocated to our missions.

B.1.3—Other Income Related to Appeals for Donations from General Public

(in US Dollars)	Rate = 1,1326	2021	2020
Run against Hunger and Non-Restricted Delegations		1 067 671	100 977
Partnerships		992 502	1 320 138
Share of public generosity received from other Organizations		453 040	-
Other non-Restricted income related to public generosity		2 513 213	1 421 115

(in US Dollars)	Rate = 1,1326	2021	2020
Run against Hunger and Restricted Delegations		967 676	95 479
Other events		206 790	348 881
Other Restricted income related to public generosity		1 174 466	444 360
Total Other income related to public generosity		3 687 679	1 865 475

This item includes all private donations collected during events such as Race Against Hunger, or through solidarity campaigns such as “Je déj' Je donne.”

The growth of income in this category may be attributed to Race against Hunger events, which were canceled in 2020 during the public health crisis.

B.2—INCOME NOT LINKED TO DONATIONS FROM GENERAL PUBLIC

B.2.1—Quid Pro Quo Membership Dues Not applicable

B.2.2—Corporate Sponsorship Not applicable

B.2.3—Non—Quid Pro Quo Financial Contributions

Non—quid pro quo financial contributions correspond to funding by the Gates Foundation as well as organizations in our network.

It totals \$3,325K for 2021 (vs. \$1,698K in 2020). This increase is related to increased use of funds from our network, especially in Pakistan.

B.2.4—Other Income Not Linked to Donations from General Public

(in US Dollars)	Rate = 1,1326	2021	2020
Other income allocated to Social Missions		6 107 979	5 091 883
Other income non-allocated to Social Missions		3 493 683	7 199 626
Extraordinary Income		209 772	3 935
Total Other Income		9 811 434	12 295 443

“Other Income” includes resources not tied to seeking public or private funds. It is divided into three groups:

- other income from humanitarian missions, which includes
 - o foreign exchange gains and income recorded for field offices
 - o reimbursement of expenses associated with humanitarian missions (for example, expatriated personnel working for other ACF-IN entities [see A.1.2])
- other income not allocated to humanitarian missions and that mainly consists of
 - o foreign exchange gains and hedging operations by headquarters
 - o reimbursements of third-party expenses (for example, network expenses for IDRUG [see A.2.2])
- extraordinary income

B.3—Grants and Other Public Aid

“Grants and Other Public Aid” includes all resources obtained from public institutions, including the European Union, the United Nations, and national governments.

Grants can be received by ACF France headquarters or directly by field offices.

(in US Dollars)	Rate = 1,1326	2021	2020
European Union - ECHO		28 692 595	24 440 507
European Union - DEVCO		29 411 604	34 523 208
United Nations - UNICEF		6 928 049	12 452 193
United Nations - Others		10 184 411	21 747 946
American Government		56 664 209	61 050 614
French Government		25 841 780	20 418 181
Swedish Government		36 263 945	34 248 421
British Government		20 427 629	24 015 471
Canadian Government		8 463 412	7 073 459
Swiss Government		2 303 401	4 577 036
German Government		8 873 769	13 523 075
Dutch Government		339 719	0
Irish Government		2 067 132	1 297 151
Other Governments and miscellaneous Institutional Donors		2 677 276	10 113 517
Total Grants and other public aid		239 138 931	269 480 779

