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Fédération Handicap International

Statutory auditor's report on the combined financial statements

Year ended December 31, 2023

This is a translation into English of the statutory auditor's report on the combined 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 verification of the information concerning the Group presented in 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.

Fédération Handicap International

Association governed by the Law of 1 July 1901

RCS : 519 655 997

Statutory auditor's report on the combined financial statements

Year ended December 31, 2023

To the members,

Opinion

In compliance with the engagement entrusted to us by your Annual General Meeting, we have audited the accompanying combined financial statements of Fédération Handicap International for the year ended December 31, 2023.

In our opinion, the combined financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as of December 31, 2023 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 Combined 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, 2023, to the date of our report.

Justification of Assessments

In accordance with the requirements of Articles L.821-53 et R.821-180 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 combined financial statements of the current period:

- Note 10.3 to 10.6 the combined financial statements. These notes set out the terms and assumptions used to prepare the profit and loss account by origin and destination (CROD) and the annual use-of-resources account (CER).

We have assessed that the methods used to prepare the CROD and the CER are appropriately described, comply with the Regulation No. 2018-06 of the French Accounting Standards Authority (Autorité des Normes Comptables, or ANC), as amended by ANC Regulation No. 2020-08 and have been correctly applied.

- We are also assured of the overall presentation of the combined accounts.

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 combined financial statements.

Specific Vérifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations of the Group's information given in the management report of the Board of Directors.

We have no matters to report as to their fair presentation and their consistency with the combined financial statements.

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

Management is responsible for the preparation and fair presentation of the combined financial statements in accordance with French accounting principles and for such internal control as Management determines is necessary to enable the preparation of combined financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the combined 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 combined financial statements were approved by the Board of Directors.

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

Our role is to issue a report on the combined financial statements. Our objective is to obtain reasonable assurance about whether the combined 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 taken on the basis of these combined financial statements.

As specified in Article L. 821-55 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 combined 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 combined 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 combined financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein.

- Evaluates the overall presentation of the combined financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtains sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the combined financial statements. The statutory auditor is responsible for the direction, supervision and performance of the audit of the combined financial statements and for the opinion expressed on these combined financial statements.

The Statutory Auditors

Mazars

Paris-La Défense and Lyon, May 28, 2024

Jérôme EUSTACHE

Partner

Paul-Armel JUNNE

Partner



REPORT ON THE COMBINED ACCOUNTS 2023
FEDERAL HANDICAP INTERNATIONAL NETWORK

COMBINED ACCOUNTS AT 31/12/2023

ASSET BALANCE SHEET

ASSET BALANCE SHEET (IN K€)		FINANCIAL YEAR 31/12/23			FINANCIAL YEAR 31/12/22
		GROSS	DEPRECIATION AND AMORTIZATION	NET	NET
FIXED ASSETS	Intangible assets	5.533	2.083	3.450	3.064
	Concessions, patents, licences, trademarks, processes, software	4.477	2.083	2.394	2.231
	Commercial fund	13	-	13	13
	Intangible assets in progress	1.043	-	1.043	820
	Tangible assets	28.058	13.963	14.095	14.300
	Land	1.401	-	1.401	1.400
	Buildings	7.522	3.825	3.698	4.049
	Technical installations, industrial equipment and tools	2.069	1.503	566	385
	Other tangible assets	12.568	8.636	3.932	3.496
	Property, plant and equipment in progress	-	-	-	37
	Advance payments	137	-	137	641
	Assets received by legacies or donation to be disposed of	4.360	-	4.360	4.291
	Financial assets	1.497	-	1.497	1.408
	Shareholdings and related receivables	4	-	4	4
	Other fixed assets	522	-	522	522
Other financial assets	970	-	970	882	
TOTAL I	35.088	16.046	19.042	18.772	
CURRENT ASSETS	Stocks and work in progress	373	-	373	653
	Advances and deposits paid on orders	74	-	74	228
	Customer receivables and related accounts	715	9	706	952
	Receivables received by legacies or donation	4.773	-	4.773	4.725
	Receivables Institutional donor	264.677	-	264.677	226.462
	Other receivables	14.380	936	13.444	14.356
	Advance missions	12.649	-	12.649	13.574
	Marketable securities	14.374	-	14.374	1.159
	Cash and cash equivalents	50.728	-	50.728	51.200
	Prepaid expenses	1.988	-	1.988	2.846
TOTAL II	364.731	945	363.786	316.155	
Translation adjustment assets (III)	615	-	615	2.556	
GRAND TOTAL (I+II+III)	400.434	16.991	383.444	337.483	

LIABILITY BALANCE SHEET

LIABILITY BALANCE SHEET (IN K€)		FINANCIAL YEAR 31/12/23	FINANCIAL YEAR 31/12/22
OWN FUNDS	Equity without right of withdrawal	-	-
	Equity with right of withdrawal	-	-
	Reserves	55.192	46.309
	Statutory or contractual reserves	6	6
	Reserves for entity projects and Unused restricted funds collected from the public	41.468	40.102
	Innovation reserve fund	1.927	1.927
	Other	92	123
	Retained earnings	2.957	3.170
	Surplus or deficit for the year	8.741	981
	Net position	2.107	1.385
	Consumable equity	-	-
	Investment grants	2.107	1.385
	Regulated provisions	-	-
Total I	57.298	47.694	
FUNDS CARRIED	Deferred funds related to legacies or donations	6.093	6.881
	Dedicated funds	2.970	4.601
	Total II	9.063	11.482
PROVISIONS	Provisions for risks	2.596	5.320
	Provisions for charges	1.643	1.656
	Provisions for charges on legacies or donations	-	-
	Total III	4.239	6.976
DEBTS	Loans and debts with credit institutions	-	350
	Borrowings and other financial liabilities	31	31
	Customer payables and related accounts	4.351	4.274
	Tax and social security liabilities	15.177	12.058
	Debts on fixed assets and related accounts	398	413
	Debts from legacies or donations	2.985	2.002
	Institutional donor' debts	17.544	11.422
	Other debts	10.926	12.479
	Deferred income	261.366	225.688
	Total IV	312.778	268.717
Translation adjustment liabilities (V)	65	2.615	
GRAND TOTAL (I+II+III+IV+V)	383.444	337.483	

PROFIT AND LOSS ACCOUNT

PROFIT AND LOSS ACCOUNT (IN K€)		FINANCIAL YEAR 31/12/23	FINANCIAL YEAR 31/12/22
OPERATING INCOME	Contributions	7	8
	Sales of goods and services	-	-
	- Sales of goods	2.020	2.430
	o of which sales of donations in kind	-	-
	- Sales of services	672	1.493
	o of which sponsorships	-	-
	Income from third-party funders	-	-
	- Public funding and operating subsidies	45	21
	- Payments from founders or consumption of the expendable endowment	-	-
	- Payments to national public Institutional donor	118.071	111.656
	- Payments to international public Institutional donor	57.638	58.853
	- Payments to national private Institutional donor	6.869	6.877
	- Resources from public generosity :		
	o Manual donations	52.442	56.612
	o Patronage	861	935
	o Legacies, gifts and life insurance	9.390	8.542
	- Financial contributions	3.640	2.199
Reversals of depreciation, impairment, provisions and expense transfers	4.354	1.339	
Use of dedicated funds	2.604	382	
Stocked production	(195)	49	
Capitalized production	165	295	
Other products	2.760	2.487	
Total I	261.344	254.179	
OPERATING EXPENSES	Purchases of raw materials, goods and other supplies	965	889
	Change in raw material inventories	(90)	67
	Other purchases and external charges	79.875	80.693
	Financial aid paid by the entity	48.639	48.453
	Taxes and similar payments	2.838	5.718
	Wages and salaries	92.969	83.929
	Social security charges	20.616	19.119
	Depreciation and amortisation	2.084	2.987
	Allocation to provisions	1.411	4.791
	Dedicated funds carried forward	973	4.200
	Other expenses	1.767	1.974
	Total II	252.047	252.821
1. OPERATING RESULT (I-II)	9.297	1.357	

PROFIT AND LOSS ACCOUNT (IN K€)		FINANCIAL YEAR 31/12/23	FINANCIAL YEAR 31/12/22
FINANCIAL PRODUCTS	Other interest and similar income	1.246	52
	Reversals of provisions, impairments and expense transfers	-	-
	Positive exchange rate differences	438	1.179
	Total III	1.685	1.231
FINANCIAL EXPENSES	Depreciation, amortisation and provisions	-	-
	Interest and similar charges	15	29
	Negative exchange rate differences	1.859	1.648
	Net expenses on disposals of marketable securities	-	-
	Total IV	1.874	1.678
2. FINANCIAL RESULT (III-IV)		(189)	(447)
3. CURRENT INCOME before taxes (I-II+III-IV)		9.107	911
PRODUCTS EXCEPTIONAL	Extraordinary income from management operations	34	39
	Extraordinary income from capital operations	58	791
	Reversals of provisions, depreciation and expense transfers	-	-
	Total V	92	829
CHARGES EXCEPTIONAL	Exceptional expenses on management operations	113	585
	Extraordinary expenses on capital transactions	24	54
	Depreciation, amortisation and provisions	-	-
	Total VI	137	639
4. EXTRAORDINARY RESULT (V-VI)		(45)	191
Income tax (VII)		321	120
TOTAL INCOME (I+III+V)		263.120	256.239
TOTAL EXPENSES (II+IV+VI+VII)		254.379	255.258
SURPLUS OR DEFICIT		8.741	981

VOLUNTARY CONTRIBUTIONS IN KIND

VOLUNTARY CONTRIBUTIONS IN KIND (IN K€)	FINANCIAL YEAR 31/12/23	FINANCIAL YEAR 31/12/22
Donations in kind	1.133	23
Benefits in kind	2.668	4.072
Volunteering	43	38
TOTAL PRODUCTS	3.844	4.133
Relief in kind	225	-
Provision of goods free of charge	-	18
Benefits in kind	3.576	4.077
Volunteer staff	43	38
TOTAL EXPENSES	3.844	4.133

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1. PRESENTATION OF THE HI NETWORK

A mission of international solidarity

Handicap International is an independent and impartial international solidarity organization, working in situations of poverty and exclusion, conflict and disaster. Working alongside people with disabilities and vulnerable populations, it acts and speaks out to meet their essential needs, improve their living conditions and promote respect for their dignity and fundamental rights.

