

CAMPANHA LATINO AMERICANA PELO
DIREITO À EDUCAÇÃO - CLADE BRASIL

Independent auditors' report

Accounting statements
December 31, 2022

CAMPANHA LATINO AMERICANA PELO DIREITO À EDUCAÇÃO - CLADE BRASIL

Accounting statements
On 31 December, 2022

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INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS

To the
Administrators of
Campanha Latino Americana pelo Direito à Educação
São Paulo - SP

Qualified opinion on the financial statements

We examined the financial statements of the Campanha Latino Americana pelo Direito à Educação ("Entity"), which comprise the balance sheet as of December 31, 2022 and the respective statements of the surplus (deficit) for the year, comprehensive income, changes in equity and cash flows for the year ending on that date, as well as the corresponding explanatory notes, including a summary of the main accounting policies.

In our opinion, except for the possible effects of the matter described in the following section entitled "Basis for a qualified opinion on the financial statements", the financial statements referred to above fairly present, in all material respects, the equity and financial position of Campanha Latino Americana pelo Direito à Educação on December 31, 2022, the performance of its operations and its cash flows for the year ended on that date, in accordance with accounting practices adopted in Brazil, applicable to non-profit entities and Technical Interpretation General - ITG 2002 (R1), as well as Law No. 12,101, of November 27, 2009, and Law No. 12,868, of October 15, 2013, which provide for the certification of Social Assistance Charitable Entities.

Basis for qualified opinion on the financial statements

Limitation on the Heading "Active Debt Taxes"

As mentioned in Explanatory Note No. 12 to the financial statements, the Entity has recorded under the heading "Tax, active debt", in current liabilities, the amount of R\$ 144,866 and in non-current liabilities the amount of R\$ 276,010. However, the Entity's Board of Directors did not provide sufficient information to prove the existence and realization of the respective amount. Therefore, it was not possible for us, under the circumstances, even through additional audit procedures, to conclude on the respective amount, as well as the possible effects that could impact the financial statements.

Our audit was conducted in accordance with Brazilian and international auditing standards. Our responsibilities, in accordance with such standards, are described in the section entitled "Auditor's responsibility for the audit of the financial statements". We are independent in relation to the Entity in accordance with the relevant ethical principles set out in the Accountant's Code of Professional Ethics and in the professional standards issued by the Federal Accounting Council (CFC) and we comply with other ethical responsibilities in accordance with these standards. We believe that the audit evidence obtained is sufficient and appropriate to support our qualified opinion.

Management's responsibility for auditing the financial statements

The Board is responsible for the preparation and adequate presentation of the financial statements in accordance with the accounting practices adopted in Brazil, applicable to non-profit entities and General Technical Interpretation - ITG 2002 (R1), as well as by Law No. 12,101, of 27, november 2009, and by Law No. 12,868, of October 15, 2013, which provide for the certification of Social Assistance Charitable Entities and the internal controls that it determined as necessary to allow the preparation of financial statements free from material distortion, regardless of whether caused by fraud or error.

When preparing the financial statements, the Board is responsible for assessing the Entity's ability to continue operating, disclosing, when applicable, matters related to its operational continuity and the use of this accounting basis in the preparation of the financial statements, unless the Board intends to liquidate the Entity or cease its operations, or has no realistic alternative to avoid closing operations.

Those responsible for the Entity's governance are those responsible for supervising the process of preparing the financial statements.

Auditor's responsibility for auditing financial statements

Our objectives are to obtain reasonable assurance that the financial statements, taken as a whole, are free from material misstatement, whether caused by fraud or error, and to issue an audit report containing our opinion. Reasonable security is a high level of security, but not a guarantee that the audit carried out in accordance with Brazilian and international auditing standards will always detect any existing relevant distortions. Distortions may result from fraud or error and are considered material when, individually or together, they may influence, within a reasonable perspective, the economic decisions of users taken based on the aforementioned financial statements..

