

ALLIANCE FOR INTERNATIONAL MEDICAL ACTION (ALIMA)

Association loi 1901

Siège social : 47 Avenue Pasteur 93100 Montreuil

SIRET : 831 620 398 00014

AUDITOR REPORT on STATUTORY ACCOUNTS

EXERCICE CLOSED THE 31/12/2017

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1. Opinion on the annual accounts

In accordance with our appointment as statutory auditors by your annual general assembly, we have audited the annual financial statements of the association ALIMA for the year ended December 31, 2017, as attached to this report.

We certify that the consolidated accounts provide, in accordance with French accounting rules and principles, a fair and accurate view of the results of operations, of the financial situation and of the assets of the association at the end of the financial year under review.

2. Basis of the audit opinion

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 audit opinion.

Our responsibilities under these standards are set out in the section of this report entitled: "Auditor's Responsibilities for the Audit of the Annual Accounts".

Independence

We carried out our audit mission with due regard to the principle of independence, from January 1, 2017 to the date of issuance of this report, and we did not provide services which are prohibited by the statutory auditors' code of ethics.

Observation

Without qualifying our opinion, we draw attention to the note n ° 8 Social Bounds, in the appendix to the annual accounts, relating to the social bounds that the association issued during the financial year.

Justification for the assessment

In application of article L.823-9 of the commercial code relating to the grounds of our assessments, we bring to your attention the following matters:

- Your association has set aside reserves to cover its risks of the eligibility of expenses by the donor-funded project, as shown in note 7 of the appendix to the annual financial accounts. Our role was to assess the data and assumptions underlying these estimates and in comparing the accounting estimates with historical data of project audit, as well as examining senior management procedures for approving those estimates.
- Note 6 "resources and expenditures relating to the projects" of the appendix to the annual financial statement exposes rules and accounting methods in line with accounting for subsidies grant by donators. As part of our overall assessment of the accounting principles adopted by the association, we examined the linking-up of donators financial participation to the balance sheet and made sure that note 9 of the appendix to the annual financial statement gave appropriate information on donors' monies and receivables allocation.
- As part of our overall assessment of the accounting principles adopted by the associations, we also verified the conformity of note 5 of the appendix to the annual financial statement on dedicated funds with the provision in article 3 of the CRC regulation n°99-01.

The appreciations thus given are based on our audit of the annual accounts, taken as a whole and thus contributed to shaping our opinion expressed in the first part of this report.



Audit of the financial report and other documents addressed to members of the general assembly.

In accordance with the professional standards applicable in France, we also carried out specific checks required by law.

We have no comment to make as to the fair presentation and the consistency with the annual accounts of the information given in the financial report drawn up by the treasurer and in all other documents addressed to the members of the general assembly regarding the financial situation and the annual accounts.

3. Responsibilities of management and other members of the governing body relating to the annual accounts

It is the management's responsibility to prepare annual accounts presenting a true and fair view in accordance with French accounting rules and principles and to set up the internal control system necessary for the preparation of annual accounts free of material misstatement, whether resulting from fraud or errors.

When preparing the annual accounts, it is the management's responsibility to assess the ability of the association to continue its operations, and to present in these accounts, as the case may be, the necessary information relating to the continuity of operations and to apply the accounting policy for a going concern, unless it intends to liquidate the association or cease its activity.

The annual accounts have been adopted by the board of directors.

4. Responsibilities of the statutory auditor for the audit of annual accounts

It is our responsibility to prepare a report on the annual accounts. Our objective is to obtain reasonable assurance that the financial statements taken as a whole are free of material misstatements. Reasonable assurance corresponds to a high level of assurance; however, it is not guaranteed that an audit performed in accordance with the standards of professional practice can systematically detect any material misstatement. Misstatements may arise from fraud or error and are deemed material when it can reasonably be expected that they, whether individually or in the aggregate, may influence the economic decisions that account users take in the course of business.

As specified by Article L.823-10-1 of the French Commercial Code, our duty is to audit the accounts and it is not to guarantee the quality or sustainability of the association.

