

Fondo Acción



FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31st, 2022 AND 2021
WITH REPORT OF THE STATUTORY AUDITOR

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Tax ID. 860.023.380-3

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STATUTORY AUDITOR'S REPORT

Managing Directors, **FONDO PARA LA ACCION AMBIENTAL Y LA NIÑEZ**

1. Report on Financial Statements

Opinion

We have audited the financial statements of **FONDO PARA LA ACCION AMBIENTAL Y LA NIÑEZ**, which include the financial statement as of December 31, 2022, and the statement of income, changes in wealth and cash flows for the years ended in dates, and a summary of significant accounting policies and other explanatory notes.

In our opinion, the financial statements attached to this report, taken faithfully from the ledgers, present fairly, in all material respects, the financial position of **FONDO PARA LA ACCION AMBIENTAL Y LA NIÑEZ**, as of December 31, 2022, the results of its operations, the changes in equity and cash flows for the year on said date in conformity with the accounting and financial reporting standards in force in Colombia, which were applied on the same basis as the previous period.

Foundation of Opinion

We have carried out our audit in accordance with the International Audit Standards in force in Colombia. Our liability in accordance with these rules is described below in the Auditor's Responsibilities section in connection with the audit of financial statements.

We are independent of the **FONDO PARA LA ACCION AMBIENTAL Y LA NIÑEZ**, in accordance with the ethics requirements applicable to the audit of the financial statements in Colombia, and we have fulfilled the other ethical responsibilities in accordance with the afore mentioned requirements. We consider that the audit evidence we have obtained provides a sufficient and adequate basis for our opinion.

Key Audit Matters

The key issues of the audit are those issues that, in our professional opinion, have been of the utmost importance in our audit of the financial statements for the current period; which were communicated to those in charge of management, and those of greatest importance have been determined; the ones that have been considered to have the greatest impact are listed below.

These matters have been considered in the context of our audit of the financial statements as a whole, and in the formation of our opinion on them, therefore we do not express a separate opinion on key audit matters.

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Other Financial Liabilities and Advances Received

Please refer to Note 3.9 (1-2-3-4) of the Financial Statements

Key Audit Matters

Other Financial Liabilities and Advances Received

(figures expressed in thousands of Colombian pesos)

As of December 31, 2022, Other Liabilities and Advances Received represent 99% of the total balance of liabilities.

Other Liabilities and Advances Received as of December 2022 are comprised of short-term committed money of \$1,044,135, deposits received long term for \$230,644,967, revenue received for third parties for \$709,002 and money long-term commitments for \$94,319,358.

The management and control of the other Financial Liabilities and advances received requires compliance with legal standards, the control of existence, and the application of technical judgments to estimate the existence.

As described in the accounting policies of **FONDO PARA LA ACCION AMBIENTAL Y LA NIÑEZ** are recognized as the other Financial Liabilities and advances received as agreements and projects of the social object that it carries out with national and international bodies, are resources managed by the Fund should therefore be recognized as liabilities at the time of receipt of resources and decrease this Liabilities in accordance with disbursements made for the implementation of these projects or agreements.

We have considered Other Financial Liabilities and Advances Received as a Key Audit Matter due to their impact on the business and the importance they have on the Fund's financial position.

How they were approached in our audit

During the execution of the audit, we carry out tests on controls and balances, including management-level monitoring and management review of results.

We evaluate the policies, processes, procedures, and other mechanisms adopted by the Fund to manage the risks associated with the Other Financial Liabilities and advances received, considering the instructions issued by the administration.

According to the scope, we verify the contracted cooperation agreements, the income of the money and its proper accounting in the assigned trust.

According to the scope, we verify the projects subscribed under the following attributes:

* That has been chosen by means of a call and:

a. Compliance of the project: Approval Act, Signature, Object (Children or Environment), Beneficiary (Entity)

b. Constitution of policies by the beneficiaries, prior to their rotation (Compliance, Management of Advance, Civil Liability, Wages and Benefits).

c. That the advances have been duly approved, in addition to verifying quantity, date of first advance, date of last advance and comparing the balance to be rotated with the balance sheet with cut to the evaluation date.

d. That there be reports of the technical unit prior to the advance.



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Other Financial Liabilities and Advances Received Please refer to Note 3.9 (1-2-3-4) of the Financial Statements	
Key Audit Matters Other Financial Liabilities and Advances Received (figures expressed in thousands of Colombian pesos)	How they were approached in our audit
	<p>e. That there be a project initiation report, accompanying reports and beneficiary reports.</p> <p>f. Present a project budget.</p> <p>g. That the disbursements that are being made comply with h the budget and have the corresponding documentation.</p> <p>We carry out an analytical review according to reach account movements 2810 Deposits received.</p> <p>We select a sample of the projects and request the resource allocation form and the disbursements associated with them.</p> <p>We make a selection through the application IDEA of purchases, proofs of egress, excluding those transfers that correspond to areas verified in other programs such as: payroll, PPE, social benefits.</p> <p>We validate disclosures about the Other Financial Liabilities and advances received in the notes to the Financial Statements, in accordance with the relevant and material requirements of the applicable financial reporting framework.</p> <p>The outcome of the procedures described was considered satisfactory.</p>

Other relevant matters

The Financial Statements to and for the year ended December 31, 2021, are submitted solely for comparison purposes, and were audited by me, appointed by Amézquita & Cía. S.A.S., who issued my report on March 11, 2022, and expressed an unqualified opinion thereon.

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Management's Responsibility for the Financial Statements

Management is responsible for the reasonable preparation and presentation of financial statements, in accordance with the Accounting and Accounting Standards Financial information in force in Colombia, and the internal control necessary to prepare financial statements free of material impropriety, due to fraud or error.

In the preparation of the financial statements, management is responsible for assessing and disclosing the Fund's ability to continue as a business in progress and apply the operating company accounting principle, and report, where appropriate, the problems compliance and implementation of the ongoing business accounting principle. Such responsibility includes selecting and implementing appropriate accounting policies; as well as establishing reasonable accounting estimates in the circumstances.

Government officials are responsible for overseeing the financial reporting process of the Fund.

Statutory Auditor's Responsibility

Our objectives are to obtain reasonable assurance that the financial statements as a whole are free from material microcurrent, due to fraud or error, and to issue a report audit with our opinion.

Reasonable security is a high degree of security but does not guarantee that an audit conducted in accordance with the International Audit Standards in force in Colombia will always detect a material impropriety when it exists. Material inaccuracies may be caused by fraud or error and are considered materials if, individually or in aggregate form, they are deemed to reasonably influence the economic decisions that users make from the financial statements.

As part of our audit, we applied professional judgment and maintained an attitude of professional skepticism throughout the audit. Also:

- We identify and assess potential material impropriety risks in the financial statements, due to fraud or error, design and apply audit procedures to respond to such risks and obtain sufficient and adequate Audit evidence to support our opinion.

The risk of not detecting a material inaccuracy due to fraud is higher against that caused by an error, as fraud may involve collusion, forgery, deliberate omissions, intentionally erroneous statements, or circumvention of control Internal.

- We gained knowledge of the internal control relevant to the audit in order to design audit procedures that are appropriate depending on the circumstances.
- We assess whether the accounting policies applied are adequate, the reasonableness of the accounting estimates and the disclosures of management in this regard.
- We evaluate the overall presentation, structure, and content of the financial statements, including the information disclosed, and whether the financial statements represent the underlying transactions and facts in a manner that achieves their faithful representation.



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- We obtained the necessary information to properly fulfil our functions.

We conclude on the proper use made by the management of the accounting principle of business in progress and based on audit evidence, obtained to date from in our report, we determine that there is no material uncertainty related to facts or conditions that may give rise to significant doubts about the capacity of the Fund to continue as a going on business.

- We inform government officials, among others, the following matters:
- The scope and timing of the planned Audit, significant Audit findings, and relevant internal control deficiencies we identified during the Audit.
- The key matters of the audit which, in our professional opinion, were the most important in the audit of the financial statements of the current period. We describe these matters in our audit report unless legal or regulatory provisions prohibit their public disclosure or, in extremely rare circumstances, conclude that your report may have adverse consequences that outweigh the public interest benefits derived from communication.

2. Auditor's Report on Compliance with numerals 1 and 3 of Article 209 of the Commercial Code

As Auditor of **FONDO PARA LA ACCION AMBIENTAL Y LA NIÑEZ** and in compliance with Articles 1.2.1.2 and 1.2.1.5 of The Single Regulation Decree 2420 of 2015, as amended by Articles 4 and 5 of Decree 2496 of 2015, respectively, we pronounce for 2021 on what is required in numerals 1st) and 3rd) of Article 209 of the Commercial Code, which we detail below:

1st) If the acts of the administrators of **FONDO PARA LA ACCION AMBIENTAL Y LA NIÑEZ** are in accordance with the statutes and orders or instructions of the Council, and
2nd) If there are and are appropriate measures of internal control, conservation and custody of the assets of the Fund or of third parties who are in their possession.

Conclusion

In our opinion, the acts of the administrators of **FONDO PARA LA ACCION AMBIENTAL Y LA NIÑEZ**. act in accordance with the statutes and orders or instructions of Board of Directors, and there are adequate internal control, conservation, and custody measures of internal control and custody of the Fund's assets or third parties in their possession.

Basics of the Conclusion

We have carried the tasks out in accordance with International Standard on Assurance Engagements 3000 (Revised) - Assurance Engagements Other than an Audit or Review of Historical Financial Information.

Our responsibility under this standard is described later in the Auditor's Responsibilities section in connection with the Auditor's report on compliance with numerals 1 and 3 of Article 209 of the Commercial Code.

The following procedures were used as part of the reasonable assurance work.:

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- Know and understand the social statutes, the minutes of the Lords Governing Council, and the components of internal control implemented by the Fund.
- Obtain a written representation of management on whether the acts of the administrators conform to the statutes and decisions of the Board of Directors and whether there are and are appropriate internal control measures, including the systems of administration of implemented risks, the preservation and custody of the Fund's assets and those of third parties in its possession.
- Verify compliance with the statutes of the Fund.
- Obtain confirmation from management on the topics covered at meetings of the Board of Directors that are pending to be recorded in the minutes.
- Check whether the actions of management and those in charge of governance are in accordance with the statutes and the orders or instructions of the Board of Directors as documented in the minutes.
- Confirm with the management about changes and / or projects to modify the Fund's statutes during the period covered and validate their implementation.
- Assess whether internal control measures are and appropriate, including the risk management systems implemented, the conservation and custody of the Fund's assets and those of third parties in its possession, including:
 - Conclude on the presence of the five components that must be present in the organization, designed and functioning together in an integrated manner: i) control environment; ii) risk assessment; iii) control activities; iv) information and communication; and v) oversight activities.
 - Conduct design and implementation tests on the relevant controls of the internal control components on the financial report, and
 - Assess the design and implementation of relevant controls, manual and automatic, over key business processes related to significant accounts of financial statements.

Our conclusion is based on the evidence obtained on the described matters and is subject to the inherent limitations set forth in this report.

We consider that the audit evidence we have obtained provides a sufficient and adequate basis for our conclusion.