Handicap International was awarded the Nobel Peace Prize in 1997 for its work in the International Campaign to Ban Landmines. Since 1999, the organization has had special consultative status with the United Nations.

In 2008, the Nansen Award recognizes the work of deminers in mine action projects in South Lebanon.

In 2011, the Conrad N. Hilton Humanitarian Award is awarded to the association for its overall commitment to people with disabilities living in situations of poverty, exclusion, conflict or natural disasters.

On the occasion of its 35th anniversary, the global Handicap International movement has changed its name to Humanity & Inclusion. This new name is based on the affirmation of a central value for our organization, the value of humanity. It also expresses the ambition that has motivated our actions for forty years: the inclusion of people with disabilities and vulnerable populations, who are all too often left behind.

Our statutory purpose

"To help people suffering from deficiencies or disabilities, whatever their nature and cause, on the national territory and in all regions of the world. It is also part of the association's purpose to implement any action for the prevention of disability situations in medical, scientific, social, technical and legal fields.

The association may decide to give its human, material and financial support to other associations, whether French or foreign, whose activity would allow the implementation of common actions that could lead to the realization of multidisciplinary programs.

Finally, the association may report or publicize any situation that is contrary to human rights. It may also associate itself with any similar initiative emanating from another organization".

Our vision

Outraged by the injustice experienced by people with disabilities and vulnerable populations, we aspire to a world of solidarity and inclusion, where all differences enrich us and where everyone can "live upright".

Our mission

HI is an independent and impartial international solidarity organization, working in situations of poverty and exclusion, conflict and disaster. Working alongside people with disabilities and vulnerable populations, it acts and speaks out to meet their basic needs, improve their living conditions and promote respect for their dignity and fundamental rights.

How we work

It intervenes in emergency, post-emergency, reconstruction and development contexts. Whenever possible, HI works in partnership with local associations and the authorities of the country in which it intervenes.

The beneficiaries

In 59 countries, HI works with populations at risk of disease, violence or disabling accidents, with vulnerable populations and in particular people with disabilities and people living with chronic disabling diseases, with refugee or disaster populations and with populations exposed to the danger of weapons, munitions and explosive devices.

Our values

Humanity

The value of humanity is the basis of our solidarity action. We consider each person, without discrimination, and recognize the dignity of each person. Our action is marked by respect, benevolence and humility.

Inclusion

We promote the inclusion of everyone in society and the participation of all, respecting diversity, equity and individual choice. We recognize difference as an asset.

Commitment

We commit ourselves with determination, enthusiasm and audacity to develop adapted, pragmatic and innovative responses. We act and mobilize around us to fight injustice.

Integrity

We act in an independent, professional, disinterested and transparent manner.

The functioning of the federal network

Created in 2009, it includes the Federation and eight National Associations. The HI Institute, created in 2015, has joined this HI network. An office in Austria established in 2019 has also joined the HI network. Its structure in the form of a Federation and national associations, which is unique in the humanitarian sphere, enables it to reaffirm its capacity to mobilize human and financial resources for a collective cause: the fight against injustice to the most vulnerable populations.

The HI Federation ensures the cohesion of the network, the coherence of action and the global strategy and carries out the implementation of the social missions common to the federal network.

The National Associations members of the network are: France (1982, founding association), Belgium (1986), Switzerland (1996), Luxembourg (1997), Germany (1998), United Kingdom (1999), Canada (2003), United States (2006). And Austria (2019).

Each member association is represented at the Federation HI General Assembly, which elects the federal Board of Directors. The French association, as a founding member, has a leading role in the governance of the Federation.

Operating rules within the HI federal network have been defined concerning collaboration and financial management. These rules govern the allocation of financial resources collected by the national associations (donations, public and private funding, etc.) and the implementation of the operational projects they finance.

Our social missions / the missions of Federation HI and the network's member associations:

The Handicap International Federation has a twofold mission:

A mission of international solidarity

Federation HI's action is aimed at all territories:

- To populations at risk of disease, violence or disabling accidents;
- Vulnerable populations and in particular people with disabilities and people living with chronic disabling diseases;
- Refugee populations and populations affected or displaced by crises, conflicts and disasters, including the particularly vulnerable, the injured and the disabled;
- To populations exposed to the danger of weapons, munitions and explosive devices in armed conflicts or their aftermath.

The aim of the HI Federation's actions is:

- To achieve rapid and sustainable improvement in the living conditions of individuals, communities and populations, aiming at the highest possible level of well-being;
- In crises, to preserve the life, integrity and dignity of victims and affected persons through appropriate relief and solutions.

The mission of the HI Federation is to achieve:

- By working directly with the populations concerned, and within them, with vulnerable groups and people with disabilities;
- By coordinating our activities, establishing partnerships or supporting other operators;
- By assuming our role as a non-governmental, non-denominational, non-political and non-profit organization towards the people benefiting from our actions, national and international institutions, professional bodies and public opinion;
- By influencing the behavior and policies of stakeholders and institutions through dialogue, dissemination of Handicap International's principles and recommendations, and reference to the relevant conventional instruments relating to human rights and international humanitarian law.
- By providing, on a secondary basis, services to organizations and individuals of all kinds, interested in the expertise that the Federation has developed in its aforementioned fields of competence.

The HI Federation is also responsible for the management and coordination of the HI Federal Network

The Federation embodies at the supranational level the federal network it forms with its member associations (the "**Federal Network**"). It has the authority and responsibility to :

- To guarantee the pre-eminence of the general and global interest of Handicap International's mission over the interest of each of its member associations and the national issues that may be related to them;
- Establish the multi-annual strategy of the Federal Network;
- To monitor the national implementation of the multi-annual strategy by its various member associations;
- To define the policies and operating rules that are binding on the whole network and to monitor compliance by its member associations;
- To decide and conduct, exclusively, the operational activity of international solidarity projects on behalf of its member associations;
- To implement the network's advocacy and political action at the international level and in countries where it does not have a member association, and to ensure the coherence of the advocacy actions carried out at the national level by its member associations;
- Develop the Federal Network by creating or integrating new member associations of the Federation;

- To create any new entity to promote the interests of the Federal Network.

The Missions of the member associations:

The National Associations represent HI in the country where they are based and help to achieve the objectives of the HI federal network. They mobilize financial, technical and human resources for the benefit of the programs implemented by the Federation, contribute to the development of HI's image and reputation through communication and awareness-raising activities aimed at the general public, and promote the values and positions of the federal HI network.

The means used

In order to meet its objectives and achieve its corporate purpose, the association shall have the following means of action, designated according to the aim pursued, in particular by:

- Development and management of programs and actions;
- The implementation of actions in the various fields: risk prevention or management, development of personal skills and adaptation of environmental factors, according to updated methodological modalities adapted to the contexts;
- Accompanying people, associations and communities, supporting systems and technical and administrative services in the countries of intervention;
- Contributing to the orientation of national and international policies, in relation to the fields of competence and activities;
- Raising awareness, informing and mobilizing public opinion at national and international level;
- The mobilization of institutional or private financial resources, as well as financial contributions from member associations for the realization of its activities and operations;
- The recruitment and training of Federation staff, whether volunteers, employees or consultants, in order to implement actions within its mission;
- Cooperation with any association, organization, administration, collective or platform whose objectives are in line with those of Handicap International, whether on an ad hoc or permanent basis;
- Participation in or organization of professional, institutional or cultural events within its fields of competence and action; and
- The implementation of research, evaluation, information and dissemination projects aimed at the professional and institutional sectors or the general public.

For the management and coordination of the Federal Network, the Federation will pursue its objectives, in particular by:

- The regular meeting of the members of the Federation's collegiate bodies and the leaders of its member associations;
- The animation of the Federal Network in order to ensure the coherence of the actions carried out by its member associations and the cohesion of the Federal Network;
- Validation of the annual budget and multi-annual development plan of each of its member associations;
- Management of the consolidated budget of the Federal Network ;
- The permanent consolidated vision and management of the treasury available in all the entities of the Federal Network;
- The management of available funds in all entities of the Federal Network: reserves are immobilized and managed according to common rules set by the Federal Board of Directors; they enable each national association, as well as the Federation, to meet its contractual and legal obligations; the management of all surplus reserves is steered by the Federal Board of Directors,

- Arbitration of possible disagreements within the Federal Network; and
- The provision of all types of administrative services to its member associations;

2. SCOPE AND METHOD OF COMBINING ACCOUNTS

The combination covered the following national associations:

- Handicap International Federation
- Handicap International France
- Handicap International Germany
- Handicap International Canada
- Handicap International Luxembourg
- Handicap International United Kingdom
- Handicap International Switzerland
- Handicap International Belgium
- Handicap International USA
- HI Institute Switzerland
- Handicap International Austria (office)

Their respective auditors have certified the corporate accounts of each national association.

The combination consists of :

- Aggregate the corporate accounts of all entities
- Eliminate reciprocal transactions,
- Homogenize the accounting restatements of the different entities according to the GAAP applied in the accounts of the Handicap International Federation.
- The accounts of national associations whose functional currencies are different from the euro are converted into euros as follows
 - Assets and liabilities are translated at the closing rate on 31 December 2023
 - Income and expenses in each profit and loss account are translated at the average Infoeuro exchange rate for the year.

- The functional currencies and exchange rates used for this exercise, of the national associations, are as follows

ENTITY	DEVICE	2023		2022	
		PROFIT AND LOSS ACCOUNT	BALANCE SHEET	PROFIT AND LOSS ACCOUNT	BALANCE SHEET
Handicap International Canada	CAD (Canadian dollar)	1,4610	1,4642	1,3706	1,4440
Handicap International Switzerland	CHF (Swiss francs)	0,9759	0,9260	1,0067	0,9847
Handicap International UK	GBP (pound sterling)	0,8714	0,8691	0,8520	0,8869
Handicap International USA	USD (US dollar)	1,0812	1,1050	1,0563	1,0666

The principles adopted for the restatement of differences arising from the recognition of reciprocal income and expenses are as follows:

- Expenses transferred by one National Association and not accounted for by the other, in part or in full, are included in the combined expense accounts.
- Income retroceded by one national association and not accounted for by the other is recorded in the combined income accounts.
- For retrocessions of funding allocated by foreign national associations to programs managed by the HI Federation, and in compliance with the principle of prudence, the restatement method adopted is as follows.
 - Where the HI Federation has allocated and accounted for less funding, the difference in expense to the foreign national association has been regularized.
 - Where the foreign national association has allocated and passed on less funding than that recorded by HI Federation, the difference in income recorded by HI Federation has been adjusted.

