



2016

balance sheet and profit and loss accounts

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PUNTO.SUD FOUNDATION

Final balance sheet on 31 December 2016

BOARD OF AUDITORS REPORT

Dear partners,

We have reviewed the balance sheet for the financial year closing on 31 December 2016, including the state of assets, statement of accounts and supplementary note, which was presented to us by the Board of Directors.

The balance sheet was reviewed with respect for the indications from the Commission for non profit organisations of the National Board of Accountancy; the format used aims not only to highlight the results of the fiscal year and its comprehensive value, but also to illustrate the results of typical and support activities as well as the existing constraints on resources; to this end, we report the following:

The state of assets indicates a profit for the year 2016 of Euro 26.363= and can be summarised in the following values:

Statement of Assets and Liabilities on 31 December 2016

Assets

- Intangible fixed assets	1.129
- Tangible fixed assets	468.610
- Financial assets	1.650
- Short and long-term debtors	286.886
- Other claims	1.886
- Cash at bank and in hand	665.154
- Prepayment and accrued income	5.224

Total assets	<u>1.430.539</u>
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Liabilities

- Capital and reserves	906.251
- Provision for risks and expenditures	79.799
- Provision for severance payment	158.869
- Creditors	236.047
- Accruals and deferred income	49.574

Total liabilities	<u>1.430.539</u>
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Profit and Loss Accounts on 31 December 2016

Income

- Income from statutory activities	1.228.729
- Financial income	1.082
- Extraordinary income	25.279
Total income	<u>1.225.090</u>

Expenses

- Expenses from statutory activities	1.018.858
- General operating expenses	168.168
- Interest paid	1.578
- Taxes	3.270
- Extraordinary charges	802
- Other expenses	20.497
- Taxes on profit	15.557

Profit or loss for the year 2016	<u>26.363</u>
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The value of commitments and guarantees are regularly indicated in the memorandum accounts.

We confirm that the abovementioned accounts have been confirmed by the regularly kept entries.

Concerning the balance sheet items provided by the Board, we stress that:

- We agree with the evaluation criteria used;
- The intangible and tangible assets appear in the net amortisation, following a method of a constant rate and with a rate we agree with.

The balance sheet has been drawn up including accounting data on flows into apposite accounts, which reflect the movements and of which a managerial account is included in the supplementary note.

The expenses incurred for the supply of funds, often sent abroad, were included in the economic report, subdivided where possible; the expenses incurred that were non-attributable in specific terms were classified under the balance sheet item "general support expenses".

In agreement with what was provided by the Directors, we invite you to approve the balance sheet.

The Auditor

Luigi Lepore

ASSETS	2016	2015
FIXED ASSETS		
Intangible fixed assets		
Software	1.129	1.656
Multi-year charges	-	-
Total intangible fixed assets	1.129	1.656
Tangible fixed assets		
Real estate properties	459.268	459.268
Office equipment	9.342	10.468
Other assets	-	-
Totale immobilizzazioni materiali	468.610	469.736
Financial assets		
Caution deposits	1.650	1.650
Total financial assets	1.650	1.650
TOTALE FIXED ASSETS	471.389	473.042

CURRENT ASSETS		
Receivables for projects		
from European Union	248.116	139.879
from International Agencies/United Nations	-	-
from National (Italian) Public Donors	-	-
from Private Organisations and Foundations	-	-
from Other Donors	-	-
Total receivables for projects	248.116	139.879
Receivables for training and support activities		
to the benefit of donor agencies	8.348	20.803
to the benefit of not-for-profit organisations	30.422	7.522
to the benefit of other organisations	-	-
Total receivables for training and support activities	38.770	28.325
Other receivables	1.886	9.913
Total other receivables	1.886	9.913
Cash at bank and in hand		
Bank and postal deposits	657.854	757.140
Cash in hand	7.299	5.870
Total cash in bank and in hand	665.154	763.010
TOTAL CURRENT ASSETS	953.926	941.127

PREPAYMENT AND ACCRUED INCOME		
Deferred liabilities and accrued income	5.224	5.682
TOTAL PREPAYMENT AND ACCRUED INCOME	5.224	5.682

TOTAL ASSETS	€ 1.430.539	€ 1.419.851
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GUARANTEES AND COMMITMENTS	2016	2015
GUARANTEES		
Guarantees issued to third parties	-	-
TOTAL GUARANTEES	0	0
COMMITMENTS		
Project commitments	8.363	54.524
TOTAL COMMITMENTS	8.363	54.524