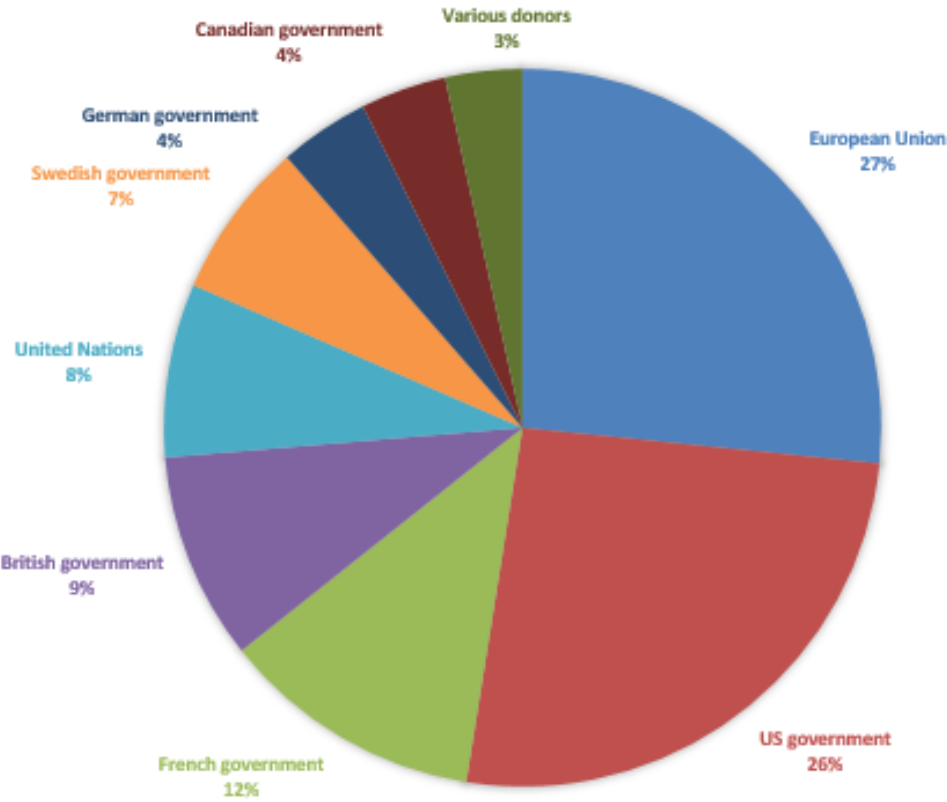
Between 2020 and 2021, the reduction in institutional funding (–\$31 million) was similar to that of operational volume (–\$28 million). The European Union (EU) and its member countries remain our principal backers, and there was a major increase in funding from the French and Swedish governments and ECHO (including \$20.7 million for ACF-IN members and \$15.5 million for ACF France).

Funding by the British and American governments has fallen slightly, though their share of our total funding remains stable.

The UN made the biggest cuts, greatly reducing funds to the Middle East. For instance, UNICEF ceased all funding of operations in Yemen (–\$5 million).

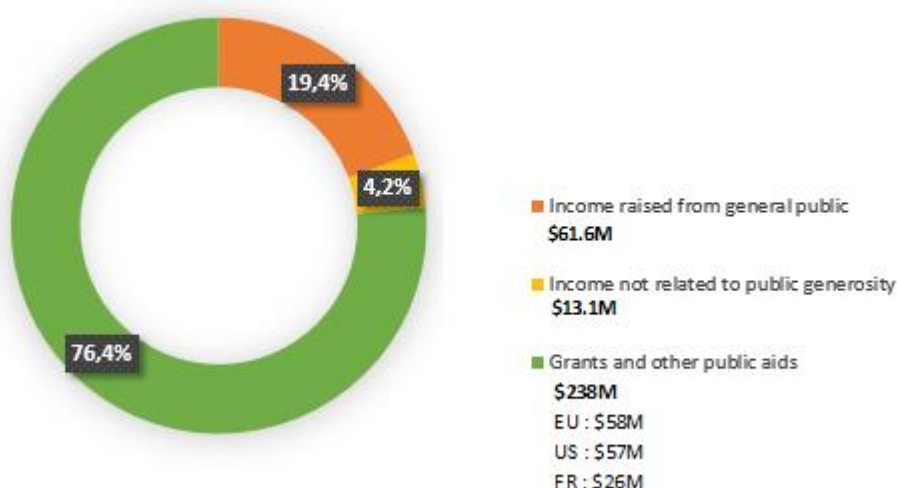
Having greatly expanded funding between 2019 and 2020, the German government has since decreased the volume of its commitments, especially for Afghanistan and the Middle East. We should note the increase in support from the Canadian government: in 2021, we signed our first contract with GAC.