3. SIGNIFICANT FACTS

3.1. SIGNIFICANT EVENTS OF THE YEAR

The world saw an upsurge in major conflicts in 2023, as well as an increase in the number of climate emergencies, creating significant challenges for our teams to face! **They rose to these challenges** by:

Adapting on the ground:

In this increasingly complex context, with the support of our donors, HI was able to bring an unprecedented level of response to the crises in Ukraine, Afghanistan, Gaza, Morocco, Myanmar, Yemen, to mention but a few. We implemented 13 emergency interventions, orchestrated largely by our teams already present on the ground. The increase in the number of our local staff and the decentralization of operational decisions illustrate HI's capacity to adapt to a changing world.

Tackling the root causes:

To reduce the ever-increasing needs, humanitarian stakeholders need to tackle the root causes. This is what HI has been doing for years through its advocacy actions against anti-personnel mines, cluster munitions and the bombing of civilians, but also in a wide range of intervention contexts and sectors of activity. In the prevention sector, for example, our actions include armed violence reduction, earthquake and climate risk preparedness and maternal and child health.

Respecting our commitments:

A worrying observation: 2023 saw unprecedented violations of International Humanitarian Law, requiring ever-greater mobilisation on our part. We cannot talk about 2023 without mentioning the Hamas attacks on Israel on 7 October and Israel's retaliation in the Gaza Strip. In this polarised, polemical and exploitative context, we managed to find operational solutions to meet the most urgent needs, while continuing to denounce attacks on civilians, hostage-taking, the use of explosive weapons in densely populated areas and the appalling situation of populations being deliberately targeted and fighting to survive. We were guided, as always, by our operational ethics, which combine our determination to intervene with respect for the fundamental principles of humanitarian action: neutrality and impartiality. Despite unprecedented difficulties, and with the war raging around us, we continued to bring truckloads of humanitarian aid into Gaza and tripled the number of our employees. On the advocacy front, we took part in the call for a ceasefire with a constant stream of reports and statements directed at Western governments. At the time of writing, almost 40 declarations have been signed.

Controlling our growth:

In 2023, we responded to a growing number of crises, generating historically high levels of activity. The volume of activity on our programs rose from €176m in 2022 to €180m in 2023. Despite the context, we managed to maintain our organisation's good financial health.

Thanks to you:

Your loyalty, combined with the determination and professionalism of our teams, have enabled us to meet seemingly insurmountable challenges. We cannot do this alone. The solution lies in the mobilisation of civil society, in which we play an increasing role, and in compliance with international humanitarian law.

3.2. SIGNIFICANT ACCOUNTING EVENTS OF THE YEAR

Nothing to report.

3.3. EVENTS AFTER THE BALANCE SHEET DATE

Nothing to report.

4. ACCOUNTING RULES AND METHODS

4.1. SCOPE AND ACCOUNTING POLICY

The combined financial statements for the year ended have been prepared and presented in accordance with the following accounting policies, taking into account the principle of prudence and independence of financial years, and on a going concern basis:

- Accounting regulation ANC 2014-03 relating to the general chart of accounts (art 833-1 to 833-2) subject to the specific provisions contained in ANC regulations n°2022-04 changing ANC regulations n°2018-06 and n°2020-08.
- The consistency and comparability of accounting information over successive periods is based on the consistency of accounting methods (valuation and recognition methods, methods of presenting the accounts, in accordance with Article 121-5 of the ANC accounting regulation no. 2014-03.
- The combined accounts have been prepared in accordance with ANC regulation 2020-01.
- The combined accounts are expressed in thousands of euros.
- All the accounts of the entities belonging to the network have been closed in accordance with French accounting principles in order to be integrated into the combined accounts.

4.2. ACCOUNTING METHOD FOR LEGACIES AND INSTITUTIONAL FUNDS

4.2.1. Legacies, gifts and life insurance

All legacies and donations are recognized from the date of acceptance by the Board of Directors in the specific accounts as assets and liabilities.

The consideration is recognized as income, unless the testator/donor stipulates that the entity's equity be strengthened.

In the case of suspensive conditions, the recognition of legacies and donations is deferred until the last of these conditions is fulfilled. A temporary account "Legacies and donations in progress - 475" is then used.

Life insurance policies are accounted for on the date of receipt.

Temporary income and expenses are recognized in the profit and loss account in the year to which they relate until the sale of the donated or bequeathed assets is completed.

4.2.2. Institutional funds

These are grants awarded by institutional donors of public and private origin and intended to finance mainly the implementation of social missions. A financing agreement is established between the association and the donor, which defines the reference period (less than, equal to or greater than one year), the activities financed and the obligations to justify the expenses incurred in carrying out these activities.

The portion of the funding to be recognized as revenue in the year is determined :

- Or, by the financial report when it is made before the closing of the accounts. In this case, the sum to be allocated as income corresponds to the expenditure actually justified.
- Or, by an assessment of the expenditure incurred in the reference period of the contract, where the financial report has not been drawn up before the closure of the accounts.

Given the relatively long processing times for certain financing requests, it may happen that, although there is confirmation that the financing has been granted, this is not materialized by a written confirmation (signature of the financing contract or decision of agreement established by the donor). In this case, the financing is recognized as accrued income, but a provision for risks for the same amount is recognized as an expense for the year.

Two accounting schemes are applicable for the recognition of institutional funding.

➤ **Case of funding for which the HI Federation is a signatory:**

Once a grant contract is signed by Federation HI, the entire grant is recognized as income, with a corresponding receivable from the lessor recorded as an asset on the balance sheet.

At the close of the accounts, the income is adjusted to the expenses incurred during the financial year: the portion of the grant relating to future financial years is entered at the close of the financial year in a "Deferred income from donors" account. The receivable from the donor is adjusted during the year on the basis of the donor's payments.

➤ **Case of funding for which the National Associations of the HI network are signatories:**

As implementation is carried out by the HI Federation, the portion of the funding to be recognized as income in the year is determined by the expenditure incurred by the HI Federation. The full amount of the grant is accounted for within the national associations.

5. ADDITIONAL INFORMATION ON BALANCE SHEET ITEMS - ASSETS

5.1. INTANGIBLE ASSETS AND AMORTISATION

Intangible assets are valued at acquisition cost or production cost and are amortized on a straight-line basis over the following periods:

- For the purchase of standard software and licenses for a period between 1 and 3 years
- For software developments for a period of between 4 and 10 years.

5.1.1. Statement of changes in intangible assets

HEADINGS (in thousands of euros)	BEGINNING OF THE YEAR	ACQUISITION	DISPOSALS BY TRANSFER	TRANSFER, OBSOlesc.	END OF YEAR
Concessions, patents, licences, trademarks, processes, software	3.961	30	499	13	4.477
Intangible assets in progress	820	722	(499)	-	1.043
Commercial fund	13	-	-	-	13
GRAND TOTAL	4.794	752	-	13	5.533

Intangible assets are mainly composed of licences, software development and our domain names "Hi.org" and "Hi.fr".

The intangible assets in progress are mainly related to 4 ongoing projects on the implementation of Information Systems (Donor Management IS, Logistic IS, institutional donors IS, budget IS) which consist of several batches and some of which have not yet been activated this year.

5.1.2. Table of changes in depreciation

HEADINGS (in thousands of euros)	BEGINNING OF THE YEAR	ALLOCATIONS	RETRIEVALS	END OF YEAR
Concessions, patents, licences, trademarks, processes, software	1.730	352	-	2.083
GRAND TOTAL	1.730	352	-	2.083

5.2. TANGIBLE ASSETS AND DEPRECIATION

Tangible fixed assets are valued at their acquisition cost (purchase price and accessory costs) or at their market value when these assets are donated to the association free of charge and are depreciated on a straight-line basis over the following periods

- Construction 6 to 40 years
- Fixtures and fittings 2 to 20 years
- Technical installations, equipment and tools 3 to 5 years
- Transport equipment 3 to 5 years
- Office, audiovisual and computer equipment 3 to 7 years
- Furniture and household appliances 4 to 10 years

The investments made on our programs are only in the following categories with a minimum amount of 1.500 euros and are depreciated on a straight-line basis according to the following periods:

- Generators, solar panels 3 years
- Transport equipment (car, ambulance, truck...) 4 years
- Servers 3 years
- Photocopiers and printers 3 years
- Demining machine 4 years
- Construction equipment 4 years

For the headquarters, the investment threshold is 1.500 euros per investment.

The premises acquired in 2001 by the Luxembourg national association are depreciated on a straight-line basis over 25 years.

The tangible assets include the purchase of Handicap International's premises in Lyon on 1 June 2014 for a total of €8 million, of which €1.4 million is classified as "land". This building was financed in parallel by an €8 million bank loan, of which €2.4 million was repaid early in 2017 to reduce the duration of the loan and the interest payable. The loan was totally repaid in 2023.

5.2.1. Statement of changes in property, plant and equipment

HEADINGS (in thousands of euros)	BEGINNING OF THE YEAR	ACQUISITION	DISPOSALS BY TRANSFER	TRANSFER, OBSOlesc.	END OF YEAR
Land	1.400	1	-	-	1.401
Buildings	7.516	-	6	-	7.522
Technical installations and Tools	2.363	472	-	766	2.069
General installations, fittings and miscellaneous	3.795	38	104	-	3.937
Transport Equipment	6.400	1.118	75	1.176	6.416
Office and computer Equipment	1.793	138	-	3	1.928
Other tangible assets	323	33	-	69	287
Property, plant and equipment in progress	37	148	(185)	-	-
Advance payments	641	481	-	985	137
GRAND TOTAL	24.268	2.429	-	2.999	23.697

Acquisitions during the year consisted mainly of the purchase of vehicles for the implementation of missions in the various programs.