We have reviewed the responses to the letters of recommendation addressed to management, and there are no outstanding material issues that may affect our conclusion.

Inherent limitations

Since our report is based on selective tests, it is possible that controls in effect as of the date of our examination would change that condition during the period evaluated due to the limitations inherent in any internal control structure.



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In addition, the evaluation of internal control is at risk of becoming inadequate due to changes in conditions or because the degree of compliance with policies and procedures may deteriorate. On the other hand, the limitations inherent in internal control include human error, failures by collusion of two or more people or, inappropriate overs teasing controls by management.

Responsibilities of management and those responsible for the governance of the Fund in relation to compliance with numerals 1 and 3 of article 209 of the Commercial Code

The Fund's management and those in charge of governance are responsible for ensuring compliance with the bylaws and the decisions of the Board of Directors, as for designing, implementing, and maintaining adequate internal control measures including management systems risks implemented, the preservation and custody of the Fund's assets and those of third parties in its possession.

Responsibility of the Auditor in relation to the Auditor's report on compliance with numerals 1st and 3rd of Article 209 of the Commercial Code

Our responsibility is to carry out reasonable assurance work to express a conclusion based on the evidence obtained on compliance with numerals 1st and 3rd of Article 209 of the Commercial Code.

In accordance with the International Standard for Assurance Engagements 3000 (Revised) - Assurance Engagements Aside from the Audit or Review of Historical Financial Information, we follow ethical requirements and plan and execute the procedures that we consider are necessary to obtain reasonable assurance of compliance with numerals 1 and 3 of Article 209 of the Commercial Code.

3. Report on other legal and regulatory requirements

Management is responsible for compliance with regulatory aspects in Colombia.

Our responsibility as Statutory Auditors in these matters is to conduct review procedures and issue an opinion on their proper compliance. In this context, we express our concept:

- a) Accounting is carried out in accordance with legal regulations, accounting techniques and, when applicable, under the special regulations issued by the Supervisory Entity.
- b) The operations recorded in the accounting books are in accordance with the statutes and decisions of the Board of Directors.
- c) Correspondence, receipts of accounts and minute books of the Council Manager are properly taken and preserved.
- d) The Fund has made its contributions to the Security System in a correct and timely manner Integral Social, with which, the information contained in the self-assessment statements contributions to the Comprehensive Social Security System, in particular that relating to members and to your contribution base income, it is correct, and there is no default in the payment of contributions to the comprehensive social security system.

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- e) The administrators recorded in their management report that they did not hinder the free movement of invoices issued by sellers or suppliers.
- f) There is agreement between the accompanying financial statements and the management report presented by the administrators.

We follow up on responses on letters of recommendations addressed to management and there are no outstanding matters of material importance that may affect my opinion.

Lizeth Rodríguez C.

Lizeth Rodríguez Caballero

Statutory Auditor

Professional License. 228.937-T

Appointed by Amézquita & Cía. S.A.S.

Bogotá D.C., March 16, 2023.

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Certification of the Legal Representative and Accountant of the Fondo Acción


To the Members of the Board of Directors of the **FONDO PARA LA ACCION AMBIENTAL Y LA NIÑEZ:**

March 16th, 2023

The undersigned Legal Representative and Accountant of the Fondo Acción certify that the Financial Statements of the FONDO PARA LA ACCION AMBIENTAL Y LA NIÑEZ, as of December 31st, 2022 and for the twelve-month period ending on that date, have been faithfully taken from the books and that Before being made available to you and to third parties, we have verified the following statements contained in them:

1. All the assets and liabilities included in the Financial Statements of the Fondo Acción as of December 31st, 2022 exist and all the transactions included in said statements have been carried out during the year ended on that date.
2. All economic events carried out by the Fondo Acción during the year ended December 31st, 2022, have been recognized in the Financial Statements.
3. Assets represent probable future economic rights (rights), and liabilities represent probable current and future obligations, obtained or in charge of the company as of December 31st, 2022.
4. All elements have been recognized for their appropriate values, in accordance with the accounting and financial reporting standards accepted in Colombia.
5. All the economic facts that affect the Fondo Acción have been correctly classified, described and disclosed in the Financial Statements.
6. The Financial Statements as of December 31st, 2022 have been authorized for disclosure by the Legal Representative on March 16th, 2023. These financial statements will be submitted to the highest corporate body for consideration on March 30th, 2023, who may approve or disapprove these Financial Statements.


NATALIA ARANGO VELEZ
Legal Representative


BLANCA AURORA LEGUIZAMON B.
Public Accountant
T.P. 81009-T

1. Financial Statements

1.1 Statement of Financial Position as of December 31st, 2022

FONDO PARA LA ACCION AMBIENTAL Y LA NIÑEZ

NIT 830.077.866-3

(Figures expressed in thousands of COP pesos)

	Note	Years ended December 31 st ,	
		<u>2022</u>	<u>2021</u>
<u>Assets</u>			
Current Assets			
Cash and Cash Equivalents	3.1	92.627.976	128.267.407
Accounts Receivable	3.2	3.920.387	2.087.053
Intangible Assets	3.3	27.435	33.135
Total Current Assets		<u>96.575.798</u>	<u>130.387.595</u>
Non-Current Assets			
Financial Assets	3.4	229.659.565	234.335.982
Investments	3.4	2.427.325	1.595.123
Property, Plant and Equipment	3.5	2.058.081	2.143.695
Investment Properties	3.6	2.963.140	2.963.140
Total Non-Current Assets		<u>237.108.111</u>	<u>241.037.940</u>
Total Assets		<u>333.683.909</u>	<u>371.425.535</u>


Statement of Financial Position as of December 31st, 2022 (Continuation)

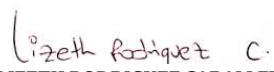
FONDO PARA LA ACCION AMBIENTAL Y LA NIÑEZ
NIT 830.077.866-3
(Figures expressed in thousands of COP pesos)

	Note	Years ended December 31 st , <u>2022</u>	<u>2021</u>
<u>Liabilities</u>			
Current Liabilities			
Accounts payable	3.7	1.808.744	1.113.719
Employee benefits	3.8	976.403	790.522
Other liabilities and advances received	3.9(1)	1.044.135	59.513
Total Current Liabilities		3.829.282	1.963.754
Non-Current Liabilities			
Other liabilities and advances received	3.9(2-3-4)	325.673.327	365.189.168
Total non-current liabilities		325.673.327	365.189.168
Total Liabilities		329.502.609	367.152.922
<u>Stockholders' Equity</u>			
Equity Capital	3.10	1.000	1.000
Capital Surplus	3.10	13.500	13.500
Accumulated Result	3.10	(535.396)	(439.898)
Accounting Year Result	3.10	(91.314)	(95.498)
Retained Earnings due to Convergence	3.10	1.604.502	1.604.502
Valuation Surplus		3.189.007	3.189.007
Total Stockholders' Equity		4.181.299	4.272.613
Total Liabilities and Equity		333.683.909	371.425.535

The attached Notes are an integral part of these Financial Statements


NATALIA ARANGO VELEZ
Legal Representative


BLANCA AURORA LEGUIZAMÓN B.
Public Accountant
T.P. 81009-T


LIZETH RODRIGUEZ CABALLERO
Statutory Auditor
T.P. 228.937- T
Designated by Amezcuita & CIA SAS
(See my report dated March 16th, 2023)

1.2 Income Statement for the period from January 1st to December 31st, 2022


FONDO PARA LA ACCION AMBIENTAL Y LA NIÑEZ
NIT. 830.077.866-3
(Figures expressed in thousands of COP pesos)

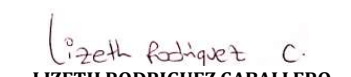
	Note	For the period from January 1 st to December 31 st , <u>2022</u>	For the period from January 1 st to December 31 st , <u>2021</u>
Non-Operating Income			
Income for Administrative expenses	3,11	4,938,280	4,738,223
(-) Non-Operating Administrative Expenses	3,12	(5,010,988)	(4,811,250)
Results of Operation Activities		(72,708)	(73,027)
(+) Financial income			
(-) Financial expenses	3,13	(18,606)	(22,471)
Result before Income tax		(91,314)	(95,498)
Net result of the Period		(91,314)	(95,498)

The attached Notes are an integral part of these Financial Statements

Escriba el texto aquí


NATALIA ARANGO VELEZ
Legal Representative


BLANCA AURORA LEGUIZAMÓN B.
Public Accountant
T.P. 81009-T


LIZETH RODRIGUEZ CABALLERO
Statutory Auditor
T.P. 228.937- T
Designated by Amezquita & CIA SAS
(See my report dated March 16th, 2023)

1.3 Cash Flow Statement for the period from January 1st to December 31st, 2022


FONDO PARA LA ACCION AMBIENTAL Y LA NIÑEZ


Nit. 830.077.866-3

(Figures expressed in thousands of COP pesos)

	Note	For the period from January 1 st to December 31 st <u>2022</u>	For the period from January 1 st to December 31 st <u>2021</u>
Net income (loss) for the year		(91,314)	(95,498)
Cash flow from operating activities			
Amortizations of expenses paid in advance	3.3	5,700	5,700
Depreciation	3.5	85,614	89,798
Net movements in current assets and liabilities			
(Decrease) in trade accounts receivable	3.2	(1,833,334)	3,031,179
(Decrease) expenses paid in advance	3.3	0	0
(Increase) of intangibles	3.3	0	0
(Decrease) Financial Assets	3.4	3,844,216	(55,282,002)
(Increase) in trade accounts payable and other accounts payable	3.7	695,025	904,601
(Decrease) Employee Benefits	3.8	185,882	93,750
Other liabilities	3.9	(38,531,220)	120,963,672
Cash flow provided (used) by operating activities		(35,639,431)	69,711,199
Cash flows from investing activities			
Additions of property, plant and equipment	3.5	0	0
Cash flow used by investing activities		0	0
Change in cash available and cash equivalents		(35,639,431)	69,711,199
Initial balance of cash and cash equivalents		128,267,407	58,556,208
Closing balance of available and cash equivalents		92,627,976	128,267,407


NATALIA ARANGO VELEZ
Legal Representative


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(See my report dated March 16th, 2023)

FONDO PARA LA ACCION AMBIENTAL Y LA NIÑEZ
Financial Statements for the years ended December 31st, 2022 and 2021




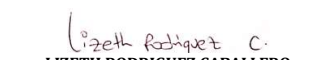
1.4 Statement of Changes in Equity as of December 31st, 2022

FONDO PARA LA ACCION AMBIENTAL Y LA NIÑEZ
Nit. 830.077.866-3
(Figures expressed in thousands of COP pesos)

	Equity Capital	Capital Surplus	Accounting Year Result	Accumulated result Gains (Losses)	Valuation Surplus	Retained Earnings due to Convergence	Stockholders' Equity
Balance as of December 31st, 2020	1.000	13.500	(139,824)	(300,824)	2.702.532	1.604.502	3,881,636
Transfer of result	-	-	139,824	-	-	-	139,824
Net income (loss)	-	-	(95,498)	-	-	-	(95,498)
Results of Previous Years	-	-	-	(139,824)	-	-	(139,824)
Valuation Surplus	-	-	-	-	486,475	-	486,475
Balance as of December 31st, 2021	1.000	13.500	(95,498)	(439,898)	3,189,007	1.604.502	4,272,613
Transfer of result	-	-	95,498	-	-	-	95,498
Net income (loss)	-	-	(91,314)	-	-	-	(91,314)
Results of Previous Years	-	-	-	(95,498)	-	-	(95,498)
Valuation Surplus	-	-	-	-	-	-	-
Balance as of December 31st, 2022	1.000	13.500	(91,314)	(535,396)	3,189,007	1,604,502	4,181,299


NATALIA ARANGO VELEZ
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(See my report dated March 16th, 2023)

FONDO PARA LA ACCION AMBIENTAL Y LA NIÑEZ
NOTES TO THE FINANCIAL STATEMENTS
(Figures expressed in thousands of Colombian pesos)

1. General Information

EL FONDO PARA LA ACCION AMBIENTAL Y LA NIÑEZ is a non-profit foundation established on June 23rd, 2000, by Public Deed No.2538 of the First Notary of Bogotá, on April 5th, 2013, a statutory reform was carried out which was registered by Public Deed No. 1185.