Ratios of grants accorded for activities conducted by ACF France directly (i.e., excluding funds from Swedish government transmitted to other organizations, totaling \$20.7 million) are presented here:



B.4—BREAKDOWN OF RESOURCES BY ORIGIN

This diagram shows amounts for each type of resource with respect to all resources on the CROD (excluding write-backs of provisions and use of prior restricted funds).



C—RESTRICTED FUNDS

On the CROD, use of restricted funds tied to execution of ACF France programs during the fiscal year under “use of prior restricted funds.”

“Carryover of restricted funds for fiscal year” corresponds to the difference between funds raised and allocated in 2021 and the volume actually used during that fiscal year.

The balance sheet accounts allow us to connect the information in the appendix of the balance sheet with the movements shown on the CROD.

PART 3—ALLOCATION BY APPLICATION/EXPENDITURE OF FUNDS/INCOME DONATED BY GENERAL PUBLIC AND USED IN 2021

3.1—METHOD

“Allocation by application of funds donated by general public” refers to the sum of funds donated by the general public and used for activity not funded in any other way.

3.2—PRINCIPLES OF FUND ALLOCATION BY APPLICATION

3.2.1—Operating Costs

Operating costs are funded in the following order:

- by invoicing institutional donors for indirect costs (administrative costs) associated with projects
- then
 - if indirect costs invoiced are higher than operating costs, remainder is assigned to humanitarian missions
 - if indirect costs invoiced are lower than operating costs, balance is funded by other unallocated private funds (balance after financing fundraising activity) and, if necessary, by donations received from general public

3.2.2—Humanitarian Missions

Humanitarian Missions are funded in the following order:

- by funds allocated and used not tied to invoiced indirect costs (grants, non–quid pro quo financial contributions, and other income allocated to humanitarian missions)
- by funds left after invoiced indirect costs are covered (after allocation to operating costs)
- by donations from general public

3.2.3—Fundraising Expenses

Fundraising expenses are funded in the following order:

- by ACF-IN contributions to Donor Relations Department
- by donations from general public

3.3—FIXED ASSETS

All assets acquired for the headquarters were funded by donations from the general public.

3.4—APPLICATION OF FUNDS STATEMENT (C.E.R.)

The application of funds statement is an extrapolation—aimed at providing a more detailed image—of the information given in the “Of Which, Donations from General Public” column on the CROD. This information was defined in accordance with the method of use of the funds described above.