The acquisitions of the national associations represent €45K of which €27K are office and computer equipment.

5.2.2. Table of changes in depreciation

HEADINGS (in thousands of euros)	BEGINNING OF THE YEAR	ALLOCATIONS	RETRIEVALS	END OF YEAR
Buildings	3.467	357	-	3.825
Technical installations and tools	1.978	287	763	1.503
General installations, fittings and miscellaneous	1.825	228	-	2.053
Transport equipment	5.157	682	1.158	4.681
Office and computer equipment	1.549	131	7	1.672
Other tangible assets	282	16	70	229
GRAND TOTAL	14.259	1.701	1.997	13.963

5.3. FIXED ASSETS OF LEGACIES

Legacies are valued at their market value on the date of acceptance of the legacies.

Items not identified at the date of acceptance and known subsequently do not give rise to a change in the net assets representing the legacies or donation recognized at the date of acceptance.

These items have been recognized as income and expenses as they arise.

HEADINGS (in thousands of euros)	BEGINNING OF THE YEAR	ACQUISITION	DISPOSAL BY TRANSFER	TRANSFER OBSOlesc.	END OF YEAR
Assets received by legacies or donation for disposal	4.291	1.668	-	1.599	4.360
GRAND TOTAL	4.291	1.668	-	1.599	4.360

Acquisitions concern assets received in 2023 from legacies, accepted by the Board of Directors and not sold by 31 December 2023.

Disposals relate to sales made during the year.

5.4. FINANCIAL ASSETS

These fixed assets include, on the one hand, participating interests and related receivables and, on the other hand, other financial assets, such as long-term advances granted to third parties and deposits and guarantees paid.

Equity investments and other long-term investments are valued at the price for which they were acquired, excluding costs incurred for their acquisition.

A provision for impairment is recognized on financial advances made to other associations or other legal entities where recovery is uncertain.

A provision for depreciation is recorded on the financial investments held by the association according to their financial situation.

5.4.1. Statement of changes in financial assets / deposits and guarantees

HEADINGS (in thousands of euros)	BEGINNING OF THE YEAR	ACQUISITION	DISPOSAL BY TRANSFER	TRANSFER OBSOlesc.	END OF YEAR
Other participations	4	-	-	-	4
Loans and other financial assets	1.404	841	-	752	1.492
GRAND TOTAL	1.408	841	-	752	1.497

This item consists mainly of deposits and guarantees paid by:

- Handicap International headquarters and national associations for an amount of €129K.
- Handicap International's programs abroad for an amount of €840K.

The deposits and guarantees of the programs correspond to the guarantee deposits paid for the rental of offices and housing.

In 2018, Federation HI took out a 100% euro fund capitalization contract of €500K with the insurer CARDIF. This investment is in line with the organization's prudent investment policy.

5.5. STOCKS

The gross value of goods and supplies includes the purchase price and incidental costs.

Inventories of finished goods, merchandise and materials are valued at the last known purchase price.

Inventories have, where appropriate, been written down to their current value at the year-end date.

The exception to this rule is the stock of supplies and materials relating to shelters made by the association on the programs, but intended to be allocated to the beneficiaries at the end of the project, so that neither ownership nor use reverts to the association.

Furthermore, these shelters are fully financed by institutional donors. Thus, all the expenses related to these constructions are recorded as expenses and the corresponding financing as income.

INVENTORIES AND WORK IN PROGRESS (GROSS AMOUNTS IN THOUSANDS OF EUROS)	31/12/2023	31/12/2022
Raw materials, procurement	236	520
Intermediate and finished products	132	125
Goods	6	8
GRAND TOTAL	373	653
DEPRECIATION OF STOCKS	-	-
TOTAL NET OF DEPRECIATION	373	653

The inventory of raw materials and supplies consists mainly of solidarity products "Plio Kits", "Christmas Tree Bags" and "Gift Pouches" which are manufactured and marketed within the French national association for 128 K€, a stock of submission credits of a data collection platform for programs for 75 K€ gross and emergency kits which at the end of this financial year amounted to 24 K€ gross.

The inventory of finished products concerns the solidarity products which are manufactured and marketed within the French national association amounted to 132 K€.

The stock of goods consists of products bought and resold in our solidarity shop in France.

5.6. RECEIVABLES

Receivables are recorded at their nominal value. A provision for depreciation is made when there is a risk of non-recovery.

This item includes "cash advances to programs". Thus, the total mentioned under the heading "Advances to Missions" corresponds to the amount of cash available at the closing date of the financial year for all programs. Although this item is made up of the cash available in each mission, these sums are not intended to be recovered by the association's head office but will be justified by future expenditure and therefore used exclusively in the context of the mission. The presentation in this balance sheet item therefore reflects the unavailability of these sums to the association's headquarters.

Where transactions are conducted in foreign currencies, the conversion method used is as follows:

- Transfers made abroad are converted according to the bank's exchange rate.
- All expenditure and income denominated in foreign currency are converted at the InforEuro rate of the month of expenditure.

Receivables and payables denominated in foreign currencies at the end of the financial year are converted on the basis of the exchange rate in force at the end of the financial year under the heading "conversion difference". Unrealized exchange losses are subject to a provision for risks.

5.6.1. Maturity of receivables at year-end

STATEMENT OF RECEIVABLES (in thousands of euros)	GROSS AMOUNT	1 YEAR OR LESS	OVER 1 YEAR
Receivables from equity investments	4	-	4
Other financial assets	1.492	-	1.492
Doubtful or disputed customers	7	7	-
Other receivables	708	708	-
Personnel and related accounts	54	54	-
State, other communities income tax	39	39	-
State, other authorities: value added tax	4	4	-
Receivables received by legacies or donation	4.773	4.773	-
Claims with HI Network members	3	3	-
Institutional Donors	12.649	12.649	-
Advance missions	9.595	9.595	-
Partners / Suppliers projects missions	264.677	264.677	-
Income and donations receivable	2.474	2.474	-
Miscellaneous debtors	2.285	2.285	-
Prepaid expenses	1.988	1.988	-
GRAND TOTAL	300.752	299.255	1.497

Other "trade receivables" are represented for 549 K€ by receivables related to solidarity products and mail order sales of the French national association.

Receivables received by "legacies or donation" relate to bank receivables. These receivables have been accepted by the Board of Directors and represent the amount to be received from liquidations or sales of current assets at 31 December 2023. These receivables are classified at less than one year due to their liquid nature. As at 1 January 2023, receivables received through legacies and donations amounted to 4.725 K€.

The miscellaneous debtors concern for 1.070 K€ receivables from our service providers on our programs and 1.209 K€ from the service providers of the federation's head office and national associations, of which 923 K€ in the UK national association and 6 K€ of active combination difference.

It is not possible to present a definite schedule of receivables with a maturity of more than one year and less than one year with regard to the lenders because the collection of receivables is linked to the progress

of the projects. A portion of these receivables may be collected in more than one year, but the amount cannot be estimated with certainty.

5.6.2. Impairment of receivables

Impairment of receivables (in thousands of euros)	Balance at the beginning of the year	Changes during the year		Balance at the end of the year
		Increase	Decrease	Total amount
Impairment of doubtful receivables	23	1	15	9
Impairment of other receivables	1.085	32	181	936
GRAND TOTAL	1.108	33	196	945

The amount of €936 K of the depreciation of other receivables corresponds for €136K to risks of non-recovery from partners on our lands and for €800 K to the risk of non-recovery of a payment from an institutional donor within the federation.

5.6.3. Prepaid expenses

They relate to current expenses and correspond mainly to expenditure on rent, insurance in our programs and various maintenance and insurance for the headquarters.

Concerning the Lyon headquarters and the national associations, €762K correspond to various maintenance and insurance expenses and €353K correspond to costs carried forward to 2024 concerning service contracts in the UK national association.

PREPAID EXPENSES (in thousands of euros)	31/12/2023	31/12/2022
Headquarters expenditure	1.115	1.901
Field expenses	777	867
Mailing expenses	95	78
GRAND TOTAL	1.988	2.846

5.6.4. Accrued income

ACCRUED INCOME (in thousands of euros)	31/12/2023	31/12/2022
Trade receivables and related accounts	27	94
Customers invoices to be issued	27	94
Other receivables	2.612	2.170
Suppliers: credit notes receivable	137	22
State: accrued income	-	-
Other accrued income	1.131	1.217
Donations to be cashed	1.343	932
GRAND TOTAL	2.639	2.265

The other income corresponds mainly to service contracts for which payment is made according to the milestones set out in the contracts by the donors.

Donations to be cashed are cheques dated before 31 December 2023 but cashed in January 2024.

5.7. CASH AND CASH EQUIVALENTS

Cash and cash equivalents in the balance sheet include cash at bank and in hand.

Cash and cash equivalents in foreign currencies are shown in the balance sheet at their equivalent value in euros at the year-end rate. Translation differences at the end of the financial year are recorded in the accounts 666 "exchange losses" or 766 "exchange gains".

5.8. CONVERSION DIFFERENCES

Grants received in advance are shown in the balance sheet at their equivalent value in euros at the Banque de France rate on 31 December of the year.

The unrealized translation differences of these grants are calculated by currency to determine a currency position. The net result between the unrealized gains and losses of each of these currencies is recorded as an exchange difference asset for exchange losses and an exchange difference liability for exchange gains.

A provision for foreign exchange risk equivalent to the amount of unrealized losses is recognized where appropriate.