The domicile of its registered office and main business center is the city of Bogotá.

Its main purpose is the administration, supervision and management of the resources of the Initiative of the Americas account, as contemplated in the Agreement between the Government of the Republic of Colombia and the Government of the United States of America. Additionally, may be part of Agreements or Contracts to manage funds contributed by third parties and create accounts for specific purposes.

By virtue of this, the Fondo para la Acción Ambiental y la Niñez will promote activities aimed at preserving, protecting or managing the natural and biological resources of the Republic of Colombia, in a sustainable and ecologically viable manner and at the same time will promote the survival and development of children within a conception of sustainable development of the Republic of Colombia.

The validity of the **FONDO PARA LA ACCION AMBIENTAL Y LA NIÑEZ** is indefinite.

2. Summary of main accounting policies

The main accounting policies applied in the preparation of the financial statements are detailed below.

2.1 Preparation basis

The Financial Statements of the **FONDO PARA LA ACCION AMBIENTAL Y LA NIÑEZ** have been prepared in accordance with the International Financial Reporting Standards for small and medium-sized entities (IFRS for SMEs) issued by the International Accounting Standards Board (IASB).

International Financial Reporting Standards (IFRS)

Through Decree 2483 of 2018, the technical frameworks compile and update of the Financial Information Standards for SMEs, IFRS for SMEs, Group 2, incorporated into Decree 2420 of 2015, modified by Decrees 2496 of 2015, 2131 of 2016 and 2170 of 2017, respectively. In the case of the Fondo para la Acción Ambiental y la Niñez, this compilation and update of the Financial Information Standards applies.

In the second regulatory framework indicated for Group 2, the "Writing Corrections", issued by the IASB in December 2017, in order to have an updated legal instrument that provides stakeholders with a better understanding and application of the rules of financial information in the country.

The FONDO PARA LA ACCION AMBIENTAL Y LA NIÑEZ presents its financial statements of general information as of December 31st, of each year in accordance with the financial statement presentation policy. It also presents Interim Financial Statements as of June 30th, of each year.

2.2 Relative importance and materiality

The presentation of economic facts is made according to their relative importance or materiality. For disclosure purposes, a transaction, event or operation is material when, due to its amount or nature, its knowledge or ignorance, considering the surrounding circumstances, it affects the decisions that can be made or the evaluations that users can carry out of accounting information.

In the preparation and presentation of financial statements, materiality is determined on the total assets in relation to current and non-current assets; to total liabilities with respect to current and non-current liabilities, equity or results for the year, as appropriate. In general terms, any item that exceeds the unit of measure shown in the following table is considered as material:

ITEM	UNIT OF MEASURE
Cash and cash equivalents	2 SMMLV
Trade accounts receivable and other accounts receivable	0
Property, plant and equipment	5 SMMLV
Investment properties	2 SMMLV
Nonfinancial assets	2 SMMLV
Intangible assets	1 SMMLV
Financial liabilities	1 SMMLV
Non-financial liabilities	0
Tax liabilities	0
Employee benefit liabilities	0
Income	1 SMMLV
Expenses	1 SMMLV

Note: The initials "SMMLV" corresponds to the current legal monthly minimum wage in Colombia

2.3 Functional Currency

a) Functional currency and presentation currency

Items included in the statements of financial position are expressed in the currency of the primary economic environment in which the entity operates. The statements of financial position are presented in "Thousands of Colombian Pesos", which is the functional currency of the FONDO PARA LA ACCION AMBIENTAL Y LA NIÑEZ and the presentation currency.

b) Transactions and balances

Transactions in foreign currency are translated into the functional currency, their results and financial situation will be converted to a different presentation currency using the following procedures:

- a. The assets and liabilities of each statement of financial position presented (that is, including comparative figures), will be converted at the closing exchange rate on the date of that statement of financial position;
- b. The income and expenses for each statement of income and expenses total (that is, including the comparative figures), will be converted at the exchange rates on the date of the transaction.

It is recognized in the results of the period, the exchange differences that arise when liquidating the monetary items or when translating monetary items at rates different from those used for conversion on initial recognition.

Those from a non-monetary item are recognized in other comprehensive income.

2.4 Financial Instruments- Cash and cash equivalents

Cash and cash equivalents comprise cash on petty cash and at banks and demand deposits, together with other highly liquid and short-term investments that are easily convertible into known amounts of cash and that are subject to negligible exchange risk in the value.

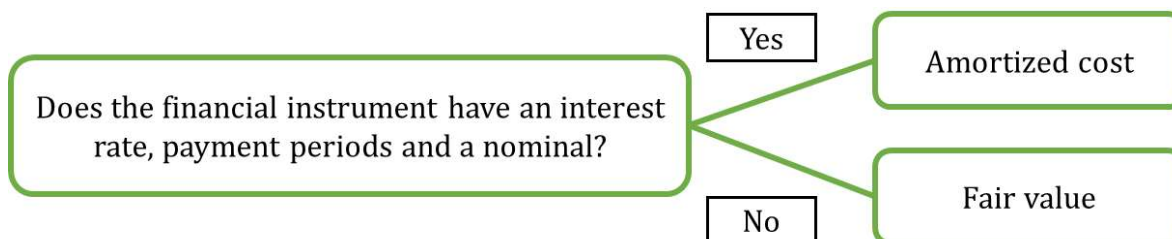
2.5 Financial Instruments - Financial assets

This policy applies to all accounts receivable of the company considered under IFRS as financial assets, since they represent a right to receive cash or another financial asset in the future. Accordingly, it includes:

2.5.1 Other accounts receivable

They will be measured at fair value on initial recognition and at the end of each reporting period, they will be measured according to the following flowchart:

Other Accounts Receivable (Continued)



The changes in financial assets at fair value are recognized in results.

2.5.2 Impairment of financial assets

Before taking any measurement of impairment, at the end of each accounting period, it will be evaluated whether there is objective evidence of impairment of financial assets that are measured at cost or amortized cost.

When there is objective evidence of value impairment, an impairment loss will be recognized immediately in results.

2.6 Property, plant and equipment

Initial measurement

All those elements whose value exceeds 50 UVT will be recognized as property, plant and equipment assets, those with a lower value will be recognized as an expense in the period in which they are acquired.

The property, plant and equipment acquired for the execution of agreements, will be recognized as property, plant and equipment assets at fair value at the time of measurement, which will be carried out at the termination of the agreement provided that there is an intention of donation or deed clearance.

Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment loss.

Subsequent Measurement of Real Estate Assets

Real estate assets are stated at revalued cost. Revalued amounts are fair market values determined in valuations by outside professional appraisers, once every 3 years or sooner if market factors indicate a substantial change in fair value. Any increase or decrease in the revaluation of real estate will be recognized in the appreciation surplus. For buildings, the recognition of revaluations affects their accumulated depreciation.

Properties, Plant and Equipment (Continued)

Computer and communication equipment, furniture and fixtures, office equipment

Initial measurement

Computer and communication equipment, furniture and fixtures, office equipment, are recognized at acquisition cost or at cost including any cost directly attributable to moving the assets to the location and conditions necessary to operate as provided by Fondo Acción. These assets are measured at cost less accumulated depreciation and impairment losses.

Next, we list the measurements that currently apply to property, plant and equipment.

Category	Initial Measurement	Subsequent Measurement
Real Estate	Cost	Revaluation
Furniture and Fixtures	Cost	Cost
Office Equipment	Cost	Cost
Computer and Communication Equipment	Cost	Cost

The depreciation method used will be straight line

Depreciation is recognized on a straight-line basis to write off cost less estimated residual value of property, plant and equipment.

The residual value for office equipment, furniture and fixtures, and computer equipment will be zero, for constructions and buildings the residual value will be 20% of the acquisition cost.

The useful life of the assets will be as follows according to the class:

Asset	Useful Life (Years)
Constructions and buildings	30
Office Equipment	10
Computer and Communication Equipment	5
Furniture and fixtures	10

2.7 Investment Properties

Initial measurement

The investment properties in Fondo Acción correspond to a donation of real estate, made by Mrs. Marta Arango Montoya with the purpose of supporting programs or projects and the actions that are carried out in the development of the missionary purpose. This donation has the following conditions:

- It is of a patrimonial nature
- The beneficiary of the donation is Fondo Acción
- The yields or income generated by the assets will go to the program or project.

Investment property assets are measured at cost. Depreciation is not calculated for these properties.

Subsequent Measurements of Investment Properties

Investment properties are expressed at revalued cost. The revalued amounts are fair market values determined in valuations carried out by external professional appraisers, once every 3 years or sooner if market factors indicate a substantial change in fair value. Any increase or decrease in the revaluation of real estate will be recognized in the valuation surplus. Recognition of revaluations does NOT affect depreciation.

In the event that, if there are other investment properties in Fondo Acción with a specific destination, the subsequent measurement will be determined at the time.

2.8 Impairment of Non-Financial Assets

On each reporting date, THE **FONDO PARA LA ACCION AMBIENTAL Y LA NIÑEZ** will review property, plant and equipment, and intangible assets to determine whether there are indications that those assets have suffered an impairment loss.

The recoverable value will be determined as the fair value of the asset, less costs to sell. In all cases, the use value will be zero, considering that its estimation implies incurring disproportionate costs and efforts.

2.9 Intangible assets

Intangible assets are acquired computer programs that are stated at cost less accumulated amortization and accumulated impairment losses.

If the **FONDO PARA LA ACCIÓN AMBIENTAL Y LA NIÑEZ** cannot determine a reliable estimate of the useful life of an intangible asset, the useful life will be assumed to be ten (10) years, using the straight-line method.

Asset	Useful Life (Years)
Software licenses	10

If there is any indication that there has been a significant change in the amortization rate or useful life of an intangible asset, the amortization of that asset is revised prospectively to reflect the new expectations.

2.10 Investments

Initial measurement

The investments made by Fondo Acción correspond to the fulfillment of strategic objective #3 (Consolidate the financial sustainability of the organization), for which an impact investment fund is created, understood as those that seek to generate **"environmental, social and financial returns, in areas consistent with the mission of Fondo Acción"**.

