



emmaus

INTERNATIONAL

ACTIVISTS FOR CHANGE

ANNUAL ACCOUNTS

FINANCIAL YEAR ENDING ON 31/12/2020

Emmaus International

***47, avenue de la Résistance
93100 Montreuil***

2020 FINANCIAL STATEMENTS

Emmaus International

EMMAUS INTERNATIONAL - BALANCE SHEET ASSETS AT 31 DECEMBER 2020

ASSETS	Financial year N (according to ANC 2018-06)			Financial year N-1 (according to CRC 1999-01)
	Gross	Depreciation and amortisation (to be deducted)	Net	Net
FIXED ASSETS				
Intangible assets				
Establishment costs				
Research and development costs				
Temporary donations of usufruct				
Concessions, patents, licences, trademarks, processes, software, rights, and similar assets	56 332	40 743	15 589	18 248
Intangible assets in progress			-	
Advances and payments			-	
Tangible assets				
Land	123 000		123 000	123 000
Property	104 790	48 902	55 888	59 381
Technical equipment, machinery, and industrial tools	125 182	107 267	17 915	13 012
Tangible assets in progress			-	
Advances and payments			-	
<i>Assets received by bequest or donation to be disposed of</i>	25 000		25 000	
Financial assets				
Participations and related receivables	851 555	141 000	710 555	710 555
Other securities holdings	17 700		17 700	17 700
Loans	147 889		147 889	2 495
Other	136 394		136 394	136 394
Total I	1 587 842	337 912	1 249 930	1 080 785
CURRENT ASSETS				
Inventories and work in progress	37 982	24 512	13 469	15 382
Accounts receivable			-	
Receivables from customers, users, and related accounts	55 104		55 104	108 814
<i>Receivables received by bequest or donation</i>	50 000		50 000	
Other	48 295		48 295	305 859
Marketable securities			-	
Treasury instruments			-	
Available funds	4 380 845		4 380 845	3 469 694
Pre-paid expenses	6 819		6 819	
Total II	4 579 044	24 512	4 554 532	3 899 749
Debt issuance costs (III)	-	-	-	-
Loan repayment premiums (IV)	-	-	-	-
Exchange rate differences on assets (V)	-	-	-	-
OVERALL TOTAL (I + II + III + IV + V)	6 166 886	362 424	5 804 461	4 980 534

LIABILITY BALANCE SHEET AT 31 DECEMBER 2020

LIABILITIES	Financial year N (according to ANC 2018-06)	Financial year N- 1 (according to CRC 1999-01)
EQUITY/ASSOCIATION FUNDS		
Equity/association non-redeemable funds		
Equity with takeover rights		
Other association funds (part 1/2)		
Revaluation differences		
Reserves		1 535 023
Statutory or contractual reserves		
Reserves for the entity's project	1 650 546	
Other		
Retained earnings	67 500	
Surplus or deficit for the year	578 184	115 523
Net position (subtotal)	2 296 230	1 650 546
Consumable equity		
Investment subsidies	-	-
Regulated provisions	-	-
Other association funds (part 2/2)		
Investment grants on non-renewable assets		67 500
Regulated provisions		
Owners' rights - (Commodat)		
Total I	2 296 230	1 718 046
DEFERRED AND RESTRICTED FUNDS		
Deferred funds related to bequests or donations	75 000	
Restricted funds	2 196 627	
Total II	2 271 627	-
ALLOWANCES FOR DEPRECIATION AND RESERVES		
Allowances for contingencies		
Accrued expenses	37 638	31 181
Total III	37 638	31 181
Restricted funds		
- on operation subsidies		
- on other resources		1 935 237
Total III bis	-	1 935 237
DEBTS		
Bonds and similar debt instruments (association securities)		
Borrowings and debts with credit institutions		
Borrowings and other financial liabilities	674 243	673 965
Accounts payable and associated accounts	318 343	175 082
Debts from bequests or donations	-	
Tax and employment-related debts	183 313	205 129
Debts on fixed assets and related accounts		
Other debts	23 068	241 895
Treasury instruments		
Deferred income		
Total IV	1 198 966	1 296 070
Exchange rate differences Liabilities (V)	-	-
OVERALL TOTAL (I + II + III + III bis + IV + V)	5 804 461	4 980 534