6. ADDITIONAL INFORMATION ON BALANCE SHEET ITEMS - LIABILITIES

6.1. EQUITY

6.1.1. Statement of changes in equity

CHANGE IN EQUITY (in thousands of euros)	AT THE BEGINNING OF THE YEAR	ALLOCATION OF THE RESULT	INCREASE	REDUCTION OR CONSUMPTION	AT THE END OF THE FINANCIAL YEAR
Statutory reserve	6	-	-	-	6
Revaluation differences	-	-	-	-	-
Reserves allocated to the associative project and unused restricted funds collected from the public	40.102	981	385	-	41.468
Innovation reserve fund	1.927	-	-	-	1.927
Other reserves	123	-	-	31	92
Retained earnings	3.170	-	-	213	2.957
Surplus or deficit for the year	981	(981)	8.741	-	8.741
Net position	46.309	-	9.127	243	55.192
Consumable equity	-	-	-	-	-
Investment grants	1.385	-	727	6	2.107
Regulated provisions	-	-	-	-	-
TOTAL	47.694	-	9.854	249	57.298

6.1.2. Allocation of the result for the year

The surplus for the year, of €981K, definitively acquired on December 31, 2022, has been allocated after approval by the General Assembly in September 2023 in funds allocated to the associative project and unused restricted funds collected from the public for €981K.

6.1.3. Investment grants

This item consists of grants received and used for the acquisition of fixed assets in the programs, which are then not recognized as operating income.

These grants are added back to the result of the year at the same rate as the depreciation of the assets to which they relate.

The resulting profit is recorded as operating income to offset the corresponding depreciation.

Since the 2020 financial year, grants are calculated per asset acquired in our programs according to the financing rate of each asset.

Concerning the past (where grants were calculated with an average rate of financing per year for all acquisitions), no restatement is made. The rates will be identical until the end of the depreciation periods.

INVESTMENT GRANTS (in thousands of euros)	BALANCE AT THE BEGINNING OF THE YEAR	CHANGES DURING THE YEAR		BALANCE AT THE END OF THE YEAR TOTAL AMOUNT
		INCREASE	DECREASE	
Allocated to non-renewable assets				
Allocated to renewable assets	7.440	1.576	1.673	7.344
TOTAL I - NOMINAL AMOUNT	7.440	1.576	1.673	7.344
Allocated to non-renewable assets				
Allocated to renewable assets	6.055	851	1.667	5.239
TOTAL II - SHARES TRANSFERRED TO INCOME	6.055	851	1.667	5.239
NET GRANT (I-II)	1.385	726	6	2.105

6.2. DEDICATED FUNDS AND DEFERRED FUNDS

6.2.1. DEDICATED FUNDS

At the end of the financial year, this heading of the liabilities records the part of the resources allocated by donors, patrons or legatees to defined projects, which could not yet be used during the financial year in accordance with the commitment made to them.

Thus, when the association receives, during a given financial year, funds allocated by the donor to specific actions of social missions and these funds are not used during the financial year, the resource thus generated by these funds is cancelled by an expense of the same amount in profit and loss account and allocated to "dedicated funds".

The use of these funds in subsequent years generates income in the profit and loss account each year concerned for the amount effectively consumed and gives rise to a decrease in the "dedicated funds" item in the balance sheet for the same value.

CHANGE IN RESTRICTED FUNDS FROM OPERATING GRANTS (in thousands of euros)	AT THE BEGINNING OF THE YEAR	REPORTS	USES		TRANSFERS	AT THE END OF THE FINANCIAL YEAR	
			Overall amount	of which reimburs ements		Overall amount	of which dedicated funds corresponding to projects with no expenditure in the last two years
RESTRICTED FUNDS CONTRACTS :							
CAMBODIA (20200254)	29		29			-	
DRT - DSI (20190032)	15		15			-	
D3I - INNOVATION (20220130)	135		135			-	
MADAGASCAR (20220190)	70		70			-	
TOGO (20220249)	68	2				70	
UKRAINE (20220263)	195					195	
SIERRA LEONE (20220342)	49	5				54	
SIERRA LEONE (20220343)	48	33				81	
SIERRA LEONE (20220344)	148		71			78	
RDC (20230090)		5				5	
CHAD (20230397)		246				246	
RESTRICTED FUNDS PROGRAMS :							
CAMBODIA	418		228			189	
UKRAINE	1.653		436			1.217	
ASIAN REGION	46		46			-	
RESTRICTED FUNDS PROJECTS :							
KENYA - Ubuntu care (H41_049)	10		10			-	
LEBANON - Beirut Blast Emergency	31					31	31
UKRAINE - Alliance Urgence	173		173			-	
NEPAL - Empowering a new generation with education (B41_012)	28		28			-	
NEPAL - Physical rehabilitation (B41_022)	127		127			-	
COLOMBIA - Armed violence reduction (C61_026)	7		7			-	
KENYA - Early Childhood Development (D41_068)	12	19				31	
MALI - Protect against gender based violence (E31_063)	4		4			-	
TOGO - Inclusive education (E81_046)	23		23			-	
RESTRICTED FUNDS O'DONNELL (USA)	24		9			15	
LIBYA - Urgence		18				18	
MOROCCO - Earthquake emergency (G21_081)		269				269	
PALESTINE - Emergency response oct 2023 (J23_140)		68				68	
RESTRICTED FUNDS IN NAs :							
RESTRICTED FUNDS HI FRANCE (Film Debout)	23		23			-	
RESTRICTED FUNDS HI FRANCE (Fablife)	123		123			-	
RESTRICTED FUNDS HI FRANCE (Fresque)	5					-	
RESTRICTED FUNDS HI BELGIUM (Comitee 12-12)	1.138	308	1.047			399	
TOTAL	4.601	973	2.604	-	-	2.970	31

6.2.2. DEFERRED FUNDS

After the date of acceptance of the legacies and donations, the part of the resources recognized as operating income during the financial year, which is not received or transferred at the end of the financial year, is recorded in a liability heading called "Deferred funds linked to legacies or donations", with a corresponding charge recorded in the "Deferred funds" account. These sums entered in liabilities under "Deferred funds linked to legacies or donations" are reported in the profit and loss account during the following financial years, as and when the legacy or donation is realized.

DEFERRED FUNDS (in thousands of euros)	Balance at the beginning of the year	Changes during the year		Balance at the end of the year
		Increase	Decrease	Total amount
TOTAL	6.881	4.485	5.273	6.093

6.3. PROVISIONS FOR LIABILITIES AND CHARGES

Provisions for liabilities and charges are established when, at the end of the financial year, the association has an obligation to a third party which is likely or certain to result in an outflow of resources to the third party, without at least equivalent consideration being expected from the latter.

6.3.1. Table of provisions for liabilities and charges

HEADINGS (in thousands of euros)	BEGINNING OF THE YEAR	ALLOCATIONS	RETRIEVALS	END OF YEAR
Provisions for foreign exchange losses	2.556	615	2.556	615
Other provisions for risks and charges	4.419	796	1.591	3.624
GRAND TOTAL	6.976	1.411	4.148	4.239

The allocations for other provisions for risks and charges concern

- €120 K to risks on donor financing.
- €68 K to costs related to the end of projects on our programs.
- €320 K to six provisions for risk
- €288 K to three provisions for expenses

Reversals of other provisions for risks and charges relate to

- €933 K to risks related to the financing of completed donors.
- €168 K to the reversal of costs on the end of projects on our programs
- €299 K for the end of provisions for risk
- €191 K for the end of provisions for expenses

6.4. DEBTS

6.4.1. Maturity of debts at the end of the financial year

STATEMENT OF DEBTS (in thousands of euros)	GROSS AMOUNT	1 YEAR OR LESS	BETWEEN 1 AND 5 YEARS
Borrowings and debts credit institutions	-	-	
Borrowings and other financial liabilities	31	31	
Suppliers and related accounts	4.351	4.351	
Personnel and related accounts	5.042	5.042	
Social security and other social organizations	9.156	9.156	
States and other authorities: value added tax	329	329	
States and other authorities: other taxes	651	651	
Debts on fixed assets and related accounts	398	398	
Group and associates	3	3	
Debts on legacies or donations	2.985	2.985	
Partners and suppliers of projects on our land	2.156	2.156	
Accrued expenses land	7.210	7.210	
Other debts	1.557	1.557	
Donors	17.544	17.544	
Deferred income	261.366	261.366	
GRAND TOTAL	312.778	312.778	-

Debts arising from legacies or donations, amounting to €2.985K, consist of:

- Debts which the deceased had not discharged on the day of his death.
- Debts on the property transferred to the beneficiary of the donation.
- All obligations resulting from the stipulations of the testator or donor that the entity undertakes to assume as a consequence of the acceptance of the legacy or donation.

These are shown as liabilities of up to one year as we have no visibility on the movement of legacies and donations.

Debts are estimated as best as possible at the time of recording the transactions, bearing in mind that most of the information is provided to us by the notaries in charge of the transactions.

Notaries' fees are valued and recognized as liabilities at the time of entry in the balance sheet. Any differences that may subsequently arise are recognized in the profit and loss account in the account "fees on legacies or donations held for sale".

It is not possible to present a fixed schedule of debts with a maturity of more than one year and less than one year because the disbursement of debts is linked to the progress of the projects. A portion of these liabilities may be due in more than one year, but the amount cannot be estimated with certainty.

6.4.2. Accrued expenses

The amount of accrued expenses included in the balance sheet items is broken down as follows.

ACCRUED EXPENSES (in thousands of euros)	31/12/2023	31/12/2022
Borrowings and financial debts	-	-
Trade accounts payable	515	742
Tax and social security liabilities	10.573	9.389
Accrued expenses land	7.210	7.428
Accrued expenses head office	1.028	400
GRAND TOTAL	19.325	17.959

Tax and social security liabilities mainly refer for €8.776 K to the tax and social security liabilities (compensatory time, time saving account, paid holidays, incomes' tax, etc.) of our international and head office staff.

The remainder corresponds for €1.797 K to the termination benefits of fixed-term contracts due to national staff for all contracts ending after this financial year.

The accrued land charges are mainly composed of expenses incurred by our partners and justified at the beginning of the following year.

6.4.3. Deferred income

Deferred income consists mainly of grants received in advance, i.e. the portion of grants due in future years.

When grants are awarded to finance actions spread over several financial years, they are allocated according to the periods or stages defined in the agreements or, failing that, pro rata temporis. The portion of grants due in future years, corresponding to grants received in advance, is recorded as a liability under "deferred income - donor grants".