As part of the audit performed in accordance with Brazilian and international auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. Furthermore:

- We identify and assess the risks of material misstatement in the financial statements, regardless of whether caused by fraud or error, plan and execute audit procedures in response to such risks, and obtain appropriate and sufficient audit evidence to support our opinion. The risk of not detecting a material misstatement resulting from fraud is greater than that arising from error, as fraud may involve the act of circumventing internal controls, collusion, forgery, omission or intentional false representations;
- We obtain an understanding of internal controls relevant to the audit to plan audit procedures appropriate to the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal controls;
- We evaluate the adequacy of the accounting policies used and the reasonableness of the accounting estimates and respective disclosures made by the Board;
- We concluded on the adequacy of the use, by the Board, of the operational continuity accounting basis and, based on the audit evidence obtained, if there is relevant uncertainty in relation to events or conditions that may raise significant doubts in relation to the Entity's ability to continue operating. If we conclude that there is material uncertainty, we must draw attention in our audit report to the related disclosures in the financial statements or include a change in our opinion if the disclosures are inadequate. Our conclusions are based on audit evidence obtained up to the date of our report. However, future events or conditions may lead the Entity to no longer maintain operational continuity;
- We evaluate the overall presentation, structure and content of the financial statements, including disclosures, and whether the financial statements represent the corresponding transactions and events in a manner consistent with the objective of fair presentation.



We communicate with those responsible for governance regarding, among other things, the planned scope, timing of the audit and significant audit findings, including any significant deficiencies in internal controls that we identify during our work.

Vitória, August 14, 2023.



BDO RCS Auditores Independentes SS Ltda.
CRC 2 SP 013846/O-1

A handwritten signature in blue ink that reads 'Rafael Favacho'.

Rafael Favacho Pereira da Silva
Contador CRC 1 RJ 106634/0-3- S - SP

CAMPANHA LATINO AMERICANA PELO DIREITO À EDUCAÇÃO - CLADE BRASIL

Balance Sheets

On december 31, 2022 and 2021

(Amount stated in brazilian Reals)

Assets				Liabilities and Equity			
	Notes	2022	2021		Notes	2022	2021
Current				Currents			
Cash and cash equivalents	4	770,291	170,490	Suppliers	8	39	19,664
Resources linked to programs, cash equivalentss	5	2,927,092	3,791,476	Labor obligations	9	61,370	170,060
Recoverable taxes	6	124,515	1,205	Tax obligations	10	2,962	3,159
Down payments		-	1,029	Projects to be executed	11	3,977,907	4,274,907
		<u>3,821,898</u>	<u>3,964,201</u>	Active debt taxes	12	144,866	234,278
						<u>4,187,144</u>	<u>4,702,068</u>
Non-current				Non currents			
Fixed Assets	7	14,935	168	Active debt taxes	12	276,010	-
		<u>14,935</u>	<u>168</u>			<u>276,010</u>	<u>-</u>
				equity	13		
				Social equity		(626,321)	(737,699)
						<u>(626,321)</u>	<u>(737,699)</u>
Total Assets		<u><u>3,836,833</u></u>	<u><u>3,964,368</u></u>	Total liabilities and equity		<u><u>(626,321)</u></u>	<u><u>(737,699)</u></u>

The Notes are an integral part of these financial statements.

CAMPANHA LATINO AMERICANA PELO DIREITO À EDUCAÇÃO - CLADE BRASIL

Statements of surplus/(deficit) for the year
On december 31, 2022 and 2021
(Amount stated in brazilian Reals)

	Notes	2022	2021
Unrestricted recipes			
Projects and agreements	14	4,394,779	3,503,507
Own recipes		179,760	42,755
Activity costs	15	<u>(3,756,891)</u>	<u>(3,160,858)</u>
Gross surplus		817,647	385,404
Other recipes			
Financial income	17	<u>47,974</u>	<u>11</u>
		47,974	11
Operating income/(expenses)			
General and administratives	16	(346,965)	(317,998)
Third-party services		(14,143)	(21,631)
Financial expenses	17	<u>(393,136)</u>	<u>(345,294)</u>
Operational result		(754,243)	(684,922)
Net surplus/(deficit) for the year		<u>111,378</u>	<u>(299,507)</u>

The Notes are an integral part of these financial statements.

CAMPANHA LATINO AMERICANA PELO DIREITO À EDUCAÇÃO - CLADE BRASIL

Statements of comprehensive income

On december 31, 2022 and 2021

(Amount stated in brazilian Reals)

	2022	2021
Net surplus/(deficit) for the year	111,378	(299,507)
Other comprehensive results	-	-
	111,378	(299,507)

The Notes are an integral part of these financial statements.