The investments derived from the impact investment fund will be made in capital investment, with minority shareholdings, in ventures and companies with operations in Colombia that have an impact on the Community, in the private sector that contribute to maximizing environmental impacts - Socioeconomic, Behavior in social changes and Impacts and Metrics.

Fondo Acción recognizes investments at cost, which corresponds to the nominal value for the number of shares acquired.

Control procedures

Fondo Acción for investments will carry out:

- Timely, complete and accurate registration of investments.
- Adequately evaluates the custody of investments.

Disclosure

The information to be disclosed will be a summary of the significant accounting policies, the measurement basis used for financial instruments (investments) and other accounting policies used for financial instruments that are relevant to the understanding of the financial statements.

2.11 Government Grants

The agreements and projects of the corporate purpose carried out by the **FONDO PARA LA ACCIÓN AMBIENTAL Y LA NIÑEZ** with national and international organizations, are resources managed by the entity, therefore, they must be recognized as liabilities at the time of receiving the resources and reduce this Liability in accordance with the disbursements made for the execution of these projects or agreements.

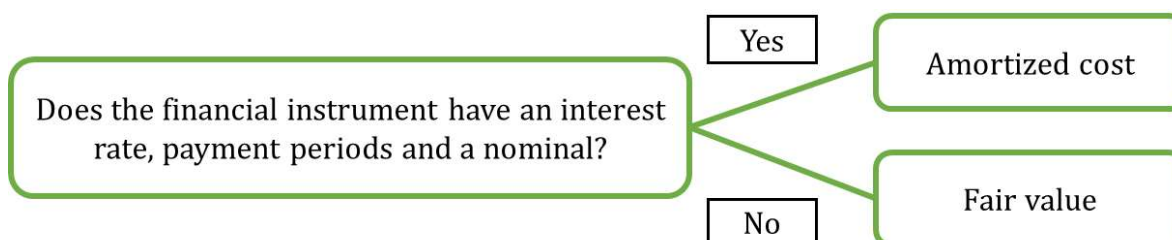
In accordance with orientation 14 of the Technical Council of Public Accounting, the contributions received for the execution of agreements and projects are collected for third parties. They cannot be treated as income, as they do not meet the definition in the IFRS for SMEs technical regulatory frameworks. The fundraising with the obligation to deliver it to another party does not generate economic benefits, for which reason they could not be considered as items that generate increases in net assets and rather imply a repayment obligation that conforms to the definition of liabilities of the frameworks. regulatory technicians.

THE FONDO PARA LA ACCIÓN AMBIENTAL Y LA NIÑEZ should measure government grants at the fair value of the asset received or receivable. In many cases the entity will receive cash or reimbursement of expenses, and therefore there will be little difficulty in determining fair value.

2.12 Trade accounts payable

Goods and services purchased from a supplier are recognized at the price of the invoice or equivalent document.

At the end of each accounting period, the FONDO PARA LA ACCIÓN AMBIENTAL Y LA NIÑEZ will measure its financial liabilities following the following flowchart:



Changes in financial liabilities at fair value are recognized in results.

2.13 Income Taxes

The FONDO PARA LA ACCIÓN AMBIENTAL Y LA NIÑEZ is a non-profit entity exempt from income tax, but must submit a declaration of income and equity, in accordance with the provisions of article 598 of the Colombian Tax Code.

2.14 Employee benefits

The FONDO PARA LA ACCIÓN AMBIENTAL Y LA NIÑEZ will classify employee benefits in four (4) categories as follows:

- Short term benefits.
- Termination benefits.
- Long term benefits.
- Post-employment benefits.

Post-employment benefits: given that no employee of the **FONDO PARA LA ACCIÓN AMBIENTAL Y LA NIÑEZ** is under the pension scheme prior to Law 50 of 1990, which establishes that old-age pensions will no longer be in charge of employers, to pass to pension funds, the Post-Employment benefits of the **FONDO PARA LA ACCIÓN AMBIENTAL Y LA NIÑEZ** will only correspond to defined contribution plans.

2.15 Income recognition

The **FONDO PARA LA ACCIÓN AMBIENTAL Y LA NIÑEZ** recognize income from ordinary activities for the fair value of the consideration received or receivable.

Monetary donations may be recognized as income if they are not conditioned; otherwise, they should be recorded as a liability.

2.16 Standards issued not in force.

The standards and interpretations that have been published but are not applicable as of the date of these financial statements are disclosed below. Fondo Acción will adopt these norms on the date they come into force, in accordance with the decrees issued by the local authorities.

2.17 Amendments to IAS 1: Classification of Liabilities as Current or Non-Current

The requirement to classify a liability as current is modified, by establishing that a liability is classified as current when it does not have the right, at the end of the reporting period, to postpone the settlement of the liability for at least twelve months following the date of the reporting period.

2.18 Relevant Aspects of the 2021 Tax Reform and current regulations

Law for Equality and Social Justice 2277 of 2022

The 2022 Tax Reform initially sought to achieve a collection of 25 trillion pesos, however, with the reconciled articles, said collection has dropped to 19.73 trillion pesos in its first year, that is, 2023. Part of the almost 20 trillion pesos will be contributed by some taxes, especially: the subsoil tax and taxes on companies that will contribute around 11 billion pesos.

Said Law includes the provisions of Law 1943 of 2018 that were considered essential for the reactivation of economic growth and competitiveness in the country and introduced some modifications which we highlight below and that may be applied in the Fondo Acción:

- **Declaration of income and equity:** The limit applicable to exempt income of 25% of labor payments was modified. For this case, the percentage of 25% was maintained, however, the maximum limit was reduced from 2,880 annual UVT to 790 annual UVT. Additionally, this

income, including other exempt income, deductions or withdrawals, will be limited to a set of 40% or a maximum of 1,340 UVT.

Regarding legal persons, the 35% income tax rate applicable to national companies, permanent establishments of foreign entities and foreign legal persons with or without residence in the country was maintained. On the other hand, the rate will be 9% for the income obtained by industrial and commercial companies of the State and mixed economy companies.

- **Taxes on dividends:** Individuals who have received income from dividends, may deduct from their income tax the value that corresponds to 19% of the liquid dividend scheduling income. This will be done during the fiscal period and the discount will be determined on dividends that exceed 1,090 UVT.

The schedular liquid income has the following income received:

- Dividends (Companies by shares)
- Participations (companies by share quotas of social interest)
- Distributions of foreign companies
- Special tax regime – STR: The 2022 Tax Reform made modifications for admission to the special tax regime or STR.

Consequently, the procedure that the DIAN must follow when it finds that the applicant did not attach all the information in their application for admission was changed. Therefore, the DIAN will be in charge of informing the applicant within 10 business days after the filing of the application so that he can correct the information presented. Additionally, the person will have one month to meet the requirements established in the communication, and if they cannot be corrected, the DIAN may reject the request.

- **Modification to article 364 tax statute - Special Tax Regime:** The entities of the special tax Regime must update annually, in the first SIX (6) months of each year, the information referred to in this registry before the DIAN
- **Equity tax:** The Equity or wealth tax was established as a permanent tax in Law 2277 of 2022. In this sense, now that this tax will be permanent, it is important to determine its taxpayers and the fact generated.

In this order of ideas, the taxpayers of the income tax are natural persons taxpayers, natural persons who do not reside in Colombia with assets in the country, illiquid successions and those non-resident companies with assets other than shares, accounts receivable and/or or portfolio investments.

On the other hand, the generating event will be given by the possession of a patrimony of a value equal to or greater than 72,000 UVT every January 1st, of each year. The first 12,000 UVT will be excluded from the property value tax of the real estate where the natural person actually lives most of the time.

- **Simple regime:** Article 42 of the Tax Reform reduced the requirements for professionals to benefit from this regime. This reduction of requirements occurs predominantly on activities where the intellectual factor predominates. For this reason, the provisions of being up to date with national to municipal tax obligations and the obligations of payment of security contributions are eliminated.

Additionally, professionals who provide consultancy services and services of a predominantly intellectual nature may benefit from the single unified tax if they have received income of less than 12,000 UVT during the year.

- **Environmental taxes:** A new national tax was established on single-use plastic products whose use consists in packaging, packing or packaging goods. The legal entities that will be taxed by this new tax will be the producers of the packaging or the importers of the single-use product.

The calculation that must be made on this tax will be made with the taxable base determined by the weight in grams of the product, whose rate is established at 0.00005 UVT per (1) gram of the container, packaging or packaging.

- **Mechanisms to fight against evasion:** Articles 62 to 65 modified the Tax Code seeking to implement mechanisms to fight against evasion.

In this sense, the provision on the exchange of tax information between the national and territorial entities of the State was modified. Previously, the exchange of information was carried out only between the DIAN and the respective Ministries of Finance and Public Credit. Consequently, the entities with access to this information include the Ministry of Health and Social Protection, the National Planning Department—DNP, the UGPP, as well as the Departmental and Municipal Tax Administrations.

3. Notes to the financial statements

3.1 Cash and cash equivalents

At the end of the periods December 31st, 2022 and December 31st, 2021, Fondo Acción does not present values represented in cash and cash equivalents that are restricted.

Description	31-dic-22	31-dic-21
Cash and cash equivalents		
Petty cash	500,00	-
Bank	3.654.980,00	46.199.418,00
Trust investments	8.972.496,00	82.067.989,00
Total	92.627.976,00	128.267.407,00

Cash and cash equivalents are integrated as:

(1) The banks include checking and savings accounts opened in Bancolombia and three checking accounts opened in Bancolombia abroad (Puerto Rico) that are exclusively for managing the resources delivered by donors, as follows:

Current accounts abroad	Project
Bancolombia Puerto Rico No. 90110000034	RPP III
Bancolombia Puerto Rico No. 90110000256	KFW
Bancolombia Puerto Rico No. 90110000223	CATASTRO

(2) The Fondo Acción has trust investments in the following trustees, Servitrust S.A., GNB S.A and Fiducolombia S.A.

The types of accounts that are held are: current banking, savings and fiduciary in which the resources delivered for agreements developed by the Fondo Acción in its corporate purpose are held.

3.2 Accounts Receivable

Accounts receivable as of December 31 consist of:

Description	31-dec-22	31-dec-21
Loans to Individuals "Community Redd+ Portfolio" (1)		
Acapa and Bmf	-	-
Cajambre	-	-
Bc&Lpbm	-	1.060
Supp	-	478
Acaba & Pepe	-	504
Cdd	-	486
Total Loans to Individuals "Community Redd+ Portfolio" (1)	-	2.528
Other Debtors (2)		
Suppliers	33.000	17.564
Contractors	1.779.788	27.790
Workers	4.050	6.436
Executors	455.321	-
VCU Redd+ Projects	1.455	1.862.487
Donors	499.325	102.509
Others	1.147.448	67.739
Total Other Debtors	3.920.387	2.084.525
Total Accounts Receivable	3.920.387	2.087.053

(1) Fondo Acción in the Pacific region has worked since 2015 as executor of the USAID "Paisajes conectados" Program and has served as an implementing agent, likewise since the end of 2019 it has also been entrusted with the role of resource administrator for the sales of carbon certificate and is currently the authorized representative and ally of twenty (20) ethnic communities: nineteen (19) Community Councils of Black Communities and one (01) Indigenous Mayor Council that owns nine (09) REDD+ community projects, which today are represented by the Fondo Acción for the search for resources and sales of carbon certificates grouped into what is called the REDD+ Community Portfolio (hereinafter Portfolio), made up of the projects of 1) ACAPA-Bajo Mira and Frontera, 2) Cajambre, 3) Bajo Calima and La Plata Bahía Málaga, 4) Concosta, 5) Río Pepe and ACABA, 6) Sivirú, Usaragá, Pizarro, Pilizá (SUPP), 7) Carmen del Darién, 8) Mutatá and 9) Chocó Darién conservation corridor.