DEFERRED INCOME (in thousands of euros)	31/12/2023	31/12/2022
Headquarters and field revenue	818	2.298
Income from donor funding	260.548	223.390
GRAND TOTAL	261.366	225.688

7. ADDITIONAL INFORMATION ON PROFIT AND LOSS ACCOUNT ITEMS

7.1. DETAIL OF OPERATING INCOME

- Sales of goods for €2.020 K, of which €2.004 K correspond to sales of solidarity products from the French national association.
- The financial payments of the institutional donors for €182.579 K correspond to the expenses carried out on the land and financed by financing contracts with the various institutional backers of the HI network.
- Donations include all resources from private fundraising, regardless of their destination. All income from private donations is attached to the financial year according to the date of their effective payment, or according to the fiscal year of attachment when the donation was sent before the closing date of the financial year.

- Details of legacies, donations, and life insurance as 31 December 2023:

PRODUCTS (in thousands of euros)	14.750
Life insurance	3.254
Legacies or donations	5.288
Other income from legacies or donations	2
Sale price of assets received by legacies or donation to be disposed of	1.627
Use of deferred funds related to legacies or donations	4.578
CHARGES (in thousands of euros)	5.378
Net book value of assets received by legacies or donation to be disposed of	1.599
Allocation to provisions for legacies or donations	-
Deferred funds related to legacies or donations	3.779
BALANCE	9.372

- Financial contributions correspond to foundation funds.
- The other products are for:
 - €1.047 K foreign exchange gain related to foreign currency activity.
 - €857 K of Investment Grant reversal
 - €857 K of other miscellaneous current management income

7.2. DETAILS OF OPERATING EXPENSES

- The €79.875 K of other purchases and external charges correspond mainly to :
 - €19.241 K in purchases of studies and services
 - €8.865 K for the purchase of non-capitalized supplies and equipment
 - €13.900 K of property rentals and other rentals
 - €4.076 K of maintenance, insurance, and servicing contracts
 - €1.684 K of seconded personnel costs
 - €1.233 K in fees
 - €6.595 K of mailings, call for donations, advertising, communication support.
 - €14.892 K in transport and travel costs
 - €4.185 K postage and telecommunications
 - €5.204 K of various expenses
- Financial aid paid by the entity for €48.639 K to expenses made by our partners or paid directly to our beneficiaries for the various projects on our land.
- The other expenses correspond to:
 - €1.190 K of foreign exchange losses related to foreign currency activity.
 - €312 K loss on bad debts
 - €53 K of other expenses on legacies or donations
 - €212 K in other miscellaneous current management income

7.3. FINANCIAL RESULT

Financial income and expenses correspond mainly to exchange rate differences related to the revaluation at Banque de France rates on 31 December 2023 of banks and cash in foreign currencies at the head office and in all our programs.

The other interest and income correspond to interest income from short-term non-risky investment.

8. OFF-BALANCE SHEET COMMITMENTS

Only the significant off-balance sheet commitments are detailed below and concern mainly the HI Federation and the French national association.

8.1. COMMITMENTS GIVEN FOR RETIREMENT BENEFITS

Pursuant to ANC recommendation no. 2013-02, retirement benefits are recognized when paid and do not constitute a provision.

Retirement benefits acquired by employees of the Federation HI Lyon headquarters present at the balance sheet date are estimated at €551 K and for those of the national association in France at €76 K.

The assumptions used for the calculation are as follows:

- Economic assumptions
 - Voluntary departures
 - Discount rate: 3%.
 - Annual salary increase: 2%.
 - Rate of social security contributions: 45%.
 - Retirement age :
 - If the employee is less than or equal to 45 years old, the retirement age is 67
 - If the employee is older than 45, the retirement age is 62

- Demographic assumptions
 - Staff turnover rate :
 - If the employee is younger than 50, according to the average turnover rate by employee group
 - If the employee is 50 years of age or older, the 0% turnover rate
 - Mortality table :
 - If the employee is less than or equal to 60 years old, according to the mortality table from INSEE data,
 - If the employee is older than 60 years, then 100% of the salary is paid to the employee.

This information is only relevant to the staff of the French National Association and the HI Federation.

8.2. COMMITMENT GIVEN FOR LATENT SOCIAL LIABILITIES

The valuation of latent social liabilities relating to programs and corresponding to indemnities acquired by the local staff at the closing date and which would be payable in the event of closure of the programs concerned amounts to € 10.152K for the HI Federation.

8.3. COMMITMENTS RECEIVED

In 2018, the lease of the Paris office was renewed in the name of Federation HI. As such, Federation HI received a guarantee from LCL for an amount of € 208K.

The commitments detailed above do not include the commitments of the entire HI network included in the scope of consolidation.

9. FURTHER INFORMATION

9.1. VALUING VOLUNTEER WORK AND IN-KIND CONTRIBUTIONS

In accordance with the accounting regulations for associations, voluntary contributions have been entered in the accounts at the foot of the profit and loss account under specific headings.

They are, by nature, free of charge and take several forms:

- Regular 'or quasi-permanent' volunteering
- Non-regular volunteering: events during the year
- Free provision of persons by third parties
- Provision of goods: a meeting room, equipment or any other goods necessary for the performance of HI's activities.
- Donations in kind received and then redistributed or consumed as is by the association.

Depending on their nature, several evaluation methods are available:

- Media plans: Visual free of charge for poster campaigns and advertising (radio, TV, Internet...) that contributed to the mobilization of the general public and the sale of shared products. The accounting is done via contracts and certificates signed with our partners. Most of the freebies are not subject to a tax receipt.
- Donations in kind and free services: All services or goods offered are subject to an invoice or a sponsorship contract. The evaluation is made by the sponsoring company at cost price. The company clearly states that the service or goods are offered. They give rise to the issue of a tax receipt.
- Skills sponsorship: This consists of a contribution in human resources, i.e. the transfer (free of charge, but with tax incentives) of skills from the company to Handicap International, through employees working during their working hours. It is to be distinguished from volunteering. It can take two forms:
 - Or a service provision
 - Or the provision of personnel.

The evaluation of this donation in kind corresponds to its cost price, i.e. the salaries and related social charges of the employees made available free of charge. From a tax point of view, skills sponsorship is treated as a donation in kind and therefore benefits from a tax reduction for the sponsoring company.

- Volunteering: "A volunteer is any person who freely commits himself/herself to carry out a non-salaried action for others, outside his/her professional and family time". A distinction is made between regular and non-regular volunteering:
- Regular volunteers are those who work on a regular basis for part of their time in different departments in order to carry out administrative tasks such as processing donations, filing and archiving files, running a branch, supporting a project, etc. They are part of the daily life of the association.
 - Non-regular volunteering corresponds to a very short commitment, half a day or a day, in the context of a demonstration or an event.

An inventory is made once a year to compile information for each service. No tax receipts are issued for "voluntary" services.

The amount of these contributions amounts to €3.844 K for this financial year and is made up of €2.668 K of services in kind. These benefits are due to poster campaigns and advertising costs (radio and TV spots, etc.) mainly within the French national associations.

9.2. TAX REGIME

The various national Handicap International associations have non-profit status and are therefore not taxed on the surplus generated by their operations.

However, following the tax directives issued in 1998 and the study carried out by the French administration on the activities developed by the French national association, an ancillary part of these activities was subject to commercial taxes from the 2000 financial year. In 2001, the tax authorities reviewed the scope of the association's taxable sector, corresponding mainly to the sale of its solidarity products. The income tax related to this taxation and recorded as an expense for the year 2023 amounts to €70K.

The HI Federation has been taxed on income from movable capital for €251K in 2023.

9.3. BREAKDOWN OF THE ASSOCIATION'S SALARIED STAFF

The number of employees is defined as all persons with an employment contract and paid directly by the association.

Staff made available means staff seconded or loaned by the association.

AVERAGE WORKFORCE	2023	2022
Permanent Seats:	479	424
Employees of the Handicap International Federal Network headquarters	477	423
International employees assigned to headquarters Handicap International Federation	2	1
Staff made available to other Structures:	2	-
Made available to other Structures	2	-
Staff Missions:	351	357
Volunteers assigned Programs	5	3
Employees affected Programs	85	73
International employees assigned Programs	261	281
TOTAL	831	781

These numbers are calculated in full-time equivalent and do not include national staff contracted by the programs.

9.4. REMUNERATION PAID TO MANAGEMENT BODIES

In accordance with article 20 of the Law n° 2006-586 of 23 May 2016 on voluntary work and educational commitment, we inform you about the remuneration received by the association's managers:

The members of the board of directors of the association are volunteers and do not receive any remuneration for their mandate.

In the interests of transparency, we would like to point out that the total gross annualized salaries paid to the three highest paid employees amount to €375K for the year 2023.

10. ANNUAL USE OF RESOURCES ACCOUNT AND PROFIT AND LOSS ACCOUNT BY ORIGIN AND DESTINATION AND OTHER FINANCIAL INFORMATION