INCOME STATEMENT from 1 January 2020 to 31 December 2020

STATEMENT OF ACCOUNTS	Financial year N (according to ANC 2018-06)	Financial year N-1 (according to CRC 1999-01)
INCOME FROM OPERATIONS		
Subscriptions	2 381 098	2 266 528
Sales of goods and services		
Sales of goods	6 010	22 546
of which sales of donations in kind	-	
Sales of services	11 617	100 000
of which sponsorships	-	
Income from third-party funders		
Public funding and operating grants	-	
Subsidies		150 266
Income related to regulatory funding		
Founders' payments or use of the expendable endowment		
Resources from public donations		
Manual donations	39 031	
Sponsorship	100 000	
Bequests, donations, and life assurance	16 048	
Financial contributions	1 768 531	
Reversals of depreciation, amortisation, provisions, and transfers of expenses	24 383	64 927
Use of the restricted funds	93 389	
Other income		
Subscriptions		
Manual donations		
Sponsorship		
Bequests and donations		
Financial contributions received		
Founders' payment		
Share of consumable allowances transferred to the income statement		
Other income	3 473	916 501
Total I	4 443 580	3 520 768
OPERATING EXPENSES		
Purchase of goods	3 216	14 673
Inventory change		
Purchases and external expenses	425 053	956 907
Financial support	1 974 710	
Taxes and similar payments	64 620	80 736
Salaries and wages	682 253	749 165
Social security contributions	340 135	352 584
Depreciation and amortisation	17 284	18 338
Allocation to provisions	6 457	1 827
Restricted funds carried forward	354 779	
Other expenses		
Financial support		
Other expenses	60	1 314 019
Total II	3 868 568	3 488 249
1. OPERATING PROFIT/LOSS (I -II)	575 012	32 519

STATEMENT OF ACCOUNTS	Financial year N	Financial year N-1
FINANCIAL INCOME		
from investments		
Other securities and receivables in fixed assets		
Other interest and similar income	2 227	4 461
Reversals of depreciation, amortisation, and transfers of expenses		
Positive exchange rate differences	1 067	
Net income from sales of investment securities		
Total III	3 294	4 461
FINANCIAL EXPENSES		
Depreciation, amortisation, and provisions		
Interest and similar charges		
Negative exchange rate differences	1 792	23
Net expenses on disposals of investment securities		
Total IV	1 792	23
2. FINANCIAL RESULT (III - IV)	1 503	4 439
3. CURRENT INCOME before tax (I - II + III - IV)	576 515	36 958
EXTRAORDINARY INCOME		
on management operations	1 830	83
on capital operations	403	
Reversals of provisions, impairment, and expense transfers		
Total V	2 232	83
EXTRAORDINARY EXPENSES		
on management operations	563	110 323
on capital operations		
Depreciation, amortisation, and provisions		
Total VI	563	110 323
4. EXTRAORDINARY PROFIT OR LOSS (V - VI)	1 670	- 110 241
Employee profit sharing (VII)	-	-
Income tax (VIII)	-	-
Total income (I + III + V)	4 449 106	3 525 312
Total expenses (II + IV + VI + VII + VIII)	3 870 922	3 598 595
INTERMEDIATE BALANCE		
+ Previous financial years' resources carried over		324 851
- Actions to be undertaken using earmarked resources		136 046
SURPLUS OR DEFICIT	578 184	115 523
VOLUNTARY CONTRIBUTIONS IN KIND		
Donations in kind	34 804	-
Services in kind	-	-
Volunteerism	-	-
TOTAL	34 804	-
EXPENSES OF VOLUNTARY CONTRIBUTIONS IN KIND		
Relief in kind	-	-
Free provision of goods	34 804	-
Services in kind	-	-
Free provision of goods and services	-	-
Volunteer staff	-	-
TOTAL	34 804	-

APPENDICES TO THE 2020 FINANCIAL STATEMENTS

Emmaus International

Emmaus International

Voluntary organisation registered under the French law of 1901

SIRET code: 32844165400030

Registered office:

47 avenue de la Résistance

93100 Montreuil

Concerning the financial year starting on 1st January 2020 and ending on 31st December 2020, the Emmaus International organisation shows the following figures:

Balance sheet total: €5 804 461

Operating income: €4 443 580

Surplus: €578 184

This appendix forms an integral part of the financial statements of Emmaus International.

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1. Corporate purpose, activities and means

According to articles 431-2 of regulation ANC 2018-06, this appendix describes more specifically Emmaus International's purpose, the nature and scope of its social missions and the resources deployed.

Purpose

The aims of the organisation were pursued in accordance with the provisions of the statutes and the decisions of the board and general assembly.

The aim of Emmaus International is:

- to serve as a liaison and a mutual aid organ between the members throughout the world while respecting their respective personality and their individual autonomy;
- to reinforce and safeguard the identity of Emmaus;
- to contribute and attend to the activity of its members so as to conform to the Manifesto.
- As the sole legatee of Abbé Pierre, it aims to promote his ideas and work and protect his heritage.