EXPENDITURES BY DESTINATION (in US Dollars) Rate = 1,1326	2021 Financial year	2020 Financial year	INCOMES BY ORIGIN (in US Dollars) Rate = 1,1326	2021 Financial year	2020 Financial year
EXPENDITURES BY DESTINATION			INCOMES BY ORIGIN		
EXPENDITURES FOR THE YEAR	39 293 127	39 711 305	INCOMES FOR THE YEAR		
1 - SOCIAL MISSIONS			1 - INCOMES RAISED FROM THE GENERAL PUBLIC	60 623 178	45 913 885
1.1 - CARRIED OUT IN FRANCE	4 324 274	3 699 238	1.1 - CONTRIBUTION WITHOUT CONSIDERATION	9 892	10 703
Actions carried out by the organization	4 324 274	3 699 238			
Payments to a central organization or to other organizations operating in France	0	0	1.2 - DONATIONS, BEQUESTS AND SPONSORSHIP	56 925 607	44 037 707
1.2 - CARRIED OUT ABROAD	34 968 853	36 012 067	- Manual Donations	48 645 549	37 903 569
Actions carried out by the organization	34 242 606	34 925 558	- Bequests, donations and life insurance	2 190 739	2 915 582
Payments to a central organization or to other organizations operating in France	726 247	1 086 509	- Sponsorship	6 089 319	3 218 556
2 - FUNDRAISING COSTS	17 689 007	14 991 499	1.3 - OTHER INCOME RELATING TO APPEALING FOR PUBLIC DONATIONS	3 687 679	1 865 475
2.1 - PUBLIC GENEROSITY CALL FEES	17 229 457	14 552 034	Other products related to public generosity - Restricted	1 174 466	444 360
2.2 - OTHER RESOURCES RESEARCH EXPENSES	459 550	439 465	Other products related to public generosity - Non Restricted	2 513 213	1 421 115
3 - OPERATING COSTS	0	0			
TOTAL EXPENDITURES	56 982 134	54 702 804	TOTAL INCOME	60 623 178	45 913 885
4 - DEPRECIATION, AMORTIZATION AND PROVISIONS		0	2 - WRITING-BACK OF PROVISIONS		0
5 - INCOME TAX	14 016 871	1 830 201	3 - USE OF PREVIOUS DEDICATED FUNDS	3 596 976	4 768 029
SURPLUS OF PUBLIC GENEROSITY FOR THE YEAR			DEFICIT OF PUBLIC GENEROSITY FOR THE YEAR	6 778 851	5 851 091
TOTAL	70 999 006	56 533 005	TOTAL	70 999 006	56 533 005
			INCOMES CARRIED OUT RELATED TO THE GENEROSITY OF THE PUBLIC AT THE BEGINNING OF THE FINANCIAL YEAR (EXCLUDING DEDICATED FUNDS)	15 653 079	21 925 705
			Surplus or deficiency of Public Generosity	-	5 851 091
			Net investments and divestments related to the Public Generosity for the year	648 805	421 536
			INCOMES CARRIED OUT RELATED TO THE PUBLIC GENEROSITY AT THE END OF THE YEAR (EXCLUDING DEDICATED FUNDS)	8 225 423	15 653 079
VOLUNTARY CONTRIBUTIONS IN KIND	2021 Financial year	2020 Financial year		2021 Financial year	2020 Financial year
EXPENDITURES FOR THE YEAR			INCOMES FOR THE YEAR		
1 - VOLUNTARY CONTRIBUTIONS TO SOCIAL MISSIONS	1 168 451	0	1 - VOLUNTARY CONTRIBUTIONS RELATED TO THE PUBLIC GENEROSITY	1 431 904	1 005 501
- Carried out in France	1 168 451	0	- Volunteering	93 672	8 234
- Carried out abroad	0	0	- Benefits in kind	1 338 232	997 268
2 - VOLUNTARY CONTRIBUTION TO FUNDRAISING	263 452	997 268	- Donations in kind	0	0
3 - VOLUNTARY CONTRIBUTION TO OPERATING COSTS	0	8 234			
TOTAL	1 431 904	1 005 501	TOTAL	1 431 904	1 005 501

In 2021, ACF used \$56,981K of donations from the general public for its activities and recorded \$14,017K in restricted funds. This was made possible by donations received during the year (\$60,622K) as well as existing restricted funds (\$3,597K).

It is important to note that the ACF strategy of using donations from the general public as explained in Part 3 implies a reduction in their contribution to organizational funds. This is partly offset by capitalization of other, unused income (mostly financial income; see B.2.4)

Restricted funds consist solely of donations from the general public.

DEDICATED FUNDS RELATED TO THE PUBLIC GENEROSITY	2021 Financial year	2020 Financial year
DEDICATED FUNDS RELATED TO THE GENEROSITY OF THE PUBLIC AT THE BEGINNING OF THE YEAR	5 926 477	8 949 249
(-) Use	3 596 977	4 852 974
(+) Report	14 016 871	1 830 201
DEDICATED FUNDS LINKED TO PUBLIC GENEROSITY AT THE END OF THE YEAR	16 346 371	5 926 477