10.1. TABLE CROD – PROFIT AND LOSS ACCOUNT BY ORIGIN AND DESTINATION

A - INCOME AND EXPENSES BY ORIGIN AND DESTINATION (in thousands of euros)	YEAR 2023		YEAR 2022	
	TOTAL	Of which public generosity	TOTAL	Of which public generosity
RESOURCES BY ORIGIN				
1 - INCOME FROM THE PUBLIC'S GENEROSITY	63.662	63.662	66.231	66.231
1.1 Contributions without counterparts	7	7	8	8
1.2 Donations, legacies and sponsorship	60.862	60.862	63.456	63.456
- Manual donations	49.834	49.834	52.402	52.402
- Legacies, gifts and life insurance	9.479	9.479	8.750	8.750
- Sponsorship	1.549	1.549	2.304	2.304
1.3 Other income from public generosity	2.793	2.793	2.767	2.767
2 - INCOME NOT RELATED TO THE PUBLIC'S GENEROSITY	16.653		16.996	
2.1 Contributions with counterparts	-		-	
2.2 Business sponsorship	-		-	
2.3 Financial contributions without counterparts	185		1.025	
2.4 Other income not related to public generosity	16.468		15.971	
3 - GRANTS AND OTHER PUBLIC SUBSIDIES	176.949		171.175	
TOTAL INCOME	257.264	63.662	254.402	66.231
4 - REVERSALS OF PROVISIONS AND DEPRECIATION	4.354		1.330	
5 - USES OF PREVIOUS EARMARKED FUNDS	1.556	1.556	382	382
TOTAL	263.174	65.218	256.114	66.613
EXPNDITURES BY DESTINATION				
1 - SOCIAL MISSIONS	212.159	36.204	208.326	39.619
1.1 Carried out at national level	11.414	4.616	10.823	5.281
- Actions carried out by the organization	11.414	4.616	10.823	5.281
- Payments to a central body or to other bodies operating in France	-	-	-	-
1.2 Carried out abroad	200.745	31.588	197.503	34.337
- Actions carried out by the organization	200.745	31.588	197.503	34.337
- Payments to a central body or to other bodies operating abroad	-	-	-	-
2 - FUNDRAISING COSTS	23.722	20.704	22.647	16.901
2.1 Costs of appealing to the public	19.039	18.984	18.822	16.901
2.2 Costs of finding other resources	4.683	1.720	3.825	-
3 - OPERATING COSTS	16.135	240	14.117	5
TOTAL EXPENSES	252.016	57.148	245.090	56.525
4 - PROVISIONS AND DEPRECIATION	1.444		5.843	
5 - INCOME TAX	-		-	
6 - CARRY-OVER OF FUNDS FOR THE YEAR	973	973	4.200	4.200
TOTAL	254.433	58.121	255.133	60.725
SURPLUS OR DEFICIT	8.741	7.097	981	5.888

B - VOLUNTARY CONTRIBUTIONS (in thousands of euros)	YEAR 2023		YEAR 2022	
	TOTAL	Of which public generosity	TOTAL	Of which public generosity
PRODUCTS BY ORIGIN				
1 - Voluntary contributions from the public	3.844	3.844	4.133	4.133
2 - Voluntary contributions not linked to public generosity	-	-	-	-
3 - Public assistance in kind	-	-	-	-
TOTAL	3.844	3.844	4.133	4.133
EXPENSES BY DESTINATION				
1 - Voluntary contributions to social missions	1.383	1.383	886	886
2 - Voluntary contributions to fundraising	1.308	1.308	2.270	2.270
3 - Voluntary contributions to the admin. costs	1.153	1.153	977	977
TOTAL	3.844	3.844	4.133	4.133

10.2. TABLE CER – ANNUAL ACCOUNT OF RESOURCES COLLECTED FROM THE PUBLIC

USE OF FUNDS BY DESTINATION (in thousands of euros)	YEAR 2023	YEAR 2022	RESOURCES BY ORIGIN (in thousands of euros)	YEAR 2023	YEAR 2022
USE OF FUNDS FOR THE YEAR			RESOURCES FOR THE YEAR		
1 - SOCIAL MISSION	36.204	39.619	1 - RESOURCES FROM THE PUBLIC'S GENEROSITY	63.661	66.231
1.1 Carried out at national level	4.616	5.282	1.1 Contributions without counterparts	7	8
- Actions carried out by the organization	4.616	5.282	1.2 Donations, legacies and sponsorship	60.862	63.456
- Payments to a central body or to other bodies operating in France	-	-	- Manual donations	49.834	52.402
1.2 Carried out abroad	31.558	34.337	- Legacies, gifts and life insurance	9.479	8.750
- Actions carried out by the organization	31.558	34.337	- Sponsorship	1.549	2.304
- Payments to a central body or to other bodies operating abroad	-	-	1.3 Other resources from public generosity	2.793	2.767
2 - FUNDRAISING COSTS	20.704	16.901			
2.1 Costs of appealing to the public	18.984	16.901			
2.2 Costs of finding other resources	1.720	-			
3 - OPERATING COSTS	240	5			
TOTAL USE OF FUNDS	57.148	56.525	TOTAL RESOURCES	63.661	66.231
4 - PROVISIONS AND DEPRECIATION	-	-	4 - REVERSALS OF PROVISIONS AND DEPRECIATION	-	-
5 - DEFERRED FUNDS FROM THE YEAR	973	4.200	5 - USES OF PREVIOUS EARMARKED FUNDS	1.556	382
Excedent of the public's generosity for the year	7.097	5.888	Deficit of the public's generosity for the year	-	-
TOTAL	65.218	66.613	TOTAL	65.218	66.613

RESOURCES CARRIED OVER FROM PUBLIC GENEROSITY AT THE BEGINNING OF THE YEAR (EXCLUDING DEDICATED FUNDS)	41.095	37.330
(+) surplus or (-) shortfall of public generosity	7.097	5.888
(+) net investments and (-) disinvestments related to the generosity of the public during the year	-452	-2.123
RESOURCES CARRIED OVER FROM PUBLIC GENEROSITY AT THE END OF THE YEAR (EXCLUDING DEDICATED FUNDS)	47.740	41.095

VOLUNTARY CONTRIBUTIONS (in thousands of euros)	YEAR 2023	YEAR 2022	VOLUNTARY CONTRIBUTIONS (in thousands of euros)	YEAR 2023	YEAR 2022
EXPENSES IN THOUSANDS OF EUROS			RESOURCES IN THOUSANDS OF EUROS		
1 - VOLUNTARY CONTRIBUTIONS TO SOCIAL MISSIONS	1.383	886	VOLUNTARY CONTRIBUTIONS FROM THE PUBLIC	3.844	4.133
Carried out at national level	1.221	863	Volunteering	43	62
Carried out abroad	162	23	Benefits in kind	2.668	4.048
2 - VOLUNTARY CONTRIBUTIONS TO FUNDRAISING	1.308	2.270	Donations in kind	1.133	23
3 - VOLUNTARY CONTRIBUTIONS TO THE ADMIN. COSTS	1.153	977			
TOTAL	3.844	4.133	TOTAL	3.844	4.133

10.3. RULES AND METHODS FOR THE PREPARATION OF THE PROFIT AND LOSS ACCOUNT BY ORIGIN AND DESTINATION (CROD) AND THE CER

10.3.1. Methods of developing the CROD (and REC)

The Profit and loss account by Origin and Destination (CROD) integrates all the uses and resources committed by the HI Network.

It complies with the accounting plan applicable to associations and foundations, which recommends the creation of a provision for expenses, up to the amount of resources dedicated to the programs and not used during the financial year. This provision thus materializes the association's obligation to use these funds in accordance with the commitments made to donors.

The annual Use of Resources Collected from the Public (CER) account, which is produced by the CROD, specifies the origin of the resources collected from the public and their use by the association during the financial year.

These tables have been drawn up in accordance with the regulations relating to the control of operations calling on public generosity (Decree No. 92-1011 of 17/9/92) and in compliance with the new regulation 2018-06, which sets out the accounting regulations applicable to the annual accounts of non-profit legal entities as from 1st January 2020 and amended by the following regulations ANC n°2020-06 and n°2022-04.

The combined CROD and CER are established by the French federal entity, based on the analytical data of each network entity. When the accounting methods of foreign National Associations differ from the French standard, adjustments are made in order to ensure overall consistency. This is the case, in particular, for dedicated funds managed by the Belgian national association.

Although this regulation only concerns French associations, the federal network has decided to apply it to the combined accounts drawn up under the responsibility of the HI Federation. Indeed, Handicap International's combined accounts are published in France and communicated to the French association's donors.

10.4. CONTENT OF THE JOBS HEADINGS

10.4.1. Direct cost allocation

The amount of each of the headings making up the CROD is made up of the costs that can be directly assigned to them in the cost accounting system, when the operations are recorded in the general accounting system.

- To this end, the association's cost accounting system makes it possible to allocate all operations to a budget heading (or cost center), both expenses and income. The nomenclature used thus makes it possible to identify the various activities implemented by the association, in particular the programs in the field and their projects.
- The attachment of all expenditure to a funding line, allowing the traceability of the use of funds granted by institutional donors, as well as any other resources allocated to the various activities.

10.4.2. Allocation of personnel costs

Each heading also includes the staff remuneration costs (HR costs) corresponding to each activity: employees at the headquarters of each network entity, expatriates (employees and volunteers) and finally, national staff recruited in the various countries of intervention.

The basis of allocation, as far as headquarters staff are concerned, is the time dedicated to each activity, in line with their job descriptions. The allocation keys thus determined are applied to the cost of salaries, including the related social charges, in connection with the establishment of the payroll.

As for expatriate staff (employees and volunteers), they are allocated to each program on the basis of the time spent in the field by applying an average cost per month of presence on each program, in line with the management of expatriation contracts.

10.4.3. Breakdown of overheads

These costs are made up solely of all external expenses of a general nature incurred by the entities of the HI network and linked to the occupation of the buildings, telecommunications costs, IT costs, and supplies and consumables. These costs also include personnel costs.

Due to their nature, these costs cannot be charged directly to each activity. This is why all these costs are divided between the different activities (social missions, fundraising and general operations), in proportion to the time spent by the staff on the different activities.

Total overheads of €5.78 M are broken down as follows:

- €2.17 M (or 37%) on steering and support services for actions on the ground.
- €0.05 M (or 1%) on the HI Institute.
- €0.56 M (or 10%) on development education, the International Campaign against Landmines and Cluster Bombs, advocacy to reduce the impact of explosive weapons on civilians (EWIPA), awareness-raising and mobilization for the rights and integration of people with disabilities.
- €1.10 M (or 19%) on fundraising activities.
- €1.90 M (or 33%) on operating costs.

10.4.4. Social missions

The volume of social missions amounts to €212.16 M, divided between social missions abroad and those carried out at national level.