Activities

The Emmaus organisations around the world run activities and campaigns on three struggles for access to fundamental rights: an ethical and solidarity-based economy, social and environmental justice, peace and freedom of movement and of settlement of people for universal citizenship.

Emmaus International's social tasks are mainly carried out by organisations in the movement located abroad, in over 40 countries in Africa, the Americas, Asia and Europe.

The means used

Emmaus International has a team of 21 staff members at its headquarters. As in the past, the organisation's income mainly came from:

- The subscriptions paid by the members
- Funds received from the members for funding projects and emergency solidarity aid

2. Key events of the fiscal year

The halt to its usual programmes and the creation of a COVID emergency fund

From mid-March 2020, the Emmaus International elected members became aware of the global health crisis which the groups had to cope with. They immediately wanted to help the groups who had been forced to suspend their work and were unable to receive any public aid from their national or local authorities. The lockdowns and other containment measures directly threatened the very existence of many groups and the circumstances of the vulnerable people they welcome and support. The Emmaus International solidarity programmes were largely suspended or their resources were reallocated (this is the case of the Annual Solidarity Programme, the Abbé Pierre Foundation programme, and the Container programme) to create an exceptional emergency fund.

It took the form of 3 provisions:

- “Emergency support” for the lockdown period and whilst activities were halted, intended to cover survival costs for the running of the group: food, water, health care, electricity, employees' salaries at times, etc. Maximum amount of €5,000 of support per month.
- “Post-lockdown recovery” to enable the group to restart its business activities and its solidarity actions with local vulnerable populations. Maximum amount of €10,000
- “Support for mutual health organisations” for groups or countries which manage an Emmaus International mutual health organisation to set up health protective initiatives and ensure large-scale access to water.

Moreover, several economic measures were quickly adopted:

- Reduction in the regions' coordination budgets: -38% between 2019 and 2020
- MHC budget: -14% compared to 2019 and -50% compared to the budget approved by the Executive Committee before the pandemic
- Meeting/travel costs: budget cut by two-thirds between 2019 and 2020

Similarly, setting up part-time work enabled us to receive government aid to pay wages, up to 10% of the total gross wage bill.

In addition to the savings made, considerable efforts were made to collect subscriptions from the Emmaus groups around the world. The treasurer systematically contacted all the groups for their 2020 subscription payments and those from previous years which were outstanding.

3. Accounting rules and methods

The annual accounts for the 2020 financial year are prepared in accordance with the following regulations:

- ANC No 2014-03 of 5 June 2014, relating to the rewriting of the general chart of accounts (amended by ANC Regulation No 2016-07 of 8 December 2016),

- ANC No 2018-06 of 5 December 2018 relating to the annual accounts of private not-for-profit legal entities (amended by ANC regulation n°2020-08 of 4 December 2020).

In accordance with article 611-1 of regulation ANC No 2018-06, the first application of said regulation constitutes a change in accounting method. The amounts relating to the previous year's items are identical to the amounts as stated in the balance sheet and income statement of the previous year.

This leads to a presentation of the balance sheet and income statement for the financial year 2020 according to two accounting regulations. The information required to understand the transition from the previous applicable regulation (CRC 99-01) to the new regulation (ANC 2018-06) is detailed below.

The main impact of the application on 1st January 2020 of the new accounting principles is as follows:

- For the balance sheet, the main changes concern:
 - The reclassification of the investment grant to retained earnings as it was intended to finance non-depreciable land in Peru;
 - The segmentation of reserves into "statutory or contractual reserves", "reserves for entity projects" and "other reserves";
 - The restructuring of the restricted funds, which have been thoroughly reviewed in the context of the new regulations (see Note 5.3);
 - Registering bequests as deferred funds;
 - And the insertion of a total on the liabilities "net position";
- For the income statement, the main changes concern:
 - The modification of the presentation of the income statement: the creation of a heading "Income from third party financing" including resources linked to the generosity of the public (manual donations, legacies, donations and life insurance, sponsorship), and the integration of the changes (carry-over/use) to dedicated funds in the operating result;
 - The resources collected from the Emmaus groups are no longer classified as grants but as financial contributions;
 - Donations and bequests are no longer classified as other income but appear separately under the heading "resources from public donations";
 - Aid paid to Emmaus groups is reclassified from "Other expenses" to "Financial aid".