CAMPANHA LATINO AMERICANA PELO DIREITO À EDUCAÇÃO - CLADE BRASIL

Statements of changes in equity

(Amount stated in brazilian Reals)

	Social Assets	Net surplus/(deficit) for the period	Total equity
Balances on December 31, 2020	(438,193)	-	(438,193)
Exercise deficit	-	(299,507)	(299,507)
Transfer to Social Assets	(299,507)	299,507	-
Balances on December 31, 2021	(737,699)	-	(737,699)
Financial year surplus	-	111,378	111,378
Transfer to Social Assets	111,378	(111,378)	-
Balances on December 31, 2022	(626,321)	-	(626,321)

The Notes are an integral part of these financial statements.

CAMPANHA LATINO AMERICANA PELO DIREITO À EDUCAÇÃO - CLADE BRASIL

Cash flow statements

On december 31, 2022 and 2021

(Amount stated in brazilian Reals)

	2022	2021
Cash flow from Operating Activities		
Net surplus/(deficit) for the period	111,378	(299,507)
Adjustments that do not represent inflow or outflow of cash and equivalents		
Depreciation	2,416	1,172
	113,794	(298,335)
Net increase/(decrease) in assets and liabilities		
Resources linked to programs	864,384	(1,968,253)
Down payments	1,029	86,381
Recoverable taxes	(123,309)	552
Suppliers	(19,625)	(52,027)
Labor obligations	(108,689)	13,914
Tax obligations	(197)	(1,173)
Projects to be executed	(297,000)	2,365,655
Active debt taxes	186,598	(19,054)
Cash and cash equivalents consumed from operating activities	616,985	127,660
Cash flow from investment activities		
Addition of fixed assets	(17,184)	-
Net cash consumed from investment activities	(17,184)	-
Net increase in cash and cash equivalents	599,801	127,660
Cash and cash equivalents at the beginning of the year	170,490	42,830
Cash and cash equivalents at the end of the year	770,291	170,490
Net increase in cash and cash equivalents	599,801	127,660

The Notes are an integral part of these financial statements.

Explanatory notes to the financial statements On
On december 31, 2022 and 2021
(Amount stated in brazilian Reals)

1. Operational context

The Campanha Latino Americana pelo Direito à Educação - CLADE BRASIL is a civil association governed by private law, non-profit and without party or religious affiliation, founded on July 23, 2010, with the aim of: contributing to the defense of the right to free, quality public education for all. Its mission is to promote debate and develop initiatives to build a Latin American agenda for education, stimulating advocacy processes in educational policies and strengthening civil society in Brazil and in the countries of the region.

CLADE's activities are carried out through the direct execution of projects or programs through the donation of physical, human or financial resources.

In 2023, the organization is working with campaign actions, participating in new project notices and seeking new donors to increase its revenues, that is, also expanding free resources, coming from individuals and/or legal entities for better application in the work developed by the CLADE and yours members.

Additionally, the Entity may receive resources from institutional/individual donors, national or international, for the maintenance of CLADE's programs and office, financial resources for the execution and management of projects, which are in accordance with the established guidelines and actions foreseen in the plan of CLADE's work.

2. Presentation of financial statements

The main accounting policies adopted in preparing the financial statements are defined below. Policies were applied consistently with all exercises presented

As the Entity is a non-profit association, the financial statements were prepared in accordance with the accounting practices adopted in Brazil, applicable to non-profit entities and General Technical Interpretation - ITG 2002 (R1), as well as by Law no. 12,101, of November 27, 2009, and by Law No. 12,868, of October 15, 2013, which provide for the certification of Social Assistance Benevolent Entities.

The issuance of these financial statements was authorized by the Board of Directors on August 14, 2023.

Explanatory notes to the financial statements On
On december 31, 2022 and 2021
(Amount stated in brazilian Reals)

3. Summary of the main accounting practices adopted

The financial statements were prepared based on accounting practices adopted in Brazil, namely:

Determination of income and expenses

Income and expenses are recorded on an accrual basis.

The surplus/deficit relating to the Entity's activities is incorporated or absorbed by social assets only at the end of each fiscal year.

Accounting estimates

The preparation of financial statements in accordance with accounting practices adopted in Brazil requires the Board to use judgment in determining and recording accounting estimates. Significant assets and liabilities subject to these estimates and assumptions include the residual value of property, plant and equipment and the provision for contingencies. The settlement of transactions involving these estimates may result in values different from those estimated, due to inaccuracies inherent in the process of their determination. The Association reviews estimates and assumptions at least annually.

Functional and presentation currency

The currency that best reflects the Entity's operating situation and designated as the functional currency is the Real. This is also the presentation currency.

Transactions in foreign currency, that is, all those not carried out in the functional currency, are converted at the exchange rate on the dates of each transaction. Monetary assets and liabilities in foreign currency are converted to the functional currency at the exchange rate on the closing date.

