

Financial Statements

The 21st term

**From July 1, 2023
To June 30, 2024**

**Statement of Activity
Balance Sheet
List of Assets and Liabilities**

**Specified non-profit organization
Habitat for Humanity Japan**

Statement of Activity

For the year ended June 30, 2024

Specified non-profit organization Habitat for Humanity Japan

Unit in Japanese Yen

Account	Amount		
I Ordinary income			
1 Membership fees			
Membership fees, Full members	204,000		
Membership fees, Supporting members	1,817,000	2,021,000	
2 Donations			
Donations	67,418,618	67,418,618	
3 Grants			
Government Grants	2,366,060		
Private Grants	4,500,000	6,866,060	
4 Project revenue			
GV (Global Village volunteer program) project	33,197,600	33,197,600	
5 Other income			
Interests income	2,297		
Foreign exchange gain	1,634,092		
Others	6,342,872	7,979,261	
Total ordinary income			117,482,539
II Ordinary expenses			
1 Project expenses			
1) Personnel expenses			
Salaries and allowances	27,244,599		
Legal welfare expenses	4,374,603		
Welfare expenses	36,477		
Commutation	1,071,124		
Training	317,959		
Total personnel expenses	33,044,762		
2) Other expenses			
Construction	15,941,463		
Donations	29,154,248		
Insurance	75,874		
Rents	2,945,888		
Utilities	239,409		
Supplies	736,329		
Depreciation	140,950		
Travel expenses	4,921,891		
Meeting expenses	4,058		
Communication	462,458		
Postage and freight	117,740		
Advertisement	110,390		
Outsourcing expenses	3,993,000		
Sundry taxes	5,600		
Bank charges	238,156		
Membership fees	130,000		
Total other expenses	59,217,454		
Total project expenses		92,262,216	
2 Administrative expenses			
1) Personnel expenses			
Salaries and allowances	4,354,626		
Legal welfare expenses	682,394		
Welfare expenses	5,282		
Commutation	117,030		
Total personnel expenses	5,324,620		
2) Other expenses			
Insurance	4,040		
Rents	364,112		
Utilities	29,591		
Supplies	39,985		
Depreciation	58,024		
Travel expenses	9,482		
Communication	81,180		

Postage and freight	16,017		
Outsourcing expenses	128,336		
Professional fees	1,867,930		
Sundry taxes	1,300		
Bank charges	122,106		
Membership fees	51,700		
Total other expenses	2,773,803		
Total administrative expenses		8,098,423	
Total ordinary expenses			100,360,639
Change in ordinary income and expenses			17,121,900
III Non-recurring income			
Subsidy for Employment Adjustment			
Total non-recurring income			0
Change in net assets before taxes			17,121,900
Taxes			0
Net assets brought forward from previous year			79,371,094
Net assets carried forward to next year			96,492,994

Balance Sheet

As of June 30, 2024

Specified non-profit organization Habitat for Humanity Japan

Unit in Japanese Yen

Account	Amount		
I Assets			
1 Current assets			
Cash and deposits	105,656,003		
Accounts receivable	1,822,947		
Prepaid expenses	387,182		
Total current assets		107,866,132	
2 Fixed assets			
(1) Tangible fixed assets			
Building facilities	258,278		
Office equipments	159,714		
Total tangible fixed assets	417,992		
(2) Investment and other assets			
Security deposit	1,000,000		
Guarantee deposit	500,000		
Total investment and other assets	1,500,000		
Total fixed assets		1,917,992	
Total assets			109,784,124
II Liabilities			
1 Current liabilities			
Accrued expenses	10,929,124		
Advances received	1,500,000		
Deposit received	862,006		
Total current liabilities		13,291,130	
2 Fixed liabilities			
Total fixed liabilities		0	
Total liabilities			13,291,130
III Net assets			
Net assets brought forward from previous year		79,371,094	
Change in net assets		17,121,900	
Total net assets			96,492,994
Total liabilities and net assets			109,784,124

List of Assets and Liabilities

As of June 30, 2024

Specified non-profit organization Habitat for Humanity Japan

Unit in Japanese Yen

Account	Amount		
I Assets			
1 Current assets			
Cash and deposits			
Saving account- MUFG Bank	96,003,801		
Saving account- MUFG Bank (in USD)	8,973,485		
Saving account- SMBC	453,887		
Japan Post Bank	224,830		
Accounts receivable	1,822,947		
Prepaid expenses	387,182		
Total current assets		107,866,132	
2 Fixed assets			
(1) Tangible fixed assets			
Building facilities			
Electrical & Telephone work	258,278		
Office equipments			
Computers (3 laptops)	159,714		
Total tangible fixed assets	417,992		
(2) Investment and other assets			
Security deposit	1,000,000		
Guarantee deposit	500,000		
Total investment and other assets	1,500,000		
Total fixed assets		1,917,992	
Total assets			109,784,124
II Liabilities			
1 Current liabilities			
Accrued expenses	10,929,124		
Advances received	1,500,000		
Deposit received	862,006		
Total current liabilities		13,291,130	
2 Fixed liabilities			
Total fixed liabilities		0	
Total liabilities			13,291,130
Total net assets			96,492,994

Notes to Financial Statements

1 Significant accounting policies

The accompanying financial statements of Habitat for Humanity Japan are prepared on the basis of Non-Profit Organization Accounting Principle: (Issued on July 20, 2010 and lastly amended on December 12, 2017 by the Council to Establish Accounting Principles for Non-Profit Organization).