The first 8 projects have implemented REDD+ and MRV (Monitoring, Reporting, and Verification) activities from 2013 to date, and have a monitoring, reporting, and verification plan against VCS/CCBA standards, today VERRA, to generate a potential of 6.3 million of carbon certificates, corresponding to the period between 2017 and 2022.

These described activities were carried out through processes of full and informed participation with members of the communities that own the projects for a viable, legitimate, coherent and respectful construction of collective rights.

In December 2016, through the Tax Reform (Law 1819) the National Government created the Carbon Tax by which it was determined that the purchase of fossil fuel and natural gas for energy purposes would be recorded with a value of 15,000 pesos per ton of dioxide of carbon (CO₂) that said fuel produces once consumed and that would increase in the CPI (inflation) plus one point until reaching the price of a Tax Value Unit -UVT. For the year 2021 the value of the ton is \$17,660.

In 2017, the Ministry of Finance and Public Credit and the Ministry of Environment and Sustainable Development issued Decree 926 of 2017 through which it was determined that those obliged to pay the carbon tax could declare Carbon Neutral through the purchase of carbon certificates and thus the obligation to pay the tax would not be caused.

What has been described opened a window of opportunity for the sale of carbon certificates that were previously traded in the international market, under foreign laws and different languages; As a result, companies like the one that are part of the PRODECO Group were interested in the Portfolio and under the condition that the projects that are part of it were verified, they signed a purchase and sale contract to declare themselves carbon neutral.

To give continuity to the development of REDD+ Projects, Fondo Acción seeks to advance and support actions aimed at verifying the projects of the REDD+ Pacific Community Portfolio against the VCS/CCBA standards, today VERRA, for which it requested the Board of Directors, in ordinary session SO No. 119-153 dated February 7th, 2018, fund through **a mutual contract without interest, without administrative costs and with the obligation to return the money with the resources obtained from the sale of carbon certificates**, the verification of eight (08) of the REDD+ projects of the REDD+ Community Portfolio, in order to speed up the verification process and thus have the carbon certificates in the shortest possible time.

Once the funding request was authorized by the Board of Directors of Fondo Acción, it was proposed to the Community Councils and the Cabildo Mayor Indígena, to enter into a mutual contract without interest, without administrative costs and with the obligation to return the money with the resources obtained of the sale of carbon certificates in order to advance the verification of the REDD+ project, therefore, in March 2018, the legal representatives obtained the approval of the Assemblies for the execution of this contract.

On April 5th, 2018, the community councils, the Cabildo Mayor Indígena and Fondo Acción, met in Bogotá to take stock of the assemblies held and discuss issues related to the verification of the projects that are part of the Portfolio, the agreement of purchase and sale with the Prodeco Group and the negotiations advanced for the sales of Carbon Certificates the calls of USAID "Páramos y Bosques" and the one of the Sustainable Colombia Fund, the funding and resolve the doubts raised by each community council member of the REDD+ Community portfolio as it is recorded in the minutes of the meeting that is an integral part of the contract.

In 2019, as a final result of the first verification process of the projects, sales of carbon certificates began to companies that were interested and with which sales contracts had

previously been signed. Making this a successful experience on the subject of REDD+ projects in Colombia.

Once the sales began and the money was received, the communities proceeded to collect the amounts lent to the communities for the verification of the projects, as of December 31st, 2022, 95% of the resources lent had already been collected to the communities, thus leaving a 5% that is expected to be collected in the first half of 2023.

In 2022, the goal was to finish collecting the resources funded from the communities of the REDD+ Portfolio and close the agreements signed with the communities. Which was 100% achieved, the communities of the Portfolio returned all the funded resources and the mutual agreements between the communities and Fondo Acción were successfully closed.

GREEN AND BLUE CARBON UNIT REVOLVING FUND

Due to the results obtained with the REDD+ portfolio, the board of directors of Fondo Acción approved the creation of a revolving fund for the creation of the REDD+ project in Colombia. 3,328,000,000 million Colombian pesos were allocated for the creation of this Revolving Fund, which will be administered by the green and blue carbon unit of Fondo Acción.

USAID "PARAMOS AND FORESTS" REVOLVING FUND.

With the help of the USAID "Paramos y Bosques" project, which is operated by Chemonics International, a memorandum of understanding No. MOU-20 19-006 was signed for the creation of a revolving fund for the issuance of carbon certificates for the Pacific REDD+ Portfolio, which is financed by the Paramos y Bosques project and administered by Fondo Acción.

The amount approved in this memorandum of understanding is for a value of 280,000 dollars and in Colombian pesos it is for 954,057,813, which have been invested according to the mechanism agreed with the donor.

(2) Other Debtors correspond to accounts receivable for advance payments made to suppliers, contractors, workers and Executors, where their legalization or recovery is carried out in January and February 2023.

As of December 2022, other debtors "Executors" show an increase compared to December 2021; for the intermediation carried out by Fondo Acción in the VCU REDD+ projects and the community councils in the amount of \$6,305,816; value that will be reimbursed by the councils in the first half of 2023.

The item of others corresponds to the collection for concepts of Disabilities to the EPS also travel orders issued in the last days of December 2022 legalized in January 2023.

3.3 Intangible

Intangibles are made up of:

Description as of December 31 st , 2022	Apotheosis Licenses	Oracle licenses	Office Pro Plus licenses	FortiGate – Endpoint licenses	Total
Cost					
Balance as of December 31st, 2020	9.744	7.404	35.532	20.150	72.831
Additions	0	0	0	0	0
Balance as of December 31st, 2021	9.744	7.404	35.532	20.150	72.831
Additions	0	0	0	0	0
Balance as of December 31st, 2022	9.744	7.404	35.532	20.150	72.831
Amortization					
Balance as of December 31st, 2020	-5.467	-3.332	-21.470	-3.727	-33.996
Amortization expense 2020	-968	-740	-1.934	-2.057	-5.700
Balance as of December 31st, 2021	-6.435	-4.072	-23.404	-5.784	-39.696
Amortization expense 2021	-968	-740	-1.934	-2.057	-5.700
Balance as of December 31st, 2022	-7.404	4.813	25.338	7.841	45.396
Net book value as of December 31st, 2021	3.309	3.332	12.128	14.366	33.135
Net book value as of December 31st, 2022	2.340	2.591	10.194	12.309	27.435

- License for the accounting program “Apoteosys” which will be amortized in 10 years.
- Oracle license, which are necessary for the operation of “Apoteosys”.
- Office Pro Plus licenses are acquired in 2017 for five new equipment’s of Fondo Acción.
- In February 2019, 6 licenses of Office Professional – Pro – Plus were acquired.
- Likewise, in February 2019, the FortiGate – Endpoint license was acquired, being a security system for the Software.
- On July 13th, 2020, through the Certificate of Delivery of Equipment, Furniture and Appliances of the “Paisajes Conectados” Program, it delivered to Fondo Acción within the framework of the Cooperation Agreement AID – 530 –a – 13-00005 of the following licenses:
 - ✓ 7 Office ProPlus 2013 SNGL OLP NL Licenses
 - ✓ 1 Office Home and Business License 2016 32/64
 - ✓ 1 Windows Pro 10 – 64 Bit License
 - ✓ 3 Office ProPlus 2019 Electronic Retail Licenses
 - ✓ 9 antivirus Kaspersky total security Multi device latin 1-year Licenses

- On August 12th, 2020, through Act No. 02 of delivery of Equipment, Furniture and Appliances of the “Paisajes Conectados” Program, it delivered to Fondo Acción within the framework of the Cooperation Agreement AID – 530 –a – 13-00005 of the following licenses:
 - ✓ 2 Office ProPlus 2013 SNGL OLP NL Licenses
 - ✓ 2 Office Home and Business 2016 32/64 Licenses

3.4 Financial Assets

Financial Assets are made up of investments in different entities that have meritorious activities in the environment, ecology, among others. detailed by:

Description	31-dec-22	31-dec-21
Shares		
Other Investments		
* Mucho Colombia (1)	430.842	430.842
* Los viajes del Boga SAS (2)	1.091.001	691.001
* Zhanasolutions green engineering s.a.s (3)	473.280	473.280
*Inversión paramo Snacks SAS (4)	432.202	0
Total Investment Shares	2.427.325	1.595.123
Financial Assets in Foreign Currency		
JP MORGAN (5)	229.659.565	234.335.982
Total	232.086.890	235.931.105

(1) Mucho Colombia: In ordinary session SO 116-150 of August 2017, the Board of Directors and Administrative Council of the Americas Account (Fondo Acción's highest governing body), approved the Strategic Plan and Investment Plan for the period 2017-2020 whose Strategic Objective 3 (Consolidate the financial sustainability of the organization), by virtue of which it was approved to allocate up to \$2.5 million dollars of accumulated returns in the assets of the Americas, coming from the Missionary Investment Sub-account for the creation of a fund for investment in impact, understood as those that seek to generate **"Environmental, social and financial returns, in areas consistent with the mission of Fondo Acción"** The resources of the impact investment fund may be assigned as a priority as capital investment, with minority shareholdings, in enterprises and companies with operations in Colombia that have an impact on:

- Community:** Initiatives and/or ventures that facilitate the inclusion of communities as suppliers and/or customers in business models.
- Private Sector:** Establishment of synergies and alliances with for-profit companies (aligned with the values and mission objectives of Fondo Acción), which add value and contribute to maximizing environmental, social and economic impacts.

- **Behavior:** Companies and business models that stimulate changes in social behavior and economic agents, highlighting the responsibility for the consequences of individual actions towards the environment, and the well-being of children

Impacts and metrics: It is essential to determine the commitment of the team and the potential of the business to generate impacts aligned with the mission objective of Fondo Acción.

MUCHO COLOMBIA SAS, is a conscious consumption platform that connects consumers with local producers (environmentally and/or socially responsible) through a technological application of markets and recipes and a content portal on responsible eating. **MUCHO COLOMBIA** proposes that the way of eating where the food comes from and how it is prepared can maintain health, reduce the environmental footprint and reduce social inequity likewise, it proposes a solution to the lack of connection between city and countryside, and information about conscious eating that prevents the use of local consumption as a motor for social change.

The mission of **MUCHO COLOMBIA** is to inspire more sustainable habits by reconnecting consumers with their food with its origin, its producers, its flavors, textures and with its culinary possibilities.

Fondo Acción makes a capital contribution in Mucho Colombia SAS according to Minutes No. 5 "Extraordinary Meeting of the General Assembly of Shareholders" equivalent to **12,925** Shares at a par value of \$10,000 (Ten thousand pesos current currency) for a total contribution of \$129,250, which corresponds to **25%** of the share capital. Plus a placement premium in Shares worth **\$301,592**.

