

2023 Income Statement		Line Item Descriptions
<b>Core Program - One Acre Fund direct services</b>	<b>OrgWide</b>	<b>Overview: This unit provides our full-bundle (finance, distribution, training, markets) of ag and non-ag products/services direct to farmers</b>
# Core Farmers served (Bundled group loan) [1]	1,554,387	The number of farmers already served or projected to be served.
# Full-Time staff	8,289	Total One Acre Fund full time staff. Includes both short term employees and temporary inhouse consultants.
# Sites	4,054	

Farmer revenue	85,589,126	We recognize repayment farmer revenue and input costs (cost of goods sold) when inputs are delivered to farmers.
Inputs (seed, fertilizer, solar lamps, etc.)	-75,134,141	
Bad debt expense	-4,426,476	Because repayment largely occurs in future quarters, we book a small allowance to recognize non-repayment risk.
Associated costs (crop insurance, transport, storage)	-10,398,392	Covers our input storage & transport, warehouse costs, client incentives, crop insurance and client repayment mobile money fees.
Interest Expense	-2,764,199	Interest paid on borrowings for working capital to farmers.
Field operations costs (primarily salaries)	-29,676,853	Field staff marketing our program, enrolling clients, delivering trainings, and collecting repayment.
Program support (primarily HQ costs and overhead) [2]	-17,714,194	Country and Global non-field staff supporting our core program through logistics, human resource management, financial advisory, planning & reporting and sourcing of farm inputs.
Core Program Overhead Allocation [3]	-2,834,508	Indirect support costs for our core program. This includes costs for building maintenance, asset depreciation, furniture, office supplies, operational insurance, rent, security, utilities, vehicles, furniture, FX, Consultancy service, marketing and printing.
Flex Fund & Budget Buffer	0	>> Funds set aside for new investment opportunities after the budget is finalized, or to absorb unplanned losses in our core program
Core Program	-57,359,638	

<b>Systems Change – One Acre Fund for countries</b>		<b>Overview: This unit improves underlying ag systems (extension/training, distribution &amp; retail of farm inputs, seed supply and demand, etc.) through implementation partnerships with public and private sector actors at a sub or whole-country level</b>
# Systems Change touchpoints	6,652,865	
Farm input revenue	36,116,714	
Farm input costs	-36,964,845	
Associated costs (transport, storage, allowance)	-1,887,897	
Staff, program and management support for input sales	-13,213,457	One Acre Fund imports and distributes farm inputs to agrodealers (mom and pop retail shops), who then sell to farmers largely outside of our core program. This includes the Agrodealer program, Market Access program, Rural Retail (Shops), Seed Production and Solar lights distribution.
Farm Input Sales Shared Overhead Allocation	-523,625	
Net Contribution from Farm Input Sales	-16,473,109	

Extension, Seed and other (net of revenue)	-5,122,024	One Acre Fund supports efforts to stimulate supply and demand for improved seed, such as through voucher and radio programs; and supports African governments to improve the efficacy of their training (extension) agents, through better materials, performance management, and innovation.
Systems Change Overhead Allocation	-543,336	
Systems Change	-22,138,469	

Total Revenue: Core Program + Farm Input Sales	121,705,840	
Total Expenses: Core Program + Farm Input Sales	-195,538,587	
Net Revenue: Core Program + Farm Input Sales	-73,832,747	
% sustainability of revenue-generating field operations	62%	Portion of program costs covered by earned revenues from our core program and farm input sales channels.

<b>Total Direct Program Revenue</b>	<b>121,705,840</b>	
<b>Total Direct Program Expense</b>	<b>-201,203,947</b>	
<b>Net Direct Program</b>	<b>-79,498,107</b>	

<b>Field Building</b>		<b>Overview: Field Building is our work to influence key global and country-level actors, and the general public, in ways that benefit farmers</b>
Farm microfinance	0	Knowledge-sharing and partnerships to facilitate MFIs and companies to more effectively provide rural finance; winding down in 2020.
Government Relations	-2,792,789	Work with African gov'ts to shape and implement policy decisions that strengthen agricultural systems and ensure support of our programs.
Agriculture research dissemination [4]	0	Research and dissemination of studies and insights to key ag actors. In 2019 - shifted to within Product and Service R&D, below.