As part of an audit conducted in accordance with the professional standards applicable in France, the statutory auditor exercises his or her professional judgment throughout this audit. In addition:

- The auditor identifies and assesses the risks that the annual accounts may contain material misstatements, whether due to fraud or error, he or she defines and implements audit procedures to address such risks and collects information he or she considers sufficient and appropriate to form the basis of their opinion. The risk of not detecting a material misstatement from fraud is higher than that of a material misstatement resulting from an error, as the fraud may involve collusion, falsification, voluntary omissions, misrepresentation or circumventing internal control;
- The auditor uses the understanding of internal control relevant to the audit to define appropriate audit procedures and not to express an opinion on the effectiveness of the internal control procedures;
- The auditor assesses the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, and all related information provided in the annual accounts;

- The auditor assesses the appropriateness of management's application of the going concern accounting policy and, depending on the evidence gathered, the existence or otherwise of significant uncertainty related to events or circumstances likely to jeopardize the association's ability to continue operating. This assessment is based on the information gathered up to the date of the report, however it is recalled that subsequent circumstances or events could jeopardize the continuity of operations. If the auditor concludes that there is significant uncertainty, he or she draws the readers' attention to the information provided in the annual accounts about this uncertainty or, if this information is not provided or is not relevant, the auditor formulates a qualified certification or a refusal to certify;
- The auditor assesses the overall presentation of the annual accounts and assesses whether the annual accounts reflect the underlying transactions and events so as to give a true and fair view.

Fait à Paris, le 21 juin 2018

Pour DONNADIEU & ASSOCIES,
Ludovic DONNADIEU



Commissaire aux comptes

Balance Sheet ASSETS

		Exercice N, closed on :				
		31/12/2017		31/12/2016		
		Brut 1	Dépréciation	Net 3	Net 4	
INTANGIBLE ASSETS	INTANGIBLE ASSETS					
		Concessions, patents and similar rights	32 634	5 319	27 315	11 664
		Avances payments				
	TANGIBLE ASSETS					
		Fields				
		Constructios				
		Other intangible assets	206 141	64 599	141 542	75 792
		Current intangible assets	43 568		43 568	
		Advanced payments on intangible assets				
	FINANCIAL ASSETS (2)					
	Participations					
	Receivable from equity interests					
	T.I.A.P					
	Other fixed securities					
	Loan	74 681		74 681	62 958	
	Other Financial					
Total (I)		357 024	69 918	287 106	150 414	
CURRENT ASSETS						
	RECEIVA					
		Advanced payments				
		Attached accounts				3 524
		Other Current Assets	4 856 631		4 856 631	5 414 546
	V.M.P					
	Cash In Bank	3 636 738		3 636 738	4 253 169	
Regularisation Accounts		Prepaid Expenses (3)	50 654		50 654	
		Total (II)	8 544 023		8 544 023	9 671 239
		(V)				
		TOTAL GENERAL (I à	8 901 047	69 918	8 831 129	9 821 653



Mission de présentation avec compte-rendu de l'expert-comptable

Balance Sheet Liabilities & Equities

		31/12/2017	31/12/2016
ASSOCIATIVE FUNDS & RESERVE	UNRESTRICETD NET ASSETS		
	Réserves	824 680	500 434
	Net Assets	566 216	566 216
	Net Result for this Exerceice	-386 256	324 247
	Total (I)	1 004 640	1 390 896
OTHER ASSOCIATIVE FUNDS	Social Bounds	2 000.000	
SubTotal	SubTotal (II)	3.004 640	1 390 896
Provisions	Risk Accruals	101 821	203 703
	Total (III)	101 821	203 703
DEBTS	Long Term Debt	519 998	508 226
	Financial Debt	4 896	
	Supplier Debt	941 322	557 160
	Social & Fiscal Debt	305 802	367 633
	Other Debt	448 169	1 269 610
Regularisation	Deferred Income	3.504 482	5 524 425
	Total (IV)	724 668	8 227 054
	(V)		
	TOTAL GENERAL (I à V)	8 831 129	9 821 653
Maturity of Loans			
	More than one year	524 894	508 226
	Less than one year	5 199 774	7 718 828