(2) Los Viajes de Boga S.A.S Through an extraordinary meeting of the general shareholders' meeting of **Los Viajes del Boga S.A.S**, the strengthening of the social patrimony (through capitalization with a premium) is approved, in which the Fund for Environmental Action and Children (Fondo Acción) participates of **\$691,001**, which corresponds to **2,917,464** shares with a nominal value of \$236.85, thus representing a **participation of 9.26018%**.

Viajes de Boga SAS: Fondo Acción makes a second contribution with prior authorization from the FIMI committee in the amount of **\$400,000**, through Convertible Note No. 117 of 2022 or convertible debt subscribed between Fondo Acción and Viajes del Boga SAS for two years where it is determined whether it is converted into shares or for a capitalization to occur; At that time, a new valuation of the company is carried out and it is precisely there where the percentage in which Fondo Acción has a participation is determined. The purpose of this new investment is for Fondo Acción to continue strengthening the team, hosts of the entity "Viajes de Boga SAS" and to finance working capital.

(3) Zhanasolutions Green Engineering SAS: In December 2021, Fondo Acción, with the prior authorization of its Investment Committee, made an investment in the company

ZhanaSolutions Green Engineering SAS through a SAFE document, for a value of USD120,000, which, settled at the TRM \$3,944, corresponds to \$473,280. 000.

Considering Zhana's valuation limit (CAP Table) at that time, and the investment made, Fondo Acción would have a 6% stake in the company, at the time of conversion into shares.

(4) Paramo Snacks SAS: Through Convertible Note No. 115 of 2022 or convertible debt subscribed between Fondo Acción and Paramo Snacks SAS, the Fund makes a discretionary investment convertible into shares for an amount of **\$400,000**. The investment that generates positive and significant impacts on the environment, biodiversity and ecosystem services, through changes in the behavior of individuals, organizations and communities. This investment is important to support local entrepreneurs that promote the conservation of biodiversity in the different places where Paramo Snacks SAS is located.

(5) JP Morgan: The financial assets in foreign currency are made up of an investment account that is managed by the financial entity **JP Morgan**, which has its headquarters in the United States, these resources correspond to the assets of El Fondo para la Acción Ambiental y la Niñez.

As of December 31, 2022, there is a balance of USD 47,744,286 in JP Morgan, which is registered at the cutoff TRM of \$4,810.20, equivalent to \$229,659,565.

3.5 Property, Plant and Equipment

The following is a detail of the movement of property, plant and equipment during the period:

Description as of December 31 st , 2021	Constructions and buildings	Office Equipment	Computer Equipment	Total
Cost				
Balance as of December 31st, 2019	2,329,355	68,337	254,815	2,652,507
Additions	0	0	0	0
Valorization	0	8,398	0	8,398
Balance as of December 31st, 2020	2,329,355	76,735	254,815	2,660,905
Additions	0	0	0	0
Valorization	0	0	0	0
Balance as of December 31st, 2021	2,329,355	76,735	254,815	2,660,905
Depreciation				
Balance as of December 31st, 2020	-229,381	-47,292	-150,740	427,412
Depreciation for the year 2021	-50,042	-6,093	-33,663	89,798
Balance as of December 31st, 2021	-279,423	-53,385	-184,403	517,210
Depreciation for the year 2022	-50,238	-6,093	-29,283	85,614
Balance as of December 31st, 2022	-329,661	-59,478	-62,946	602,824
Net book value as of December 31st, 2020	2,099,974	21,045	104,076	2,225,095
Net book value as of December 31st, 2021	2,049,932	23,350	70,413	2,143,695
Net book value as of December 31st, 2021	1,999,694	17,257	191,869	2,058,081

The Constructions and Buildings are made up of the offices owned by Fondo Acción located in the city of Bogotá at Kra 7 No. 32-33, 27th floor, deeds number 837 of notary 8th, 2130 of notary 32nd, and 7158 of notary 71st, of the circle of notaries of Bogotá.

In the first semester of 2022, Fondo Acción updates the accounting policies regarding the residual value in the acquisition of property, plant and equipment; determining that it is 20%. Property, Plant and Equipment are depreciated on a straight-line basis and according to the table described in the asset policy over its useful life.

No impairment losses were recognized in property, plant and equipment in the periods presented, because there were no indications of impairment that implied calculating the recoverable amount and its comparison with the book value.

According to the accounting policy, subsequent measurements will be made once every three years or sooner if market factors indicate substantial fair value. In 2021, commercial Appraisals are made to property, plant and equipment, which means that it is recognized at fair value. The appraisals made in 2021 of the Fund's property, plant and equipment show a valuation of \$8,398 (Figure expressed in thousands of Colombian pesos)

On July 13th, 2020, through the Certificate of Delivery of Equipment, Furniture and Appliances of the Paisajes Conectados Program, it delivered to Fondo Acción within the framework of the Cooperation Agreement AID 530 to 13-00005 of the following equipment:

- ✓ 7 GPS MAP 64S
- ✓ 5 footrests of 3 heights with movement
- ✓ 1 HP ProBook 440 Intel C15
- ✓ 2 ASUS vivo Book x542uf laptop computers
- ✓ 1 Sennheiser speaker

3.6 Investment Properties

The investment properties are donations of buildings and equipment given by Mrs. Martha Arango for the Glen FBC Scholarship Fund, whose purpose is to “Support the development of knowledge and skills in people and organizations linked to early childhood projects”. They are made up of the following properties:

Description	31-dec-22	31-dec-21
Constructions and buildings		
Apartment Ciudad de Cali (Valle)	229.713	229.713
Increase by Commercial Appraisal	18.967	18.967
Total Apartment Ciudad de Cali (Valle) Appraised	248.680	248.680
Apartment Sabaneta (Antioquia)	978.000	747.656
Increase by Commercial Appraisal		230.344
Total Apartment Sabaneta (Antioquia) Appraised	978.000	978.000
Farm Rio negro (Antioquia)	1.736.460	1.507.693
Increase by Commercial Appraisal		228.767
Total Farm Rio negro (Antioquia) Appraised	1.736.460	1.736.460
Total Investment Properties	2.963.140	2.485.062

In 2021, commercial Appraisals are made to Investment properties, which means that they are recognized at fair value.

The appraisals made in 2021 to the investment properties of the Fund show a valuation of \$478,088 (figure expressed in thousands of Colombian pesos).

3.7 Account Payable

Account payable are made up of:

Description	31-dec-22	31-dec-21
Other Accounts Payable (1)	1.719.144	897.380
Withholding tax Payable (2)	89.600	216.339
Totals	1.808.744	1.113.719

(1) The other accounts payable correspond to the concepts of Suppliers of goods and services, fees, among others.

(2) This item includes the Withholdings at source made for salaries, fees, commissions, leases and purchases in the month of December 2022, which are consigned to the DIAN in the month of January 2023.

Without exception, all accounts payable are short-term. The book values of accounts payable to suppliers are considered quantified at fair value.

3.8 Employee benefits

The Employee Benefits are short-term and are made up of:

Description	31-dec-22	31-dec-21
Contributions to health entities	65,455	57,575
Contributions to Professional Risks ARL	5,163	4,046
ICBF, SENA, CCF contributions	45,971	41,448
Free investment credit	5,819	0
Pension funds	85,860	75,191
Cooperatives	1,700	0
Laboral obligations (1)	756,195	612,262
Voluntary pension contributions	10,240	0
Totals	976,403	790,522

(1) Laboral obligations

Description	31-dec-22	31-dec-21
Layoffs pay payable	392,957	315,616
Interests of layoffs payable	46,879	36,789
Holidays payable	316,359	259,857
Totals	756,195	612,262

3.9 Other Financial Liabilities and advances received

The balance of other short- and long-term financial liabilities includes:

Description	31-dec-22	31-dec-21
Short-term money commitments (1)	1,044,135	59,513
Long-term Deposits Received (2)	230,644,967	233,674,385
Income Received for Third Parties (3)	709,002	329,851
Long-term money committed (4)	94,319,358	131,184,932
Totals Other liabilities and advances received	326,717,462	365,248,681

(1) Money Committed at Short Term.

The resources committed in the short term correspond to the following agreements which are executed in a period of less than one year, within which we find:

Description	31-dec-22	31-dec-21
IA- Serranía de San Lucas	583	584
IA - Sieni	189	188
Specific Objective	291.089	0
APC Serranía de San Lucas -Projects	-1	0
AFD Cambiarate 2017	-13.414	-13.413
AFD Climate Finance 2018	8	8
AFD Cambiarate 2021	0	37.479
Portfolio Redd + Wildlife Works	13.398	13.398
Art and Climate Change – Julie's	-1.214	-1.213
Redd Riscales	15.000	15.000
Risk guide - GIZ	63.329	0
IKI/GIZ - Pronbs (Operating Costs)	-1	0
Executing team	597.502	0
PFNM Potential Assessment (Operational Costs)	-3.450	0
Beholding - Administrative, Resources UNDP	85.001	0
JB – Round Table Culture	0	-157
Project K Mentoring	5.661	5.660
Strengthening the implementation of the Red Project	20.886	0
Participatory Community Monitoring AWAKE	0	27.479
Arenal Forest Strengthening	3.885	0
Audubon – Bird preserves	-34.316	-25.500
Total Money Committed at Short Term	1.044.135,00	59.513,00

(2) Long Term Deposits

It includes the assets of the Initiative of the Americas and the TFCA, which serves as a long-term financing instrument for the promotion of programs and projects aimed at the conservation and sustainable use of biodiversity, as well as the integral development of children in Colombia.

Description	31-dec-22	31-dec-21
Resources Initiative for the Americas	223.184.967	223.985.717
Resources TFCA	7.460.000	9.688.668
Total	230.644.967	233.674.385

(3) Income received for third parties:

Corresponds to the returns generated by the savings and trust accounts of the resources delivered for the execution of agreements.