The jobs of the social missions abroad, i.e. €200.74 M, are made up of:

- €179.96 M of direct expenditure committed on the ground in the implementation
- €18.19 M of mission management costs
- €2.60 M of other costs and exceptional expenses related to the programs

The management costs of missions abroad concern:

- The management of operations and support services, which totaled €7.80 M,
- The recruitment of expatriate staff, their social management, as well as the costs of initial and ongoing training, for €2.34 M,
- Technical coordination and logistics, the monitoring of missions for a total of €8.04 M,

Exceptional costs and expenses relating to actions abroad, which totaled €2.60 M, consisted mainly of:

- €1.53 M in foreign exchange losses, due to fluctuations in the foreign exchange market and the devaluation of national currencies. These exchange losses were partially offset by exchange gains (€+0.91 M). The net impact is therefore €0.62 M. HI is naturally exposed to exchange rate effects due to the structure of its resources (institutional financing in foreign currencies) and its expenses (55 currencies used in the implementation of missions abroad).
- €1.06 M of accrued expenses and indemnities/

The social missions carried out at national level (HI Federation headquarters and HI network National Associations), which total €11.41 M include:

- The International Campaign to Ban Landmines and Cluster Munitions (Cluster Munitions),
- Advocacy to reduce the impact of explosive weapons on civilians (EWIPA),
- The HI network's awareness-raising and mobilization actions for the rights and integration of people with disabilities,
- The HI Institute, in charge of ethical issues, positioning and experience sharing, and finally, study and development projects for new actions, and capitalization of know-how,
- Fablife project.

Indeed, the costs incurred in development education actions, in accordance with the association's purpose and the definition of the HI network's social mission, are classified under "Social missions". This is the case, in particular, for costs incurred by the association in mobilizing the general public, in the context of the campaign against the manufacture and use of anti-personnel mines and the EWIPA campaign. Advocacy against landmines and other explosive weapons is one of the association's social missions, forming an integral part of its identity and its daily struggle.

Thus, €2.23 M of the costs incurred by the French National Association in the context of the appeal for donations, but relating to public awareness and lobbying activities carried out within the International Campaign to Ban Landmines and Cluster Bombs (ICBL) and the EWIPA campaign to reduce the impact of explosive weapons on civilian populations, are charged to this heading for 2023.

The total costs incurred by the HI network for these campaigns, i.e. €3.94 M, are financed by public and private funds, up to €0.75 M.

In addition, €136 K of costs incurred by the French National Association in raising awareness and mobilizing the general public, through various communication actions such as newspapers and exhibitions, are linked to awareness and mobilization for the integration of people with disabilities. The total cost of development education and awareness raising for the integration of people with disabilities by the HI network is €1.79 M.

The total volume of social missions implemented in 2023 is divided into the following themes:

Thematics	Volume (in thousands of euros)
Health Services	37.060
Armed violence reduction	27.658
Other protection and risk reduction activities	22.893
Rehabilitation Services	46.551
Inclusive education	17.942
Economic integration	19.804
Other inclusive services	19.357
Logistics platforms	14.651
Advocacy & mobilization of the general public	6.244
Total	212.159

Each project in the field was thematically associated. Then the fixed and coordination costs of the programs, as well as the exceptional costs not directly attributable to a project, were broken down in proportion to the volumes of projects carried out by the programs. This allocation key was also used for programs steering costs.

The projects carrying the volume of social missions carried out at national level have been associated with one of these themes.

10.4.5. Fundraising costs

The total costs incurred in the appeal for public generosity amount to €19.04 M. Of this total, €16.03 M corresponds to the costs of collecting donations, legacies and corporate sponsorship, of which €14.64 M relate to the direct costs of collection operations (mainly direct mail, internet and couponing), €1.38 M to donor management costs (collection of donations and sending of tax receipts) and €3.01 M to other collection costs.

€3.20 M are incurred in the costs of obtaining and managing institutional funding contracts, both from public sources and from foundations and corporate sponsorship. This management is carried out by the same department in each of the entities of the HI network, so it is not possible to dissociate this cost.

Lastly, this heading includes the costs incurred by the French National Association for the sale of solidarity products, i.e. €1.48 M (including €70 K in corporate tax relating to this activity).

10.4.6. Operating costs

They are made up of the general services of each HI network entity, such as information system management, accounting, treasury, reception, management of head office staff and management of premises and equipment. Their cost amounts to €11.01 M. These costs also include the costs of the Directorate General and the legislative bodies.

This heading also includes public information costs totaling €3.81 M.

10.5. THE RESOURCES

The total resources of the HI network, before reversal of provisions and dedicated funds carried forward, amount to €257.26 M.

10.5.1. Resources collected from the public

The total resources collected from the public in 2022 amount to €63.66 M and are broken down as follows:

- €60.86 M in donations, sponsorships, patronage and legacies collected by the HI network,
- €2.79 M of other appeals to the public's generosity
- €0.01 M in uncompensated memberships.

10.5.2. Income not related to the public's generosity

The total of this heading, i.e. €16.65 M, includes €6.79 M from other foreign and national private organizations, €2.02 M from the proceeds of solidarity sales or shared products, €4.30 M from other private income, €2.51 M from financial income and €1.03 M from other management income.

10.5.3. Grants and other public assistance

The total of public aid allocated as income amounts to €176.95 M and is mainly composed of:

- €57.54 M from international bodies, notably the European Union and the United Nations,
- €119.27 M from government grants.

10.5.4. The "administrative package" granted by institutional donors

Institutional donors, both public and private, provide a flat-rate contribution to finance the association's operating costs. To these costs may be added those relating to steering and support services, when these costs are not eligible as direct expenditure for the implementation of actions. This contribution amounts to €14.99 M for the entire HI network.

This lump sum finances part of the fundraising costs (€1.43 M) and operating costs (€13.56 M).

10.6. MONITORING OF RESOURCES COLLECTED FROM THE PUBLIC

The CROD clearly shows the leverage effect of funds from public generosity on obtaining funding from institutional donors. It is the balanced combination of these two resources that enables HI to finance its programs throughout the world, preserve its independence and perpetuate its action.

10.6.1. The use of resources from the general public

The resources collected from the public by the HI network in 2023 amount to €63.66 M.

This amount, added to the initial balance (i.e. €41.10 M) and the change in dedicated funds (€+0.58 M), constitutes the total resources from the public, available to finance the uses of the exercise, i.e. €105.34 M.

The use of these resources, for each of the CER headings, is calculated as the difference between total uses and other assigned resources (excluding resources from the public), on the basis of the analytical accounts. The total amount used is thus €57.60 M.

On 31 December 2023, the final balance of resources collected from the public and not used, amounts to €47.74 M.

10.6.2. Fundraising as a lever to obtain institutional funding from donors

These two sources are indeed interdependent, as donors usually only grant funding to associations that demonstrate their capacity to co-finance a significant part of the projects concerned. The financial strength of an association is therefore a guarantee of credibility, seriousness and viability. At the end of 2023, HI's own funds amounted to €57.30 M, including €47.74 M of unused funds. In addition to the necessary credibility, they constitute a financial security to face the variations of resources and thus allowing to preserve the social missions. Finally, they allow the programs in the field to be advanced the cash needed to implement actions while waiting for payments from donors.

Each euro collected from the public gives the association more weight and argument to solicit and obtain funds. For each euro invested in the collection, the HI network obtains €3.34 net thanks to the generosity of the donors.

In this way, each euro collected from the public gives the association more weight and arguments to solicit and obtain funds, and thus acts as a lever.

10.7. VALUATION OF CONTRIBUTIONS IN KIND AND FREE GIFTS

The value of in-kind and volunteer contributions received by the association in 2023 is included at the foot of the profit and loss account in the general accounts and the Use of Resources Account.

Total valuations for 2023 amount to €3.84 M compared to €4.13 M in 2022.

€1.31 M of these costs are for fundraising, mainly media campaigns for the sale of shared products, as well as poster sites for the annual campaign, €1.38 M for social missions and the remaining €1.15 M for operating costs.

11.DETAILS OF DONOR FUNDING

FINANCEUR / DONOR	AFFECTATIONS KEURO / ALLOCATIONS KEURO
TOTAL FONDS INSTITUTIONNELS PUBLICS ET PRIVÉS / TOTAL PUBLIC AND PRIVATE FUNDS	183.946
Fonds publics internationaux / International public funds	57.621
Commission Européenne / European Commission	41.829
Commission Européenne / European Commission - ECHO	27.519
Commission Européenne / European Commission - EUROPEAID/ DEV CO	9.897
Commission Européenne / European Commission - Trust Funds	4.404
Commission Européenne / European Commission - Other Department	9
Nations Unies / United Nations	15.022
Nations Unies / United Nations - HCR	2.642
Nations Unies / United Nations - OCHA (humanitarian Affairs)	4.700
Nations Unies / United Nations - UNICEF	4.174
Nations Unies / United Nations - UNOPS	144
Nations Unies / United Nations - World Health Org.	23
Nations Unies / United Nations - UNDP	13
Nations Unies / United Nations - World Food Programme	1.101
Nations Unies / United Nations - Autres / Other	2.225
Autres agences internationales / Other international agencies	770
Fonds publics nationaux / Public national funds	119.200
Fonds publics nationalité AN / Public funds NA nationality	111.306
Fonds publics Allemagne / Public funds Germany	27.925
Fonds publics Belgique / Public funds Belgium	8.225
Fonds publics Canada / Public funds Canada	6.320
Fonds publics France / Public funds France	16.842
Fonds publics Luxembourg / Public funds Luxembourg	7.256
Fonds publics Royaume-Uni / Public funds UK	4.477
Fonds publics Suisse / Public funds Suisse	2.558
Fonds publics USA / Public funds USA	37.704
Fonds publics hors nationalité AN / Public funds other NA nationality	7.895
Fonds publics Australie / Public funds Australia	256
Fonds publics Danemark / Public funds Denmark	24
Fonds publics Italie / Public funds Italy	232
Fonds publics Monaco / Public funds Monaco	364
Fonds publics Norvège / Public funds Norway	2.704
Fonds publics Pays-Bas / Public funds Netherlands	2.940
Fonds publics Suède / Public funds Sweden	1.352
Autres Fonds publics autres / Other Public funds	23
Fonds privés / Private funds	7.125
Fonds privés nationalité AN / Private funds NA nationality	5.358
Fonds privés Allemagne/ Private funds Germany	1.758
Fonds privés Belgique / Private funds Belgium	120

Fonds privés Canada / Private funds Canada	420
Fonds privés France / Private funds France	6
Fonds privés Royaume-Uni / Private funds UK	1.665
Fonds privés Suisse / Private funds Switzerland	448
Fonds privés USA / Private funds USA	941
Fonds privés hors nationalité AN / Private funds other NA nationality	1.766