INCOME STATEMENT

				31/12/2017	31/12/2016
N° of Months during this Period				12	12
OPERATING INCOMES	Total			Total	Total
	NET TURNOVER (4)				
	Operation Grants			36 553 635	31 819 470
	Provision recovery			101 882	
	Contributions			1 586	2 426
Donations			762 215	360 434	
Total Operating Income (I)			37 419 318	32 182 330	
OPERATING EXPENSES	Other purchases & External			23 751 579	18 089 027
	Charges Taxes & Duties			102 161	114 669
	Salaries & Wages			12 963 309	13 143 908
	Social Costs			540 519	446 950
	Depreciation Allowance			45 512	23 578
	Pprovision Allowance				32 460
	Other Expenses			188 141	149 012
Total Operating Expenses (II)			37 591 221	31 999 604	
1 – OPERATING RESULT (I - II)				-171 903	182 725
OPERATIO					
FINANCIAL INCOMES	Gain on Foreign Changes			346 695	181 647
	Total Financial Incomes (V)			346 695	181 647
	Interest payables & similar charges			15 814	8 226
	Losses on Foreign Exchange			543 659	31 867
	Total Financial Charges (VI)			559 473	40 093
2 – FINANCIAL RESULT (V - VI)				-212 778	141 553
3 – NET RESULT (I-II+III-IV+V-VI)				-384 681	324 279



INCOME STATEMENT

		31/12/2017	31/12/2016
EXCEPTIONAL INCOMES	Exceptional Incomes on operations	11 197	
	Total Exceptional Incomes (VII)	11 197	
Exceptional expenses	Exceptional Expenses on operations	9 301	32
	Exceptional Expenses on Capital transactions	271	
	Depreciation & Provision Allowances	3 201	
	Total Exceptional Expenses	12 773	32
4 - EXCEPTIONNEL RESULT (VII - VIII)		-1 576	-32
TOTAL INCOMES (I+III+V+VII+X)		37 777 211	32 363 976
TOTAL EXPENSES (II+IV+VI+VIII+IX+XI)		38 163 467	32 039 730
5 – NET RESULT (total Incomes - total Expenses) (15)		-386 256	324 247

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APPENDIX



Generality on accounting Rules

8/ SOCIAL BOUNDS

The association's ALIMA appendix forms an integral part of the annual accounts.

The financial statement covers the 12-months period, from 1st of January 2017 to 31st of December 2017. The annual financial statements were prepared by the board of director of the association.

The balance sheet amount equals 8 831 129 €. The profit and loss account has a value of -386 256.

1/ RULES & ACCOUNTING METHODS

The financial accounts of the association ALIMA were established, in euros, in accordance with the rules laid-down by the PCG, the accounting plan rules for non-profit organisations (regulation of the CRC n°99-01) and the regulations thereunder.

The general accounting conventions were applied, in conformity with the principles of prudence and consistency, in accordance with basic hypotheses:

- Going concern uncertainty
- Permanence of the accounting methods
- Independence of financial exercises

And in accordance with general guidelines for the preparation and presentation of annual financial statements.

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

2/ FIXED ASSETS & DEPRECIATION

Tangible and intangible fixed assets are valued at their acquisition costs (purchase price and incidental expenses).

The association do not possess separable non-current assets.

The depreciation periods are as follow:

- Software: 3 years (no residual value recognised)
- Installations, fixtures and fittings: 6 years (no residual value recognised)
- Office and IT equipment: 3 to 4 years (no residual value recognised)
- Furniture: 7 to 8 years (no residual value recognised)

The financial fixed assets concern guarantees and deposits paid. They are subject to depreciation when their actual value is inferior to their net carrying amount.

Fixed assets in progress correspond to the internal costs of the conception and development of software and applications with characteristics meeting the activation criteria.

3/ ACCOUNTS RECEIVABLES

At the 31st of December 2017, the receivable items are mainly composed of account receivable and accrued income concerning funding of projects. It also includes cashed donations in N+1 in respect for the financial year ended.

Receivable are recorded at their nominal value. In the hypothesis where the balance sheet value is less than the book value, a depreciation allowance is recorded for the same amount. At the 31st of December 2017, no depreciation was found.

Tax and social debts at the end of the financial year consist of current social debts linked to the association's activity (debts to social agencies for salary social contributions, etc.)





5/ DEDICATED FUNDS

For this period, no resource received correspond to the regulatory definition of dedicated funds, no movement of this kind was recorded at the 31st of December 2017.

6/ RESOURCES & EXPENDITURES ON PROJECT

As part of its activity, the association implements with the private or public financial organization contest, mainly European or international, action projects or programs on the field (Nigeria, Mali, Chad, etc.)

The financial contributions granted by those institutions intend to cover expenditures incurred by the main association on the field and, if so, incidentally its functioning costs.

At the end of this financial period, the connecting factor selected being the incurring of expenses, it was connected on the 2017 financial period:

Actual project expenditures for 2017

Resources covering on one hand the total expenditures relating there to, and on the other hand the agreed share of functioning costs.