Description	31-dec-22	31-dec-21
Income received for third parties	709.002	329.851
Total	709.002	329.851

(4) Money committed at Long-term:

Corresponds to the committed resources of Agreements and Programs in execution of:

Money committed at long-term	31-dec-22	31-dec-21
Total (a) Agreements Initiative of the Americas	20.177.173	23.153.362
Total (b) TFCA Agreements	610.538	1.001.098
Total (c) Other sources	73.531.648	107.030.472
Total Money committed at long-term	94.319.358	131.184.932

a) Agreements Initiative of the Americas

Corresponds to the committed resources of Agreements and Programs in execution of Resources of the Initiative of the Americas:

Figures expressed in thousands of pesos

Agreements Initiative of the Americas	Description	Agreement value Cop \$	Balance as of December 31, 2022	Balance as of December 31, 2021
Alliance CI	Strategic alliance aimed at minimizing the loss of biodiversity.	4.211.337	38.060	38.060
Alliance CI-Accompaniment	Resources for monitoring the components of the Alliance with CI.	349.510	(30.389)	(30.389)
Ecogourmet	Support cases of excellence in which a sustainable and equitable model is applied in fishing and marketing practices that results in a better quality of life for the populations of artisanal fishermen and the conservation of Colombia's natural resources.	749.924	0	7.172
Conservation agreements	Definition of areas for conservation giving incentives to the community.	481.010	-	(108.010)
Endangered Species	Stimulate research and conservation of species strategically linked to environmental action plans such as conservation programs.	199.123	0	2.057
Cleaner production center	Develop the clean development mechanism (CDM) component to contribute to the reduction of greenhouse gases through the management of small and large-scale projects.	810.000	6.481	6.481
Glen Nimnicht Scholarship Fund	Support the development of knowledge and skills in people and organizations linked to early childhood projects.	1.440.000	970.436	1.245.732
ApI's- TNC	Promote and operate the mechanism called "Programa conserva Colombia", which provides financial incentives and technical and administrative assistance to organizations aimed at the decentralized creation of new public protected areas. Local and regional of the country.	889.795	(25.692)	(25.692)

Agreements Initiative of the Americas

Figures expressed in thousands of pesos

Agreements Initiative of the Americas	Description	Agreement value Cop \$	Balance as of December 31st, 2022	Balance as of December 31st, 2021
Biobusiness	Aimed at processing companies at an industrial level in conjunction with grassroots community organizations or groups, that have business units based on the sustainable use of biodiversity and that act in coordination with value chains.	2.000.000	1.416.544	1.839.204
Acapa	Technical improvement of coconut cultivation - ACAPA	80.000	25.708	25.708
Malpelo	Malpelo equity subaccount. Financial mechanism to sustainably co-finance the implementation of the management plan for the Malpelo flora and fauna sanctuary in the Pacific Ocean.	2.800.000	170.913	(54.482)
Convocation 1,2,3 for PI	Achieve positive changes in NGOs and grassroots organizations that care for early childhood.	1.600.000	(17.000)	(17.000)
Human Talent Management	Manage the improvement of the Human Quality of Fondo Accion.	450.000	236.576	400.223
ICAA	Respond to the challenges associated with the agents of deforestation of the tropical forest in the Pacific and Caquetá.	180.000	1.369	1.369
IA Serrania San Lucas	Promote the Conservation and sustainable use of biodiversity and ecosystem services.	-	0	0
Communications and brand	Dissemination and visibility of the Fondo Acción.	800.000	423.811	648.753
Public political stimulation	The experiences of community work in the field up to the decision. Seeks to influence national and regional politics so that these essentially facilitate sustainable development, biodiversity conservation and comprehensive care for children and adolescents, this is achieved by bringing decisions.	750.000	412.033	606.866
Information systems development	Improve the budgetary and contractual technical information system.	80.000	1.296	1.296
IFRS accounting	Adoption and implementation of international accounting standards	25.000	5.000	5.000
Nagoya	Development and production of natural dyes in the choco region of Colombia, for the food, cosmetics and personal care industries, under the provisions of the Nagoya protocol.	150.000	35.588	35.588

Agreements Initiative of the Americas

Figures expressed in thousands of pesos

Agreements Initiative of the Americas	Description	Agreement value Cop \$	Balance as of December 31st, 2022	Balance as of December 31st, 2021
Climate change program	It includes climate change adaptation and mitigation projects that seek to reduce the effects of this phenomenon on populations and biodiversity that help communities adapt to new climatic conditions.	338.922	63.938	250.790
Dllo capacities NGO Ecotur.	Develop Capacities in NGOs - OCBs on the subject of Ecotourism.	350.000	0	55.454
Sieni	Join technical, administrative and financial efforts for the development of the project "Participatory education for the protection of water in Colombia".	148.228	(112)	(112)
Harmos	Accompany people and organizations to achieve harmonizing knowledge, relationships, objectives, perspectives, ways of working, in short, to work generating greater impact and well-being.	500.000	485.000	485.000
High effect investments	Short and medium term investments in childhood.	1.000.000	42.170	42.170
Resources P.		-	0	0
Macarthur III	Environmental sustainable markets.	142.493	571	571
Investment Feasibility	Impact investment alternatives.	668.000	268.717	561.513
Optimization of information system 2017-2020	Development of information system period 2017-2020.	200.000	-52.015	125.306
Environmental Education 2017-2020	Environmental Education 2017-2020.	2.000.000	1.052.368	1.620.113
Boys and Girls Climate Action Fund	Boys and Girls Climate Action Fund	5.000.000	4.965.532	4.970.000
Investments with sense	Investments with sense	986.723	683.562	867.095
Restoration	Restoration	1.500.000	1.500.000	1.500.000

Agreements Initiative of the Americas

Figures expressed in thousands of pesos

Agreements Initiative of the Americas	Description	Agreement value Cop \$	Balance as of December 31st, 2022	Balance as of December 31st, 2021
In situ conservation	In situ conservation	2.000.000	1.935.597	2.000.000
Strengthening and Gender	Strengthening and Gender	500.000	498.133	500.000
Green and blue carbon unit	Green and blue carbon unit	3.328.000	3.094.581	3.270.871
Project cycle optimization	Project cycle optimization	600.000	509.729	600.000
IKI Implementation Phase	Support the implementation of the low carbon development strategy in Colombia towards a less carbon intensive economy.	352.000	3.984	126.720
ONFA/FFEM IA Project	Carry out a project on sustainable forest management in the Pacific region.	308.751	262.201	305.146
Sustainable Colombia Fund-IDB	Reduce the current pressure on the forests of the Colombian Pacific due to the increase in deforestation, through support for REDD+ projects with Afro-Colombian and indigenous communities of the Choco Biogeografico.	822.195	0	0
Wildlife Project - WCS	Development of the third phase of the Wildlife project, which allows designing and implementing conservation actions in the landscape of the Andean Amazon foothills in Putumayo and strengthening the project's actions in the landscapes of Magdalena Medio and the eastern Llanos.	518.258	0	113
Childhood and Climate Change 2017-2020	Childhood and climate change period 2017-2020	500.000	0	345.377
FA-CONTRACT ADMINISTRATION VCU S PORTAF	FA-CONTRACT ADMINISTRATION VCU S PORTAF	1.455.565	341.945	771.161
IMPLEMENTING AGENT		519.263	406.783	0
MANGROVE LIFE FUND		1.936.409	327.026	0
20 YEARS OF THE FUND (OPERATING COSTS)	20 YEARS OF THE FUND (OPERATING COSTS)	245.306	116.733	128.139
Total Initiative of the Americas		41.510.140	20.177.176	23.153.362

b) TFCA Agreements

Figures expressed in thousands of pesos

TFCA agreements	Description	Agreement value Cop \$	Balance as of December 31, 2022	Balance as of December 31, 2021
TFCA visibility and communication	Visibility and communication of the TFCA agreement	165.000	4.921	4.921
TFCA Secretary	TFCA Secretary	1.056.000		-
TFCA Convocatory 2021	Co-financing of protection, restoration and sustainable use projects in yarigues and robles areas	-	843.572	2.677.831
Yarigues Robles Convocatory - 2017	Promote the conservation of biodiversity, its ecological processes and environmental services, to mitigate or prevent the pressures to which they are subjected.	1.320.000	24.803	24.803
Altillanura Program		2.640.000	(262.759)	(1.706.456)
Total TFCA		5.181.000	610.538	1.001.098

c) Other sources

Figures expressed in thousands of pesos

Other Agreements	Description	Agreement value Cop \$	Balance as of December 31, 2022	Balance as of December 31, 2021
GEF				
PSA Sustainable Livestock-GEF	Subsidiary agreement Fondo Acción - Fedegan of component two aimed at increasing connectivity and reducing soil degradation through the establishment of silvopastoral systems, through differentiated payment schemes for environmental services PSA	7.533.056	4.812	4.812
ICF-PSA Biodiversity	Subsidiary agreement for PSA biodiversity and PSA carbon components with ICF resource source (International climate fund)	2.123.850	99.711	99.711
ICF-PSA Carbon	Subsidiary agreement for PSA carbon components with resource source ICF (International climate fund) will operate ex post payments	2.829.849	6.405	6.405
WORLD BANK				
RPP Phase III	RPP Phase III	14.050.500	-	(279.865)
C5 Multipurpose Cadastre	C5 Multipurpose Cadastre	171.816.873	6.969.812	17.747.804
CONSERVATION INTERNATIONAL				
CI Conservation Agreements	Strategic alliance aimed at minimizing the loss of biodiversity	67.500.000	10.727	10.727
ANGLO GOLD				
Anglo II	Mining and Environmental Best Practices	1.700.230	285.641	288.388
USAID				
Paisajes Conectados	Respond to the transformation pressures associated with the expansion of the agricultural frontier (agriculture and livestock) and the degradation and deforestation of forests due to illegal logging in Caquetá and Pacífico, based on previous interventions carried out through Paisajes Conectados in Caquetá and BioREDD+ Pacific. The value of the agreement is updated equivalent in pesos according to modification No. 8 of December 13, 2017.	24.696.618	(114.157)	(114.157)
REDLAC				
redlac secretary	Activities of the Secretariat of the network of environmentalists	20.227	20.227	20.227

Other sources

Figures expressed in thousands of pesos

Other Agreements	Description	Agreement value Cop \$	Balance as of December 31, 2022	Balance as of December 31, 2021
FRENCH DEVELOPMENT AGENCY				
AFD Cambiarte 2017	Support for the cambiARTE 2017 contest to bring climate change closer to all citizens through art to raise awareness about the challenges and opportunities that this phenomenon has in our lives	35.000	413	413
AFD Video Cambiarte 2017	Make a communications product (Video) about the CambiARTE contest, art for climate change.	13.000	13.000	13.000
AFD Climate Finance 2018	Make a communications product (Video) about the CambiARTE contest, art for climate change.	32.944	(8)	(8)
AFD Cambiarte 2018	Make a communications product (Video) about the CambiARTE contest, art for climate change.	64.094	0	6.059
AFD Clima III 2019	AFD Clima III 2019	1.390.400	49.277	195.007
AFD Cambiarte 2020	AFD Cambiarte 2020	36.000	0	28
AFD Cambiarte 2021	AFD Cambiarte 2021	37.479	10.000	0
AFD Cambiarte 2022	AFD Cambiarte 2022	36.000	33.742	0
Climate-Smart Paisajes rurales	Climate-Smart Paisajes rurales	28.700.000	3.499.113	7.156.406

Other sources

Figures expressed in thousands of pesos

Other Agreements	Description	Agreement value Cop \$	Balance as of December 31, 2022	Balance as of December 31, 2021
MARTHA ARANGO TRUSTEE				
MARTHA ARANGO TRUSTEE	Join efforts to carry out certain activities aimed at integrating climate change adaptation strategies.	116.894	(116.975)	(50.072)
NATIONAL ADAPTATION PREPARATION FVC				
GREEN CLIMATE FUND	Support the Government in the implementation of the National Plan for Adaptation to Climate Change (PNACC) and strengthen the functioning of its Steering Committee, creating capacities to plan, prioritize, implement and monitor climate change adaptation measures in the country.	7.242.853	832.273	147.468
LA MINGA - SWEDEN				
LA MINGA	The purpose of this agreement is to finance the implementation of the project/program through the donation: La Minga (Project) which is described in the project/application document in annex I (project document) including budget and framework of results. The minga seeks to ensure the conservation of 3 protected marine regions located along the Colombian Pacific coast: Natural Regional Park, La Plata, and the Tribuga Gulf.	2.473.857	536.679	1.344.064
IKI				
IKI -IMPLEMENTATION PHASE	Support the implementation of the low carbon development strategy in Colombia towards a less carbon intensive economy.	12.799.251	247.394	(114.116)
FFEM				
STRENGTHENING SUSTAINABLE FOREST MANAGEMENT	Sustainable Forest Management in the Pacific Region	1.444.065	632.561	1.032.402

