



PRESS RELEASE

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CHARITIES

THE SALVATION ARMY FOUNDATION

The Cour des comptes has conducted the audit of the statement showing the use of funds raised from the public by the french Salvation Army Foundation for the fiscal years 2012 to 2016, in order to verify that the expenses incurred are consistent with the objectives of the appeal to public generosity.

At the end of its audit, with regard to the due diligence procedures that were carried out and within the limits of the powers conferred on it under Article L. 111-9 of the financial courts code, the Court considers that the expenses incurred by the Salvation Army Foundation during the fiscal years 2012 to 2016 are consistent with the objectives of the appeal to public generosity.

The Salvation Army Foundation, which is a foundation of recognised public utility, was created in 2000 from the dissolution of the association of French Salvation Army charities. As of 30 June 2018, it included 194 structures and social and medico-social services. It welcomed around 8,400 people in 2017 and served more than 4 million meals. As of 31 December 2016, the Foundation had a total of 2,063 full-time equivalent employees. Its funds amounted to €152 million, 76% of which came from grants, price-per-day funding and global allocations. Appeals to public generosity generate around 10% of the Foundation's funding.

The expenses incurred are consistent with the objectives of the appeal to public generosity. Indeed, fundraising campaigns are based on messages highlighting, without distinction, all the social missions carried out by the Foundation. In this context, funds raised from public generosity serve as an adjustment variable, enabling the Foundation to meet the financial compensation needs of its institutions when their activity does not balance with revenues alone.

The Court would, however, like to draw the Foundation's attention to the need to:

- put in place a comprehensive risk management system, incorporating financial, operational and ethical elements;
- improve the presentation of the use of funds statement in full compliance with the regulations;
- ensure the public is informed of the use of funds derived solely from public generosity, which, amounting to around 70% on average, have been allocated to social missions over the five years audited;
- complete the formalisation of the Foundation's financial relations with the Congregation of the Salvation Army, to ensure that donations and legacies benefiting from tax advantages finance only the activities of the Congregation that are in the public interest.

[Read the report](#)

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