Non-monetary assets and liabilities acquired or contracted in foreign currency are converted based on exchange rates on transaction dates or valuation dates to fair value when this is used.

Cash and cash equivalents

Under the cash and cash equivalents heading, the fixed fund and bank account balances are recorded. These balances are immediately liquid and present an insignificant risk of changes in value..

Current and non-current assets

They are presented at realizable value, including, when applicable, income and monetary variations earned up to the balance sheet date.

CAMPANHA LATINO AMERICANA PELO DIREITO À EDUCAÇÃO

Explanatory notes to the financial statements On
On december 31, 2022 and 2021
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Fixed Asset

Stated at cost, deducted for depreciation calculated based on annual rates that take into account the economic useful life of the assets, using the straight-line method.

Current liabilities

Stated by known or calculable values, plus, when applicable, the corresponding charges and monetary variations incurred.

Other provisions

Provisions are recognized in the balance sheet when the Entity has a legal or constituted obligation as a result of a past event. In 2022, it only dealt with labor provisions for vacations and 13th salaries.

Tax obligations

Clade is a non-profit entity and, therefore, enjoys exemption from Income Tax and Social Contribution in accordance with article 15 of Law nº 9,532/97. It also enjoys exemption from other federal taxes, such as Cofins and PIS.

New standards, changes and interpretations

The Entity verified the new standards that will be effective for years beginning after January 1, 2023, which are not being adopted in advance by the Entity and which are not expected to have a significant impact on the financial statements when they are in force. These main changes are summarized below:

- NBC TG 1001 - Accounting for Small Businesses: applicable for annual periods on/or after January 1, 2023, early adoption permitted;
- NBC TG 1002 - Accounting for Microentities: applicable for annual periods on/or after January 1, 2023, early adoption permitted.

4. Cash and cash equivalents

	2022	2121
Cash	4,450	6,273
Banks account movement	64,435	164,217
Immediate Liquidity Application	701,406	-
	<u>770,291</u>	<u>170,490</u>

CAMPANHA LATINO AMERICANA PELO DIREITO À EDUCAÇÃO

Explanatory notes to the financial statements On
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The amounts in financial application above are of immediate liquidity and are available to the board for use according to needs.

5. Resources linked to programs

	2022	2021
Current		
Eol - Oc1 (i)	828,830	599,884
Idrc - Kix (ii)	2,035,461	3,191,592
Latinidad	62,801	-
	<u>2,927,092</u>	<u>3,791,476</u>
	<u>2,927,092</u>	<u>3,791,476</u>

- (i) (i) Agreement signed between the Latin American Campaign for the Right to Education - CLADE and Oxfam-Ibis Denmark in April 2022. Its objective is to directly strengthen the national education coalitions that are members of CLADE in Bolivia, Haiti, Honduras and Nicaragua - and indirectly throughout the CLADE network - in its institutional development processes and political advocacy in favor of the right to education;
- (ii) Agreement signed between the Latin American Campaign for the Right to Education - CLADE and the International Development Research Center - IDRC in Canada in 2021. It aims to generate knowledge and mobilization to reduce gender-based violence and strengthen gender equality strategies in the context of rural schools in Haiti, Honduras and Nicaragua.

6. Recoverable taxes

	2022	2021
Pis to recover	1,205	1,205
Inss to recover	100,460	-
Irrf to recover	22,850	-
	<u>124,515</u>	<u>1,205</u>

7. Fixed Asset

a. Composition of balances:

Description	% Depreciation rate	2022			2021
		Cost	Depreciation	Net	Net
Furniture and utensils	10	10,888	(6,851)	4,037	36
Computing equipment	20	25,411	(14,512)	10,899	131
		<u>36,299</u>	<u>(21,364)</u>	<u>14,935</u>	<u>168</u>

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b. Movimentação do custo:

Description	2021		2022		
	Cost	Additions	write-offs	Transferences	Cost
Furniture and utensils	6,527	4,361	-	-	10,888
Computing equipment	12,589	12,822	-	-	25,411
	<u>19,116</u>	<u>17,183</u>	<u>-</u>	<u>-</u>	<u>36,299</u>

8. Suppliers

	2022	2021
Others	39	19,664
	<u>39</u>	<u>19,664</u>

9. Labor obligations

	2022	2021
INSS	6,493	81,814
FGTS	17,648	22,578
PIS	59	303
Union Contribution	4,348	4,348
IRRF	-	31,369
Vacation Provisions	32,822	29,648
	<u>61,370</u>	<u>170,060</u>