LIABILITIES	2016	2015
CAPITAL AND RESERVES		
Endowment fund reserve		
Fund reserve	50.000	50.000
Reserves		
Tied up funds per decision	7.653	12.961
Funds available for project		
Profit and loss brought forward for the financial year	26.363	119.387
Profit and loss brought forward from the previous year	822.235	690.864
TOTAL CAPITAL AND RESERVES	906.251	873.212
PROVISION FOR RISKS AND EXPENDITURES	79.799	71.286

PROVISION FOR SEVERANCE PAYMENT	158.869	125.492
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CREDITORS		
Long term debts		
Long term non-bank debts	0	0
Long term non-bank debts	95.066	121.388
Total long term debts	95.066	121.388
Short term debts		
Short term non-bank debts	140.172	142.406
Short term non-bank debts	809	2.113
Total short long term debts	140.981	144.519
TOTAL LOANS	236.047	265.907

ACCRUALS AND DEFERRED INCOME		
Accruals and deferred income	11.754	1.047
Project deferred income	37.820	82.906
TOTAL ACCRUALS AND DEFERRED INCOME	49.574	83.953

TOTAL LIABILITIES	€ 1.430.539	€ 1.419.851
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GUARANTEES AND COMMITMENTS	2016	2015
GUARANTEES		
Guarantees issued to third parties	-	-
TOTAL GUARANTEES	0	0
COMMITMENTS		
Project commitments	8.363	54.524
TOTAL COMMITMENTS	8.363	54.524

Profit and loss accounts



31st December 2016

PROVENTI	2016	2015
PROGRAMS	1.098.510	1.229.944
from European Union	1.098.510	1.141.528
from International Agencies/United Nations	-	70.416
from National (Italian) Public Donors	-	-
from Private Organisations and Foundations	-	18.000
REVENUES FROM TRAINING AND SUPPORT ACTIVITIES	128.893	123.256
Training and capacity/organisational development activities	65.165	72.089
- to the benefit of donor agencies	0	0
- to the benefit of not-for-profit organisations	57.700	72.089
- to the benefit of other organisations	7.465	0
Project consultancy (<i>project management</i> , feasibility studies, monitoring and evaluation)	63.728	51.167
- to the benefit of donor agencies	26.756	20.803
- to the benefit of not-for-profit organisations	36.973	30.364
- to the benefit of other organisations	0	0
OTHER REVENUES	1.326	3.070
FINANCIAL INCOME	1.082	1.966
EXTRAORDINARY INCOME	25.279	26.591
TOTAL REVENUES	€ 1.255.090	€ 1.384.828

EXPENSES	2016	2015
EXPENSES FOR PROJECTS	883.465	908.310
Staff costs	482.590	462.951
Operating and implementation expenses	398.722	443.571
Depreciation costs	2.152	1.787
EXPENSES FOR TRAINING AND SUPPORT ACTIVITIES	135.393	153.307
Staff costs	101.826	104.340
Operating and implementation expenses	33.566	48.967
Depreciation costs	-	-
GENERAL OPERATING EXPENSES	168.168	159.467
Staff costs	72.124	84.075
Office costs	74.059	63.840
IT costs	12.870	10.273
Communication & Fund Raising	7.442	-
Depreciation costs	1.673	1.279
FINANCIAL COSTS	1.578	1.485
TAXES	3.270	3.307
EXTRAORDINARY CHARGES	802	814
OTHER EXPENSES	20.497	23.793
TAXES ON PROFITS	15.557	14.958
PROFIT OR LOSS FOR THE FINANCIAL YEAR	26.363	119.387
TOTAL EXPENSES	€ 1.255.090	€ 1.384.828

Restructured Simplified Accounting Balance Sheets and Profit and Loss Accounts

	Year N	Year N-1
Closing date (dd/mm/yyyy)	31/12/2016	31/12/2015
Duration (in months)	12	12
Currency displayed on the financial statements	Euro	Euro

Accounting Balance Sheet(s)

	Year N	Year N-1
ASSETS		
1- Subscribed capital unpaid	0,00	0,00
2- Fixed assets (2.1+2.2+2.3)	471.389,00	473.042,00
2.1- Intangible fixed assets	1.129,00	1.656,00
2.2- Tangible fixed assets	468.610,00	469.736,00
2.3- Financial assets	1.650,00	1.650,00
3- Current assets (3.1+3.2.1+3.2.2+3.3+3.4)	959.150,00	946.809,00
3.1- Stocks	0,00	0,00
3.2.1- Debtors due within one year	293.996,00	183.799,00
3.2.2- Debtors due after one year	0,00	0,00
3.3- Cash at bank and in hand	665.154,00	763.010,00
3.4- Other current assets	0,00	0,00
Total assets (1+2+3)	1.430.539,00	1.419.851,00