	2020	2019 reclassified	Reclassification	2019 approved
Operating income	4 350 190			3 520 768
Use of the restricted funds	93 389	324 851	324 851	
Total operating income	4 443 580	3 845 619	324 851	3 520 768
Operating expenses	3 563 788	3 488 249		3 488 249
Restricted funds carried forward	354 779	136 046	136 046	
Total operating expenses	3 918 568	3 624 295	136 046	3 488 249
Operating balance	525 012	221 325	188 806	32 519
Financial result	1 503	4 439		4 439
Exceptional balance	1 670	-110 241		-110 241
Tax on profits				
Previous financial years' resources carried over			-324 851	324 851
Actions to be undertaken using earmarked resources			-136 046	136 046
Surplus or deficit	528 184	115 523	-	115 523

Operating income	2 020	2 019 reclassified	Reclassification	2 019 approved
Subscriptions	2 381 098	2 266 528		2 266 528
Sales of goods and services/sales of goods				
Sales of goods	6 010	22 546		22 546
<i>of which sales of donations in kind</i>				
Sales of services	11 617	-	- 100 000	100 000
<i>of which sponsorships</i>		-		
Income from third-party funders	-			-
Public funding and operating grants	-	-		
Operating subsidies			- 150 266	150 266
Resources from public donations				
<i>of which manual donations</i>	39 031	28 646	28 646	
<i>of which sponsorship</i>	100 000	100 000	100 000	
<i>of which bequests, donations, and life assurance</i>	16 048	196 189	196 189	
Financial contributions	1 768 531	831 449	831 449	
Reversals of depreciation, amortisation, provisions, and transfers of expenses	24 383	64 927		64 927
Use of the restricted funds	93 389	324 851		
Other income	3 473	10 483	- 906 018	916 501
TOTAL OPERATING INCOME	4 443 580	3 845 619	-	3 520 768

The general accounting policies have been applied, in accordance with the

principle of prudence, in line with the basic assumptions:

- operating as a going concern;
- consistency of accounting methods from one year to the next, except for changes relating to the application of the new ANC regulation No. 2018-06;
- independence of financial years.

The main methods used are as follows:

The basic method selected when stating the value of items in the financial statement is the historical cost method.

3.1. Intangible and tangible fixed assets

Intangible and tangible fixed assets are valued at their acquisition cost (buying price plus incidental expenses).

Incidental expenses cover all additional expenditure required for the asset to be installed and made operational.

These must be capitalised.

Acquisition expenditure such as transfer rights, fees, commissions, and legal charges are included (or directly recorded as expenses) in the acquisition or production cost of the assets.

Assets entered are subsequently subject to amortisation and/or depreciation.

The depreciation period applied to assets is established on their acquisition according to their technical features and the use to be made of them by the organisation.

The designated periods are:

- Software: 1 to 3 years
- Trademark registration: 10 years
- Property (Peru): 30 years
- Installations and fittings: 10 years
- Office supplies and I.T. equipment: 3 years
- Furniture: 5 years

At the close of the financial year, all assets are assessed to establish whether any external or internal indication of loss of value shows that the asset may have undergone a significant loss in value. If the current value of a fixed asset has fallen below its net accounting value, it is restored to its current value by means of depreciation.

3.2. Financial fixed assets

Financial fixed assets are valued at their acquisition cost. A provision for depreciation is made when the balance sheet value is lower than the book

value.

3.3. Stocks

Stock is valued at its acquisition cost, not including incidental expenses.

An impairment loss is recognised when the inventory value is less than the acquisition cost.

3.4. Accounts receivable, other receivables and accrued income

Receivables are stated at nominal value. They may in some cases be calculated to provide for the risk of non-payment.

At the close of the accounting year, revenue for the current year that is recorded in the following year is listed under the heading "Accrued income".

3.5. Pre-paid expenses

These are expenses incurred in the current year for which the delivery or execution is to occur at a later date.

3.6. Reserves

The reserve fund essentially comprises accumulated earnings.

3.7. Restricted funds

The unused balance for so-called shared actions (shared initiatives using pre-allocated financing) is registered as restricted funds and is thus registered in the same way as subsidies from groups outside the Emmaus movement.

This is in compliance with accounting standards whereby any funds whose use has been earmarked by the donor, whether members or non-members of the Emmaus movement, are listed as restricted funds, with information provided on how they are used.

3.8. Bequests and donations

Assets and liabilities received by way of bequest are recorded at the date of acceptance of the bequest by the Executive Committee, and then ratified by the Board, after the lifting of any qualifying conditions.

Accounting for legacy assets

On the date of acceptance, assets from legacies are recognised:

- in the account "Receivables from bequests or donations" for cash, bank assets, listed financial assets or units or shares of UCITS and similar until the date of receipt of the funds;
- in asset accounts in kind for assets intended by the testator or donor to strengthen the equity, or intended to be retained by EI;
- in the account "Assets received by bequest or donation intended to be disposed of" for all assets received by EI which chooses not to

keep them, unless expressly provided for in the will or by the donor. These assets are subject to at least two valuations before the bequest is accepted, the lower value always being used as a precautionary principle. These assets are not subject to depreciation rules.