Other sources

Figures expressed in thousands of pesos

FONDO PARA LA ACCION AMBIENTAL Y LA NIÑEZ
Financial Statements for the years ended December 31st, 2022 and 2021



Other Agreements	Description	Agreement value Cop \$	Balance as of December 31, 2022	Balance as of December 31, 2021
IDB				
FCS/IDB BIOECONOMY	Reduce the current pressure on the forests of the Colombian Pacific due to the increase in deforestation, through support for REDD+ projects with Afro-Colombian and indigenous communities of the Choco Biogeografico.	5.814.900	46.805	660.537
FCS/IDB FORESTAL ECONOMY	Reduce the current pressure on the forests of the Colombian Pacific due to the increase in deforestation, through support for REDD+ projects with Afro-Colombian and indigenous communities of the Choco Biogeografico.	6.881.250	339.142	0
ETHNIC IDB	Reduce the current pressure on the forests of the Colombian Pacific due to the increase in deforestation, through support for REDD+ projects with Afro-Colombian and indigenous communities of the Choco Biogeografico.	17.111.000	459.340	1.569.555
P4F				
P4F FOREST MANAGEMENT STRENGTHENING - NAID	Strengthening of the Naidi chain in the Colombian Pacific	600.000	4.626	4.626
TLC ENVIRONMENTAL SECRETARY				
TLC SECRETARY		724.928	192.634	36.662
FUNBIO				
K Project mentorship		86.165	(4.927)	(4.927)
RISCALES				
REFORMULATION OF PROJECTS REDD+ LOS RISCALES		10.000	10.000	10.000
RISCALES				
REDD + Riscals - ICCO		260.307	(65.401)	50.878
PORTFOLIO REDD + WILDLIFE WORKS				
PORTFOLIO REDD + WILDLIFE WORKS		680.000	(13.398)	(13.398)
ADELPHI				
ADELPHI		73.943	0	42.753
INDIGENOUS FVC PROJECT (OPERATIONAL COST)				
INDIGENOUS FVC PROJECT (OPERATIONAL COST)		929.941	0	(73.937)
PROJECT FVC COLLEGIATE BODY (OP. COSTS)				
PROJECT FVC COLLEGIATE BODY (OP. COSTS)		929.631	118.940	(78.912)
BLUE ACTION FUND (OP. COST)				

Other sources

Figures expressed in thousands of pesos

FONDO PARA LA ACCION AMBIENTAL Y LA NIÑEZ
Financial Statements for the years ended December 31st, 2022 and 2021



Other Agreements	Description	Agreement value Cop \$	Balance as of December 31, 2022	Balance as of December 31, 2021
REDD+ PROJECT ADMINISTRATION				
	COCOMASUR REDD+ Project Administration	2,501.799	1,092.315	0
	BC REDD+ Project Administration	35.258.010	13.027.823	13.339.039
	LPBM REDD+ Project Administration	-	0	7.184.600
	CAJAMBRE REDD+ Project Administration	11.912.165	5.281.726	5.884.312
	MUTATA REDD+ Project Administration	10.030.031	4.104.001	4.524.463
	RIO PEPE REDD+ Project Administration	11.844.141	0	762.924
	ACABA REDD+ Project Administration	-	87.336	5.338.804
	CONCOSTA REDD+ Project Administration	13.631.583	5.687.732	7.682.197
	VIGIA CURV REDD+ Project Administration	16.733.342	1.157.205	1.036.521
	DOMINGODO REDD+ Project Administration	-	1.157.205	1.075.503
	LA MADRE REDD+ Project Administration	-	1.157.205	1.052.785
	BOCAS CHIC REDD+ Project Administration	-	1.157.205	1.095.303
	VILLA MONT REDD+ Project Administration	-	1.157.205	960.096
	BUENA VIST REDD+ Project Administration	-	1.157.205	974.120
	SUPP REDD+ Project Administration	25.828.728	7.609.537	12.825.706
	BMYF REDD+ Project Administration	20.318.475	0	5.866.453
	ACAPA REDD+ Project Administration	-	7.149.068	5.877.154

Other sources

Figures expressed in thousands of pesos

FONDO PARA LA ACCION AMBIENTAL Y LA NIÑEZ
Financial Statements for the years ended December 31st, 2022 and 2021



Other Agreements	Description	Agreement value Cop \$	Balance as of December 31, 2022	Balance as of December 31, 2021
FSD ENVIRONMENTAL MISSION CONVOCATORY				
FSD ENVIRONMENTAL MISSION CONVOCATORY		237,055,140	0	(50,147)
LA MINGA - BAF				
LA MINGA - BAF		5,899,600	0	1,720,252
KFW COASTAL EROSION				
KFW COASTAL EROSION		31,086,000	1,504,703	0
KFW COASTAL EROSION FA		-	0	60,636
FORESTAL ECONOMY				
FORESTAL ECONOMY		-	0	0
ADMINISTRATIVE EXPENSES				
ADMINISTRATIVE EXPENSES		-	16,677	(1,732)
P&D REVOLVING FUND				
P&D REVOLVING FUND		947,117	0	230
WILD LIFE III PROJECT				
WILD LIFE III PROJECT		2,226,784	(212,131)	0
BELHOLDING				
BELHOLDING		238,205	76,408	0
MANGROVE LIFE FUND				
MANGROVE LIFE FUND		-	2,464,156	0
AUDUBON				
AUDUBON		8,437,883	3,233,380	0
FOREST MANAGEMENT				
FOREST MANAGEMENT		191,550	(13,323)	96,892
Total Other Sources		814,792,182	73,531,648	107,030,471
Total Money committed at Long-term		861,483,322	94,319,358	131,184,931

The negative balances that are recorded at the cut-off are basically presented by cash flow, these balances are covered by the corresponding sources in the subsequent months with the disbursements or reimbursements provided for in the signed Agreements.

Fondo Acción does not receive all the resources once the agreement is signed, they are received as they are executed and reports are delivered to the donor.

Own Resources: Corresponds to the balances generated and not executed in the accounts that are opened for the accounts of agreements and programs administered or executed by the Fondo Acción, these resources are invested in the object of the program itself or of the Fondo Acción and/or operational expenses of these.

3.10 Stockholders' Equity

Stockholders' Equity is classified into:

Description	31-dec-22	31-dec-21
Contributions – Fondo Acción	1,000	1,000
Capital Surplus	13,500	13,500
Previous Year Loss	(535,396)	(439,898)
Loss of exercise	(91,314)	(95,498)
Retained earnings (losses) IFRS convergence	1,604,502	1,604,502
Valuation Surplus	3,189,007	3,189,007
Total Stockholders' Equity	4,181,299	4,272,613

Fondo Acción was created with a capital of \$1,000, which comes from our founder – the United States government.

In the capital surplus, it is represented in a server and a screen donated in May 2015 by the Bioered program whose resources were from USAID.

In 2021, commercial appraisals are made to property, plant and equipment and investment properties, resulting in us recognizing their fair value.

3.11 Income for Administrative Expenses

Income for administrative expenses are as follows:

Description	31-dec-22	31-dec-21
Income for Administrative Expenses	4,938,280	4,738,223
Total Non-operating Income	4,938,280	4,738,223

The income of Fondo Acción, reflected as income for administrative expenses, comes from the resources of the Account of the Americas and the Forest Conservation Agreement, assigned through budgets of the Executive Directorate and approved by the Council of the Americas and

the supervision committee of the TFCA, to cover the expenses incurred for the operation of the corporate purpose.

3.12 Administration Expenses

The administration expenses correspond to the Expenses of the Executive Management, which are according to the budget approved by the Board of Directors of Fondo Acción in December of each year.

The most representative item for the year 2022 is Personnel Expenses with 90.50% y 9,50% are the expenses of Fees, Taxes, Services, and Miscellaneous. The balances are detailed below:

Description	31-dec-22	31-dec-21
PERSONAL EXPENSES		
Wages and Salaries	3.178.846	3.001.978
Social Security Expenses	849.856	910.686
Social Benefits	484.167	470.138
Labor indemnities	21.870	41.066
Training	0	767
	4.534.739	4.424.635
GENERAL EXPENSES		
Fee	115.881	130.159
Taxes – Property tax	17.503	20.749
Leases	81.723	28.404
Insurance	19.606	18.898
Services (1)	35.580	28.203
Legal Expenses	4.107	3.460
Maintenance and repairs	5.356	1.848
Adequation and Installation	558	-
Travel Expenses (2)	54.872	28.651
Amortization	5.700	5.700
Depreciation	85.614	89.798
Miscellaneous (3)	49.749	30.745
	476.249	386.615
Total Administrative Expenses	5.010.988	4.811.250

(1) Services

Description	31-dec-22	31-dec-21
Electric power	4482	-
Cell phone	1.059	2.418
Internet	915	-
Telephone and internet service for minor amounts	1032	320
Mail, postage and telegrams	206	-
Transportation, freight and haulage	200	-
Publicity	363	-
Management	25.531	23.296
Others	1.662	1.726
Others (Minor amounts)	130	443
Total Services Expenses	35.580	28.203

(2) Travel Expenses

Description	31-dec-22	31-dec-21
Lodging	2.610	9.258
Air Tickets	21.278	13.481
Per diem	26.548	259
Transport	880	3.667
Transport (Minor amounts)	3.556	1.986
Total Travel Expenses	54.872	28.651

(3) Miscellaneous expenses

Description	31-dec-22	31-dec-21
Books, subscriptions and newspapers	13.162	14.705
Elements of toilet and cafeteria	5258	298
Supplies and stationery	36	60
Urban Transport	135	-
Transport (Minor amounts)	1322	236
Photocopies	108	-
Casino and Restaurant	6429	391
Hall rental and Snack	324	837
Covid test - Bios supplies (Minor amounts)	1.639	2.002
Others	21.336	12.216
Total Miscellaneous expenses	49.749	30.745

3.13 Financial Expenses

Non-operational expenses include:

Description	31-dec-22	31-dec-21
Financial	17.771	12.374
Extraordinary Expenses	75	-
Miscellaneous Expenses	760	10.097
Total Non-operational Expenses	18.606	22.471

3.14 Events Occurring after the date of the Statement of Financial Position.

No relevant events occurred after the closing of the financial statements that could significantly affect the Financial Situation of **FONDO PARA LA ACCIÓN AMBIENTAL Y LA NIÑEZ** in the Financial Statements as of December 2022.

3.15 Approval of Financial Statements

The Financial Statements have been authorized for disclosure by the Executive Directorate on March 16th, 2023. These Financial Statements will be submitted for consideration by the Board of Directors, who may approve or disapprove them.