	Year N	Year N-1
LIABILITIES		
4. Capital and reserves (4.1+4.2+4.3+4.4)	986.050,00	944.499,00
4.1- Subscribed capital	0,00	0,00
4.2- Reserves	879.888,00	753.826,00
4.3- Profit and loss brought forward from the previous years	79.799,00	71.286,00
4.4- Profit and loss brought forward for the financial year	26.363,00	119.387,00
5. Creditors (5.1.1+5.1.2+5.2.1+5.2.2)	444.489,00	475.352,00
5.1.1- Long term non-bank debt	158.869,00	125.492,00
5.1.2- Long term bank debt	95.066,00	121.388,00
5.2.1- Short term non-bank debt	189.745,00	226.359,00
5.2.2- Short term bank debt	809,00	2.113,00
Total liabilities (4+5)	1.430.539,00	1.419.851,00

Profit and Loss Account(s)

	Year N	Year N-1
Turnover	1.228.729,00	1.356.270,00
+/- Variation in stocks ⁽¹⁾	0,00	0,00
+ Other operating income	0,00	0,00
= Operating income (OI)	1.228.729,00	1.356.270,00
- Cost of materials and consumables	3.812,00	6.706,00
- Other operating charges	522.846,00	559.944,00
- Remuneration and charges (staff costs)	656.540,00	651.367,00
= Gross Operating Profit or Loss (GOP/GOL)	45.531,00	138.253,00
- Depreciation and value adjustments on non-financial assets	3.825,00	3.066,00
= Net Operating Profit or Loss (NOP/NOL)	41.706,00	135.187,00
+ Financial income and value adjustments on financial assets	1.082,00	1.966,00
- Interest paid	1.578,00	1.485,00
- Similar charges	23.767,00	27.100,00
= Profit or Loss on ordinary activities	17.443,00	108.568,00
+ Extraordinary income	25.279,00	26.591,00
- Extraordinary charges	802,00	814,00
+/- Taxes on profits ⁽¹⁾	15.557,00	14.958,00
= Profit or Loss for the financial year (Net result)	26.363,00	119.387,00

(1) Positive or negative amount

Own assessment of the financial viability check of a legal person (FP7 grant)

1- Ratios and noteworthy value used

Purpose	Indicators	Ratios	Concise Analysis	More in depth analysis
Liquidity	Quick ratio	$\frac{\text{Current assets} - \text{Stocks} - \text{Debtors} > 1 \text{ year}}{\text{Short-term debt (bank and non-bank)}}$	●	●
Financial autonomy	Gross Operating Profit Ratio	$\frac{\text{Interest}}{\text{GOP}}$		●
Profitability	Profitability (1)	$\frac{\text{NOP}}{\text{Turnover}}$	●	●
	Profitability (2)	$\frac{\text{NOP}}{\text{Turnover}}$		●
Solvency	Solvency	$\frac{\text{Total debt}}{\text{Equity(*)}}$	●	●
Purpose	Indicators	Noteworthy value (Flag)	Concise Analysis	More in depth analysis
Equity Flag	Solvency	$\frac{\text{Total debt}}{\text{Equity(*)}}$	●	●

(*) Equity = Capital and reserves - 50% of intangible assets

2- Quotes given according to the results obtained

Purpose	Indicators	Weak & Unsufficient	Acceptable	Good
		0	1	2
Liquidity	Quick ratio	$i < 0,5$	$0,5 \leq i \leq 1$	$i > 1$
Financial autonomy	Gross Operating Profit Ratio	$i > 0,40$ or < 0	$0,40 \geq i \geq 0,30$	$0 \leq i < 0,30$
Profitability	Profitability (1)	$i < 0,05$	$0,05 \leq i \leq 0,15$	$i > 0,15$
	Profitability (2)	$i < 0,02$	$0,02 \leq i \leq 0,04$	$i > 0,04$
Solvency	Solvency	$i > 6,00$ or < 0	$6,00 \geq i \geq 4,00$	$0 \leq i < 4,00$

Purpose	Indicators	Weak	Good
Equity Flag	Solvency	$i > 10,00$ or < 0	$i \leq 10,00$ and ≥ 0

3- Your financial viability check

Indicators	Ratios's Results(**)			Concise Analysis	More in-depth analysis
	Figure	Qualification	Quote		
Quick ratio	5,03	<u>Good</u>	2	4	7
Gross Operating Profit Ratio	0,03	<u>Good</u>	2		
Profitability (1)	0,04	<u>Weak</u>	0		
Profitability (2)	0,03	<u>Acceptable</u>	1	Good	Good
Solvency	0,45	<u>Good</u>	2		
Indicators	Noteworthy value's Result (**)				
	Figure	Qualification			
Equity Flag	0,45	Good			

(**) According to the figures you have submitted in the Restructured Simplified Accounting Balance Sheets and Profit and Loss Accounts