Income and expenses from assets held for sale

From the date of acceptance until the date of transfer, income and expenses relating to assets received by way of bequest and intended to be transferred are recorded in the profit and loss account either according to their nature, where this is identifiable or, failing this, in the accounts "Other expenses on bequests or donations" and "Other income on bequests or donations", with the exception of expenses identified as meeting the criteria of debts for which the deceased had not been discharged on the date of his death or obligations resulting from stipulations of the testator or donor.

Change in deferred funds

At the closing date, the net amounts of bequests in progress (assets minus pending liabilities) are neutralised in the income statement by an entry for "Deferred funds related to bequests and donations", which is deducted from the income recorded in the income statement under the heading "Resources related to public donations/bequests, donations and life insurance").

The net amounts of bequests received during the financial year, relating to bequests or donations recorded in "Funds carried forward linked to bequests or donations" at the beginning of the financial year, are included in the result by the account "Use of funds carried forward linked to bequests and donations", increasing the income recorded in the income statement under the heading "Resources linked to public donations/bequests, donations and life insurance".

3.9. Provisions for liabilities and charges

Provisions for risks and charges are set aside when an asset has a negative economic value for the organisation, entailing an obligation towards a third party, which is likely to lead to an outflow of resources, with little or no equivalent inflow from that third party.

3.10. Borrowings and other financial liabilities

All borrowings and other financial liabilities are stated at nominal value.

3.11. Accounts payable and accrued liabilities

All debts to suppliers are stated at nominal value.

At the close of the accounting year, all charges for the current year that are recorded in the following year are listed under the heading "Accrued charges".

3.12. Tax and employment-related debts

Tax and employment-related debts are stated at nominal value.

The organisation makes provision for annual leave entitlements based on the principle of independence of financial years.

3.13. Deferred income

This is income recorded in the current year for which the delivery or execution is to occur at a later date.

3.14. Exceptions to accounting rules

No significant exceptions to basic accounting principles, rules and methods are to be noted.

3.15. Further information on accounting rules

The following information is an integral part of the annual financial statements drawn up by the executive committee.

4. Additional information relative to assets

4.1. Statement of fixed assets and depreciation

The following table provides a breakdown of developments for the financial year (including investments, disposal and divestments):

	Gross values at beginning of year	Adjustments	Gross values at beginning of year	Increases	Decreases	Gross values at end of year
	Approved		Adjusted			
Software	29 745			—	—	29 745
Intangible rights	26 587			—	—	26 587
Intangible assets	56 332		56 332	0	0	56 332
Land	123 000			—	—	123 000
Property	104 790			—	—	104 790
General installations and fittings	10 125			—	—	10 125
Transport equipment	9 777			—	9 777	0
Office supplies and I.T. equipment:	88 878			16 035	—	104 914
Furniture	10 143				—	10 143
Tangible assets	346 714		346 714	16 035	9 777	352 972
Assets received by bequest or donation to be disposed of		25 000	25 000		0	25 000
Equity securities	851 555			—	—	851 555
Other securities	17 700			—	—	17 700
Loans	2 495			150 000	4 606	147 889
Deposit and security	136 394			—	—	136 394
Financial assets	1 008 144		1 008 144	150 000	4 606	1 153 538
OVERALL TOTAL	1 411 190	25 000	1 436 190	166 035	14 383	1 587 842

Land and property refers to the property acquired in Peru for a value of €227 790. The depreciation period for construction (based on €104,790) in Peru is 30 years. These buildings are placed free of charge at the disposal of the Emmaus community in Peru.

The **assets received from bequests to be sold** correspond to the share to be received on the sale of a house (€25,000).

Emmaus International holds €800,000 of **shares** in SCI Emmaus (i.e., 14.18% of the capital) and in 2019 acquired €51,555 of shares from Crédit Mutuel. In addition, Emmaus International has €17,700 of **other securities** at Banca Etica.

Solidarity loans are broken down as follows:

	Loans as of 01/01/2020	Increase	Decrease	Loans as of 31/12/2020
EMMAUS LUBLIN (Poland)	2 495	—	2 100	395
MICRO CREDIT LOANS		50 000	—	50 000
DIRECT LOANS		50 000	2 506	47 494
BRIDGING LOANS		50 000	—	50 000
TOTAL	2 495	150 000	4 606	147 889

Deposits and guarantees correspond mainly to deposits and repayments made under the ethical fund (€136,394).