10. Tax obligations

	2022	2021
IRRF third party	-	197
ISS third party	1,988	1,988
CSRF	974	974
	<u>2,962</u>	<u>3,159</u>

CAMPANHA LATINO AMERICANA PELO DIREITO À EDUCAÇÃO

Explanatory notes to the financial statements On
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(Amount stated in brazilian Reals)

11. Projects to be executed

They record the resources received by the international cooperation entities that support the Entity, which send subsidies to carry out their main expenses and their complementary expenses, as follows:

	2022	2021
Current		
Unicef (i)	-	107,697
Open Society (ii)	573,479	-
Latinidad (iii)	426,553	-
EOL - OC1 (iv)	1,170,676	613,349
EOL - OC3 (v)	-	64,458
IDRC - KIX (vi)	1,807,199	3,489,403
	<u>3,977,907</u>	<u>4,274,907</u>
	<u>3,977,907</u>	<u>4,274,907</u>

- (i) Unicef: contract signed with the aim of understanding, based on the demands of young people and adolescents who are in or out of school, which secondary education would respond to their needs and aspirations";
- (ii) Open Society: This project is institutional support for the administrative maintenance and strategic planning of the CLADE;
- (iii) Latinidad: convenio firmado tem como objetivo a influencia politica e campanha de sensibilização de uma arquitetura financeira, tributaria, fiscal e de investimento na America Latina e caribe que promova o Direito Humano na educação;
- (iv) EOL OC1: The signed agreement aims to directly strengthen the national education coalitions that are members of CLADE in Bolivia, Haiti, Honduras and Nicaragua - and indirectly benefit the entire CLADE network - in their processes of institutional development and political advocacy in favor of the right to education;
- (v) IDRC -KIX signed agreement aims to generate and mobilize knowledge to reduce gender-based violence and strengthen gender equality strategies in rural school contexts in Haiti, Honduras and Nicaragua.

12. Projects to be executed

Outstanding federal taxes were transferred to active debt, which will be paid in installments to the Attorney General of the National Treasury for regularization.

	2022	2021
Current		
Social Security	127,086	184,925
Non-Social Security	17,779	49,353
	<u>144,866</u>	<u>234,278</u>
Non-Current		
Social Security	199,188	-
Non-Social Security	76,822	-
	<u>276,010</u>	<u>-</u>
	<u>420,876</u>	<u>234,278</u>

CAMPANHA LATINO AMERICANA PELO DIREITO À EDUCAÇÃO

Explanatory notes to the financial statements On
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13. Social Equity

Social equity is made up of fully paid contributions, increased or decreased, respectively, by the surplus or deficit inherent to the Entity's activities, determined at the end of each fiscal year.

14. Projects and agreements

They record the resources received from international cooperation agencies, which send subsidies to carry out their final and complementary expenses:

	2022	2021
PLAN Internacional	-	65,218
ActionAid	-	26,282
Aaea	265,903	185,811
Unicef	107,697	511
Open Society	463,623	133,541
Oxfam Ibis Denmark	-	416,173
Educo	40,385	482,170
Latinidad	164,651	-
EOL - OC1	1,314,776	920,599
EOL - OC3	368,966	202,860
IDCR - KIX	1,668,777	1,070,341
	<u>4,394,779</u>	<u>3,503,507</u>

15. Activity costs

It refers to the applications of resources received to finance projects to develop initiatives to build a Latin American agenda for education, stimulating processes of influence on educational policies to strengthen civil society in Brazil and in the countries of the region, as per table demonstrated below:

	2022	2021
Personnel expenses	(346,525)	(297,179)
Text production, studies and research	(2,427,750)	(1,918,821)
Graphic materials and communication	(69,606)	(99,143)
Meetings and events	(48,962)	(824,774)
Travel and transport	(864,048)	(20,941)
	<u>(3,756,891)</u>	<u>(3,160,858)</u>

16. General and administrative expenses

	2022	2021
Installation expenses	(65,364)	(74,326)
Office expenses	(9,126)	(12,328)
Management expenses	(270,058)	(230,172)
Depreciation expense	(2,416)	(1,172)
	<u>(346,965)</u>	<u>(317,998)</u>

CAMPANHA LATINO AMERICANA PELO DIREITO À EDUCAÇÃO

Explanatory notes to the financial statements On
On december 31, 2022 and 2021
(Amount stated in brazilian Reals)

