

## **2021 Nonviolent Peaceforce Global Financials Explanatory note.**

As an organization headquartered in Geneva, with various country offices, we are required to publicly report different information about the organization depending on the context. Financial transparency and accountability is important to Nonviolent Peaceforce (NP). We have created this additional note to accompany our United States tax and financial statements to provide our donors a more complete picture of the organization.

To see our financials, you can go to this page on our website:

[nonviolentpeaceforce.org/about/financials](https://nonviolentpeaceforce.org/about/financials) and scroll down to “Financial Statements” to see our 2021 audited financials, also [here in EUR](#) and [here in USD](#). Look under “Tax Statements” to see our 990 for 2021, also [available here](#).

### **Impact of currency conversions**

The NP United States office must complete a 990 and audit because it holds 501(c)3 status. NP Headquarters in Geneva also completes an audit. These audits are then consolidated into one financial statement. In the consolidated statement, in U.S. dollars, NP shows a deficit for 2021. However, in Euros, there is no deficit for NP and there is a small surplus. The majority of NP’s accounts are in our country programs. The process of consolidating our financial statements globally means we must revalue all currency into Euros and some adjustments are made. For the consolidated statement in U.S. dollars we revalue Euros into dollars. For this reason, the organization may show a small deficit in one currency (dollars) and a surplus in another currency (Euros). Regardless, the global financial statements and the U.S. financial statements find that the organization is financially healthy.

### **Admin to program ratio**

Formerly an administrative office for NP, in 2021 the United States began its own country program. As the program grows we expect our administration to program ratio to change. Nevertheless, the U.S. office holds several administrative functions for the global organization (fundraising, communications, etc.) which makes the percentage of our support costs higher than if our global headquarters was in the U.S. and we took into account all NP programs. Our 2021 financial statements show administrative costs as 31% of the total expenses. This number is higher than the previous year because it also reflects several large one-time administrative expenses for the global organization, but paid for by the NP United States office. These expenses include a rebrand consultant, a new website, and additional fundraising positions. These investments are vital to support our growing organization. But with an expanding U.S. program, we expect that percentage to be much smaller in 2022.