In total, the depreciation movements made over the course of the fiscal year are broken down as follows:

	Depreciation at start of year	Adjustments	Depreciation at start of year	Provisions	Reintegrations	Depreciation at year-end
	Approved		Adjusted			
Software	29 745			—	—	29 745
Intangible rights	1,339			2 659	—	10 998
Intangible assets	38/ 27		38/ 27	2 659	0	40 743
Land	—			—	—	0
Property	45 409			3 493	—	48 902
General installations and fittings	10 125			—	—	10 125
Transport equipment	9 777			—	9 777	0
Office supplies and I.T. equipment:	75 947			11 068	—	87 015
Furniture	10 062			64	—	10 127
Tangible assets	151 321		151 321	14 625	9 777	156 169
Equity securities	141 000			—	—	141 000
Financial assets	141 000		141 000	0	0	141 000
OVERALL TOTAL	330 405		330 405	17 284	0	337 912

An impairment on SCI's equity investments had already been recognised and recorded at the end of 2016 of €128,000 and was revalued at a total of €141,000 on 31/12/2017.

4.2. Stocks

The stocks mainly comprise a stock of books. Those still on sale are as follows:

- Les Inédits
- Pensées Inédites

The balance is a stock of coins showing the effigy of Abbé Pierre (€2,132).

A depreciation of €24,512 is noted on these stocks

4.3. Maturity of receivables

The maturities of receivables are the following:

Statement of receivables at 31/12/2020

RECEIVABLES	Gross amount	Less than 1 year	Over 1 year
User receivables	55 104	55 104	—
Clients Invoice to be issued	—	—	—
Receivables from users and related accounts	55 104	55 104	—
Receivables received by bequest or donation	50 000	50 000	—
Amounts receivable from suppliers	7 105	7 105	—
Staff	28 939	28 939	—
Accrued income amount	—	—	—
State, taxes, and duties	12 250	12 250	—
Other	—	—	—
Other receivables	48 295	48 295	—
Total	153 399	153 399	—

4.4. Accrued income amount

None

5. Additional information relative to liabilities

5.1. Equity

The organisation's funds include the reserves formed on previous surpluses and the result which is pending allocation.

Change in equity	Opening balance			Allocation of the result	Increase	Decrease or use	At closing
	Approved	Adjustments	Adjusted				
Equity with takeover rights	—		—	—	—	—	—
Equity with takeover rights	—		—	—	—	—	—
Revaluation differences	—		—	—	—	—	—
Reserves	1 535 023		1 535 023	115 523	—	—	1 650 546
Retained earnings	—	67 500	67 500	—	—	—	67 500
Surplus or deficit for the year	115 523		115 523	-115 523	578 184	—	578 184
Net position	1 650 546		1 718 046	—	578 184	—	2 296 230
Consumable equity			—	—	—	—	—
Investment subsidies	67 500	-67 500	—	—	—	0	—
Regulated provisions			—	—	—	—	—
Total	1 718 046	-	1 718 046	-	578 184	-	2 296 230

The investment subsidies amounting to €67,500 relate to the ownership of land in Peru. They are therefore non-depreciable. In accordance with the new regulations, they have been included in retained earnings.

5.2. Provisions for liabilities and charges

	At 01/01/2020	Allowances	Reintegrations	on 31/12/2020
Accrued expenses	31 181	6 457		37 638
TOTAL	31 181	6 457	0	37 638

The provisions for charges correspond to provisions for pension obligations. The amount of provisions made in the area of retirement was recalculated and amounts to €37,638 as at 31 December 2020.

The calculation is performed on the basis of the following assumptions:

- The mortality table used is the regulatory table TG 05
- The calculation method used is the: Retrospective Prorata Temporis
- The designated age of retirement is 65 years of age
- Voluntary retirement at the choice of the employee
- 10% turnover
- A social security rate of 50%
- And a discount rate of 0.3%

5.3. Restricted funds

The targeted funds consist of amounts received or receivable in the framework of agreements signed with third party funders (Emmaus groups or outside of the movement) and not yet used. These funds break down as follows:

Variation des fonds dédiés issus de :	A l'ouverture de l'exercice			Reports	Utilisations		Transferts	A la clôture de l'exercice	
	Approuvé	Retraitements	Retraité		Montant global	Dont remboursements		Montant global	Projets sans dépense au cours des deux derniers exercices
Subventions d'exploitation	-	-	-	-	-	-	-	-	-
Contributions financières d'autres organismes									
Appui aux Groupes / Regions		1 113 764	1 113 764	277 369	-	-	- 116 687	1 274 446	-
Fonds Conteneur	54 600	-	54 600						
Fonds Ethique	202 274	-	202 274						
Fonds d'Urgence CE	20 000	-	20 000						
Appel d'urgences	24 605	-	24 605						
Fonds régionaux de Solidarité	17 400	-	17 400						
Prog annuel Solidarité	774 886	-	774 886						
Jumelage	20 000	-	20 000						
Programme d'accès aux droits		438 184	438 184		85 936		40 000	392 249	-
Mutuelles Santé	243 420	-	243 420						
Education	70 759	-	70 759						
Accès à l'eau	124 005	-	124 005						
Actions / Campagne de plaidoyer		260 380	260 380	50 500			56 687	367 568	-
Migrants	50 834	-	50 834						
Blog Migrations	14 836	-	14 836						
Campagne (paie et ...)	25 000	-	25 000						
Opérations Diverses	159 781	-	159 781						
Outils Pédagogiques	9 929	-	9 929						
Soutien Alliances et Partenaires		30 000	30 000	26 910			-	56 910	-
Alliances	30 000	-	30 000						
Mémoire	92 908	92 908	92 908		7 454		20 000	105 454	-
Ressources liées à la générosité du public	-	-	-	-	-	-	-	-	-
Total	1 935 237	92 908	1 935 237	354 779	93 389	-	- 0	2 196 627	-

The implementation of the new accounting regulation 2018-06 led us to:

- make the structure of our restricted funds more transparent;
- and to improve communication on the allocation of funds to our donors, and therefore to Emmaus groups around the world.

New segmentation of the restricted funds

A streamlined and simplified segmentation of restricted funds has been implemented around 5 axes:

- Support for groups/regions
- Programmes for access to rights
- Campaigning and advocacy work
- Support for alliances and partnerships
- Heritage funds

Immediate information for donors on the allocation of funds

One of the most important points of this reform is that the sums received from the Annual Solidarity Sale should be allocated to the restricted funds at the time of payment and not in the following year.

For example, in 2019, Emmaus groups paid their Solidarity Sale proceeds into a Restricted Fund, formerly called the Annual Solidarity Programme (see above). In 2020, the Executive Committee meeting in June 2020 reallocated this amount between various pre-existing restricted funds. The Emmaus groups were informed, after payment, what their Annual Solidarity Sale contribution would be used for.

From 2021 onwards, the Executive Committee and the Board will allocate the 2021 Annual Solidarity proceeds at the start of the year. As such, the Emmaus groups will know at the moment of transferring this sum where their Annual Solidarity Sale takings will go. For example, if the Executive Committee and the Board vote in April 2021 for 70% of the Annual Solidarity Sale sums to go into the Restricted Fund 'Support for Groups', then the communities paying their Annual Solidarity Sale amount in 2021 will then know that 70% of this payment will be used for Support for Groups and 30% for other Emmaus International activities.

The 2020 financial year is a transition year. The allocation of the Annual Solidarity Sale proceeds was effectively carried out during the course of 2020. However, as they were not informed at the time of transferring their Annual Solidarity Sale proceeds, Emmaus International will inform all the groups ex-post of the allocation of their sums transferred in 2020.

5.4. Bequests and donations

In the income statement, bequests and donations are broken down as follows:

INCOME	Amounts
Amount received from life insurance	
Amount of the income item " bequests or donations " defined in art. 213-9	66 048
Sale price of assets received by bequest or donation to be disposed of	
Reversal of impairment of assets received by bequest or donation to be disposed of	
Use of deferred funds related to bequests and donations	
EXPENSES	Amounts
Net book value of assets received by bequest or donation to be disposed of	
Impairment of assets received by way of bequest or donation to be disposed of	
Deferred funds related to bequests or donations.	50 000
BALANCE OF ITEM	16 048

In the balance sheet, the deferred funds related to bequests and donations consist of:

- A legacy of €25,000 to be received on the sale of a house;
- And a bequest of €50,000 to be collected from financial liquidity.

	Funds to invest at the beginning of year	Use during the year	Commitment to be made on new assigned resources	Funds left to invest at the end of year
Resource type	A	B	C	D = A-B+C
Deferred funds related to bequests or donations	25 000		50 000	75 000
Depreciation on assets related to bequests and donations				
TOTAL	25 000	-	50 000	75 000

5.5. Loans and miscellaneous financial debts (Emmaus ethical fund)

The other loans and similar debts correspond to sums assigned by the Emmaus groups to the Emmaus Ethical Fund (via Banca Etica) or to solidarity loans managed directly by Emmaus International.

The Emmaus Ethical Fund enables Banca Etica to grant loans to Emmaus groups and other associations/organisations supported by Emmaus.

The sums are therefore frozen for a minimum period of 24 months, at the discretion of the lender, and from the first of January or the first of July following the deposit.

The funds are deposited in Banca Etica. The account bears interest at the 3-month EURIBOR rate.