17. Financial result, net

	2022	2021
Financial income		
Income from financial investment	47,974	11
	<u>47,974</u>	<u>11</u>
Financial expenses		
Fees	(61,404)	(9,804)
Fines	(218)	(4,537)
Exchange expenses	(298,353)	(299,731)
Bank expenses	(33,162)	(31,222)
	<u>(393,136)</u>	<u>(345,294)</u>
	<u>(345,162)</u>	<u>(345,283)</u>

- (i) Clade is a non-profit entity that works directly with foreign financiers to maintain the Entity's programs. Therefore, this transaction generates exchange expenses for currency conversion, and also reflects bank expenses that are deducted from the transaction..

18. Contingencies

As of December 31, 2022, the Entity has no legal proceedings with a probability of probable, possible and remote loss.

19. Equity quotients

	Amount	2022	2021
Immediate liquidity			
Cash and cash equivalents	770,291	0.18	0.04
Current liabilities	4,187,144		
Current liquidity			
Current assets	3,821,898	0.91	0.84
Current liabilities	4,187,144		
Overall liquidity			
Current + non-current assets	3,836,833	0.86	0.84
Current + non-current liabilities	4,463,154		
Working capital Immobilization			
Fixed Asset	14,935	0.004	0.000
Social equity + current liabilities	3,560,823		
Current immobilization of equity capital			
Fixed	14,935	-0.024	0.000
Social equity	(626,321)		

Explanatory notes to the financial statements On
On december 31, 2022 and 2021
(Amount stated in brazilian Reals)

20. IRPJ Exemption

The Entity falls within the concept of exemption from Social Contributions, under the terms of the law, as it is a private, non-profit and economic institution, with preponderant activities in the health area, as provided for in articles 12 and 15 of Law No. 9,532 /97, combined with article 1 of Law No. 12,101/09 amended by Law No. 12,868/13 and regulated by Decree No. 8,242/2014, recognized as a Social Assistance Benevolent Entity (exempt).

The Entity, due to its purpose and objectives and, pursuant to article 170 of the Income Tax Regulation (RIR), is not subject to Corporate Income Tax, CSLL, PIS and COFINS. The organization annually presents the Declaration of Economic-Fiscal Information of the Legal Entity.

21. Financial instruments

The Entity does not participate in operations involving financial instruments intended to reduce exposure to market, currency and/or interest rate risks, as it does not have operations with these characteristics. The carrying value of other financial instruments presented in the balance sheets does not differ substantially from market values.

a. Market value of financial instruments

The accounting balances of cash and cash equivalents (banks and financial investments) and current liabilities correspond to the market value because due data occurs on a date close to the balance sheet date.

b. Other types of financial instruments

The Entity does not maintain financial instruments not recorded in the accounts on December 31, 2022 and 2021, nor did it carry out operations with financial derivatives in the year ended December 31, 2022 and 2021.

22. Volunteer work

The entity does not have voluntary work.

Explanatory notes to the financial statements On
On december 31, 2022 and 2021
(Amount stated in brazilian Reals)

23. Subsequent events

In the current year 2023, in the period January to June, we received resources in the amount of R\$ 160,000 (one hundred and sixty thousand reais), highlighting the institutional agreements with UNESCO in the amount of USD 18,885 and Global Campaign for Education (GCE) in the amount of USD 13,721 for free use without restriction and will be allocated to the organization's development and planning. Still in this context, CLADE in the 2023 financial year reorganized its accounts and with the payments of the installments of its active and non-active tax debts, negotiated in the 2022 financial year, it has achieved the aim of reducing its financial and accounting deficit.

On February 8, 2023, the Federal Supreme Court (STF) judged Topics 881 - Extraordinary Appeal No. 949,297 and 885 - Extraordinary Appeal No. 955,227.

The ministers who participated in these topics concluded, unanimously, that judicial decisions taken definitively in favor of taxpayers must be annulled if, later, the Supreme Court has a different understanding on the issue. In other words, if years ago a company obtained authorization from the Court to stop collecting some tax, this permission will automatically lose validity if, and when, the STF understands that payment is due..

The Administration evaluated with its legal advisors the possible impacts of this STF decision and concluded that the STF's decision is not valid, based on an assessment by the administration supported by its legal advisors, and in line with CPC25/IAS37 Provisions, Contingent Liabilities and Assets Contingents and CPC24/IAS10 Subsequent Events, in significant impacts on its financial statements as of December 31, 2022.