- (1) Depreciation method of fixed assets
Fixed assets are depreciated by the straight line method
- (2) Accounting of receiving physical services like facilities use
Not applicable.
- (3) Offer of services from volunteers
Not applicable.
- (4) Consumption tax
Transactions subject to consumption taxes are recorded at amounts inclusive of consumption taxes

2 List of donations, etc. with donor-imposed restrictions that limit the use of the funds

List of donations, etc. with donor-imposed restrictions that limit the use of the funds (status of increase/decrease in net assets and fund balance) is as below.

Thus there is no funds in our net assets of JPY 96,492,994 with donor-imposed restrictions.

(Unit: JPY)

Name of grants, subsidies	Subsidizer	Beginning balance	Increase for the year	Decrease for the year	Ending balance	Remarks
Subsidies for housing support corporations	Ministry of Land, Infrastructure, Transport and Tourism	0	2,366,060	2,366,060	0	
Habitat Youth Leadership Development Project	Dentsu Ikuikai Foundation	310,184	500,000	810,184	0	
Relief activities related to the Noto Peninsula Earthquake of 2024	Nippon Doudation	0	1,000,000	1,000,000	0	
The first medium- to long-term grant project for the "Borasapo Noto Peninsula Earthquake of 2024	Social Welfare Corporation Central Community Chest of Japan	0	3,000,000	3,000,000	0	
Total		310,184	6,866,060	7,176,244	0	

3 Breakdown of change in fixed assets

(Unit: JPY)

Account	Acquisition cost beginning	Acquisition	Disposition	Acquisition cost ending	Accumulated depreciation	Net book value
Tangible fixed assets						
Building facilities	522,504	0	0	522,504	△ 264,226	258,278
Office equipments	3,056,737	162,580	187,500	3,031,817	△ 2,872,103	159,714
Investments and other assets						
Security deposit	1,000,000	0	0	1,000,000	-	1,000,000
Guarantee deposit	500,000	500,000	500,000	500,000	-	500,000
Total	5,079,241	662,580	687,500	5,054,321	△ 3,136,329	1,917,992

4 Transactions with officers and their relatives

Transactions with officers and their relatives are as follows.

(Unit: JPY)

Account	Amount recorded	Transactions with officers and their relatives
(Statement of Activity)		
Donations	67,418,618	1,499,300
Other Income (Others)	6,342,872	2,250,000
Total	73,761,490	3,749,300

5 Other items necessary to clarify the situation of assets, liabilities and net assets and the circumstances of change in net assets

•Allocation method of Project expenses and Administration expenses

Amongst the project expenses and common expenses between project expenses and administrative expenses, personnel expenses, rents, and utilities are allocated proportionally based on the ratio of the percentage of employees engaged

Independent Auditor's Report
(English Translation)

August 29, 2024

Ms. Liu Gao, Chair of the Board of Directors
Specified non-profit organization Habitat for Humanity Japan

Fujimi Audit Corporation
Tokyo Office
Shunsuke Murata, CPA
Designated and Engagement Partner
Yohei Awaji, CPA
Designated and Engagement Partner

Opinion

We have audited the accompanying financial statements, which comprise the balance sheet, statement of activity, notes to financial statements, and the list of assets and liabilities of Specified non-profit organization Habitat for Humanity Japan (the Company) for the period from July 1, 2023 through June 30, 2024.

In our opinion, the financial statements referred to above are prepared, in all material respects, in accordance with Non-Profit Organization Accounting Principles of Japan.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the provisions of the Code of Professional Ethics in Japan, and we have fulfilled our other ethical responsibilities as auditors.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Other information comprises the information included in the Financial Reports, but does not include the financial statements and our auditor's report thereon.

We have not conducted any work on other information because we have judged that it does not.

Responsibilities of Management and Corporate Auditors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Non-Profit Organization Accounting Principles of Japan, and for designing and operating such internal control as management determines is necessary to enable the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern in accordance with Non-Profit Organization Accounting Principles of Japan.

Corporate auditors are responsible for overseeing the directors' performance of their duties including the design, implementation and maintenance of the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. 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 financial statements.

As part of our audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks.
The procedures selected depend on the auditor's judgement.
In addition, we obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- Obtain an understanding of internal control relevant to the audit in order to assess the risk and design audit procedures that are appropriate in the circumstances, while the objective of the audit is not to express an opinion

on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on 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 Company's ability to continue as a going concern.

If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion.

Our conclusions are based on the audit evidence obtained up to the date of our auditor's report.

However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate whether the overall presentation and disclosures of the financial statements are in accordance with Non-Profit Organization Accounting Principles of Japan, the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with corporate auditors regarding, among other matters, the planned scope and timing of the audit, significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Conflicts of Interest

Our firm and the engagement partners do not have any interest in the Company for which disclosure is required under the provisions of the Certified Public Accountants Act of Japan.