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Communications	-1,619,040	Activities to disseminate and market broader 1AF insights to key external stakeholders.
Field Building Overhead Allocation	-374,226	Indirect support costs for our Field Building program. This includes costs for building maintenance, asset depreciation, furniture, office supplies, operational insurance, rent, security, utilities, vehicles, furniture, FX, Consultancy service, marketing and printing.
Field Building	-4,786,054	

Research and Development		Overview: Activities that contribute to the future scale, impact, and financial sustainability of the other business units
Product and service R&D	-3,617,957	Team that identifies, trials, and ultimately rolls-out life-improving technologies (e.g., new crops, cookstoves) to our farmers.
Scale innovation	-255,450	Team that identifies, trials, and roll-outs strategies to increase market penetration, transaction size, and other dimensions of scalability.
New Country Scouting	-423,829	Team that scouts and runs pilots in new high potential countries.
Internal Consulting	-581,034	Team that conducts high-quality research and analytics to support other departments.
Radical Innovations	0	Team exploring a radical alternative to One Acre Fund's delivery model; will wound down in 2020.
Monitoring & Evaluation	-3,237,968	Team that conducts episodic evaluations to learn what works and improve our programs, and to disseminate results externally.
Research and Development Overhead Allocation	-607,703	Indirect support costs for our R&D program. This includes costs for building maintenance, asset depreciation, furniture, office supplies, operational insurance, rent, security, utilities, vehicles, furniture, FX, Consultancy service, marketing and printing.
Research and Development	-8,723,942	

Shared Services		Overview: Administrative functions that provide people, resources, systems, etc. to run our other departments
Systems and infrastructure	-7,413,725	IT Development IT Operations, Back Office Systems, and Infrastructure
Finance	-2,797,879	Corporate Finance and Finance Operations
People Operations	-4,104,402	Recruitment, Training, and Corporate Operations
Fund development	-5,528,948	Fundraising
Supporting departments (Executive, Legal)	-4,405,123	Legal, Executive, and US Operations
Shared Services Overhead Allocation	-968,119	Indirect support costs for our Shared services. This includes costs for building maintenance, asset depreciation, furniture, office supplies, operational insurance, rent, security, utilities, vehicles, fundraising exp, furniture, FX, Consultancy service, marketing and printing.
Shared Services	-25,218,196	

Remeasurement loss	-15,137,758	When our operational country currencies depreciate to the U.S. dollar, we generate a loss on net financial assets and net revenues.
One-off expenses	0	One off expense relating to prevailing systemic challenges e.g COVID in 2020 and 2021.
Other revenue	1,800,519	One off revenues; such as direct inventory sales or sales of fixed assets
Deficit before fundraising	-131,563,538	

Donor Contributions		
Grant Revenue (Donor-Intended basis)* [5]	111,160,245	Grant Revenue is reported in the year donors intend their funds to be spent; the sum of unrestricted contributions in the current year and restricted contributions released for use in the current year. These are classified in the 'unrestricted' column of our audited Statement of Activities.
Grant Revenue (GAAP basis)	143,472,127	
Sub-grants	-1,321,087	
Total Revenue (Donor-Intended basis)	232,866,085	
Total Expense	-254,590,465	
Net Income (Donor-Intended basis)	-21,724,380	

(-) Required Net Asset Additions** [6]	1,623,163	One Acre Fund must generate excess net income to make fixed asset purchases and ensure a healthy debt:net asset ratio on its balance sheet.
Net Income after Net Asset Additions	-20,101,218	

(+) Required Net Asset Additions	-1,623,163	
(+) Change in Restricted Net Assets	32,311,882	

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Total Net Income (GAAP basis)	10,587,501	

[1] Our scale projections in this report show the number of farmers who receive goods during the calendar year. This align with the timing of revenue recognition. This may differ from the Jasmine Report scale number which shows the maximum number of farmers enrolled in our program at any point during the calendar year. This is because in some countries, we serve farmers who received inputs in the previous year through training, as the whole growing season overlaps two calendar years.

[2] Program Support Cost is the cost of the following departments that support (and usually considered to be in the Core program):

Human Resources; Business Operations; Financial Advisory Services; Internal Audit; Logistics; Procurement and Sourcing (Inputs).

[3] Core Program Overhead Allocation is the org-wide shared overhead allocated to the Core program. i.e. a % of the Corporate Operations (CRO) cost.

[4] Starting in 2019, AGR costs are shifting to Product & Service R&D

[5] Grant Revenue is reported to show grants in the year donors intended them to be spent. This includes unrestricted contributions received in the current year and restricted contributions released for use in the current year.

[6] **Required Net Asset Additions** is the amount of unrestricted net income that is used to 1) cover working capital, 2) invest in fixed assets, and 3) build our operating reserve