Usually, at the end of the financial year, the bills not yet received (expenses) and the accruals (resources) corresponding are respectively entered.

The received resources associated with expenses which occurred during the following financial period(s) are entered as deferred revenues 'at the financial closure.

The actual expenditures incurred and for which the actual consumption will be effective during the following period(s), such as the (significant) medicine dispensing taking place at the end of the period are recorded as prepaid expenses . at the closure

7/ PROVISIONS FOR RISKS & LIABILITIES

For each project and expenditure, in the event of an audit carried out after the event by the concerned donor(s), it can happen that some expenditures are partially or totally called into question and ultimately not considered as eligible by the funder(s); as a result, they will be the association's burden.

Since the 2014 financial year, looking at the significant increase in the volume of contracts and activity, the association's provision for risks and liabilities is in line with this problematic.

For Financial 2017, the assessment conducts to a total amount of 101.821 euros.

The issue by the association of social bonds for a total amount of 2 million euros bearing interest at a rate that cannot exceed the value of the maximum legal rate provided for in Article L.213-13 of the Monetary and Financial Code (the social Bonds) was authorized by a deliberation of the General Assembly on October 22, 2016.

The issue was completed in 2017 for qualified investors. The securities bear fixed annual interest from the issue until repayment, to be made between the end of 2024 and the end of 2025.

They are recorded in account 1671000 and, as a derogation from accounting regulations, are included in



the "Other equity" section of the balance sheet; accrued interest is presented in "Borrowings and other financial liabilities".

8/ SOCIAL BOUNDS

9/ Deferred Incomes & Accrued Incomes

Deferred Incomes by Donor at 31/12/2017 (euro) :

AFD	13 212
BEKOU	182 594
DUE	715 346
ECHO	2 215 788
EDCTP	6 128
GIZ	14 846
Malteser International	64 890
NIH	12 790
OFDA	989 971
OMS	24 858
PAM	114 466
R2HC	5 081
UNICEF	104 634
USAID	26 670
Total general	4 491 274

Accrued Incomes by Donor at 31/12/2017 (euro) :

BEKOU	1 903 031
CIAA	141 024
CTB	10 657
ECHO	275 205
ELMA	62 750
FNUAP	38 477
FONDATION ORANGE	5 071
INSERM	795 622
MSF	10 365
OFDA	48 683
UNICEF	63 076
UNICEF/PAM	21 709
VITOL	113 812
Total	3 489 482





10/ EXPENDITURE ACCOUNT

During the year 2017, the association collected donations from the public, through its website as well as more specific and individualised approaches.

As a result of the response of CNCC EJ 2016-66 February 2018, the Association has no obligation to establish the Expenditure Account.

Indeed, Article 4, paragraph 1, of the law n° 91-772 of August 7, 1991, modified by article 9 of the order n° 2015-904 of July 23, 2015 establishes for the organizations which appealed to the generosity of the general public the obligation to establish an account for the annual use of the resources collected from the public when the amount of donations, recorded at the end of the exercise, exceeds a threshold fixed by decree, not published to date.

11/ INVESTISSEMENTS ALLOCATED TO THE FIELD

Vehicles and computers, as they are under accelerated degradation, as well as buildings and equipment as they have no vocation to be preserved are directly taken in the expenses account of the countries.

12/ OTHER INFORMATIONS

Volunteering

The association benefits from the participation of its volunteers. The accounts ending on the 31st of December 2017 do not register voluntary contribution received by the association in volunteering as they were not subject to financial evaluation.

In-kind contribution

The association also benefits from a number of partners of voluntary in-kind contributions, corresponding to furniture and equipment for interventions on the field.

Pension obligation

The accounts ending on the 31st of December 2017 do not register for pensions provisions and related allowances, and the association did not proceed to any payment towards supplementary pension scheme management institutions.

Social and tax charges of some employees on the field

Among human resources, for its field operations, ALIMA appeals for staff with local law civil status. In accordance with current legislation in the concerned countries, the concerned employees have to release individual and personal contributions and taxes with respect to remuneration received. The responsibility to declare those amounts and outstanding payments is their responsibility.

Compensation paid to senior staff

In accordance with the provisions of article 261, 7-1°-d of the CGI, the association allocates a compensation to its senior staff. As required by §180 of BOI-IS-CHAMP-10-50-10-20, it is indicated in the notes to the accounts.



Other information

Tables on the next pages complete the above information

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