The convention signed with Banca Etica states that financial interest on loans granted is payable to Emmaus International.

The loans granted are 60% guaranteed by the fund thereby established.

Regarding the risk of default on loans made by Banca Etica, the situation has never arisen to date (with 4 projects running currently). Nevertheless, in the event of default, Emmaus International would take over repayments, after setting up the following procedure:

- With Banca Etica:
 - A request for rescheduling repayment of the loan with Banca Etica
 - Access to the borrowers' assets so as to be refunded.
- With Emmaus International:
 - The setting up of a guarantee fund with Emmaus International
 - A request for support from the different communities to cover the debt.

Using this guarantee fund, Banca Etica has submitted 4 projects to Emmaus International for a total of €762,944, of which €268,200 are guaranteed by the Emmaus Ethical Fund (EEF). These projects were accepted and approved by the executive committee.

- **Emmaus Buenos Aires** (Year 2009): The community benefited from a loan for €60,000 for a carpentry workshop, €36,000 of which was guaranteed by the EEF. This loan was due to end in July 2017 and the unpaid amount is €7,733.
- **Bosnia-and-Herzegovina, the INSIEME Cooperative** (Year 2008 and 2010): This cooperative produces and sells fruit and vegetables, employing people who are socially excluded or vulnerable. The cooperative was granted a loan of €415,944. A guarantee of €60 000 was requested from FEE; this is less than the 60% normally granted. This loan ends on 15 January 2021.
- **Bosnia, International Forum of Solidarity** (Year 2010): A loan of €257,000 was granted to IFS, 154,200 of which is guaranteed by the EEF. This loan was fully repaid on 30 November 2020.
- **Poland, Emaus RZESZOW** (Year 2010): A total loan of €30,000 was granted, €18,000 of which are guaranteed by the EEF. This loan ends on 29 April 2021.

5.6. Liabilities maturity

The maturities of liabilities are the following:

Statement of liabilities as at 31/12/2020

DEBTS	Gross amount	Less than 1 year	Between 1 and 5 years	Over 5 years
Borrowings and other financial liabilities	674 243	674 243	—	—
Accounts payable and associated accounts	318 343	318 343	—	—
Tax and employment-related debts	183 313	183 313	—	—
Other debts	23 068	23 068	—	—
Total	1 198 966	1 198 966	—	—

5.7. Accounts payable and associated accounts

Accounts payable amount to €318,343 and are broken down as follows:

- Supplier debts: €242 860, primarily:
 - Emmaus France: €27,349
 - Emmaus Africa: €20,000
 - Emmaus Pahou: €20,000
 - Emmaus property management company: €105 927

- Unreceived invoices: €75,482 including:
 - Emmaus France: €58 787
 - Audisol Expertise Comptable: €8,208
 - Jegard Commissariat aux Comptes: €6 732

5.8. Tax and employment-related debts

The tax and employment-related debts amount to €183,313 and consists in particular of:

- Debts provisioned for paid leave: €45 186
- Social security: €60 006
- Social charges on paid leave: €24,832

5.9. Other debts

This item includes trade receivables (€15,119) and other sundry creditors (€7,948).

6. Miscellaneous information

6.1. Staff

On 31st December 2020 there were 21 members of staff, of whom:

- 5 managers
- 16 non-managers

6.2. Remuneration of managers

Within the organisation, as stipulated by article 20 of law N° 2006-586, 23 May 2006, relating to voluntary and charitable activities the remuneration and benefits in kind of the top three voluntary and salaried executive managers are:

- | | Remuneration | Benefits in kind |
|------------------|--------------|------------------|
| • For employees | <i>None</i> | <i>None</i> |
| • For volunteers | <i>None</i> | <i>None</i> |

6.3. Commitments not included in the statement

Received:

None.

Given:

None.

6.4. Features specific to associations

The association receives non-financial aid and voluntary contributions whereby private persons or legal entities offer their work, or other goods and services free of charge.

Emmaus International benefited from the free provision of artists' works. These voluntary contributions were valued at €40,804.

Other than these donations in kind, the organisation is not the beneficiary of:

- The free use of premises, land, or other facilities;
- Personnel freely at its disposal.

6.5. Information on the income statement

Subscriptions and solidarity sales for the benefit of Emmaus International are recorded as income on receipt. Projects supported by Emmaus International via restricted funds are expensed when they are disbursed.

6.6. Significant events after the balance sheet date

The Covid-19 epidemic continues into 2021. In this context, Emmaus International is continuing to take the necessary steps to ensure all of its staff can work at home and to enable them to continue performing their tasks.

The financial consequences of the crisis are not yet measurable for 2021. They will depend on the health situation and government vaccination policy.