



2020

Balance sheet and Profit and loss accounts

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[true copy of the Audit Report, translated from Italian]

PUNTO.SUD FOUNDATION

Final balance sheet on 31 December 2020

BOARD OF AUDITORS REPORT

Dear partners,

We have reviewed the balance sheet for the financial year closing on 31 December 2020, 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 of Euro 72.145= and can be summarised in the following values:

Statement of Assets and Liabilities on 31 December 2020

Assets

- Intangible fixed assets	2.533
- Tangible fixed assets	470.320
- Financial assets	1.650
- Short and long-term debtors	230.291
- Other claims	4.912
- Cash at bank and in hand	1.042.111
- Prepayment and accrued income	8.542

Total assets	<u>1.760.357</u>
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Liabilities

- Capital and reserves	1.041.812
- Provision for risks and expenditures	71.178
- Provision for severance payment	271.382
- Creditors	104.285
- Accruals and deferred income	271.700

Total liabilities	<u>1.760.357</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

Statement of assets and liabilities



31st December 2020

ASSETS	2020	2019
FIXED ASSETS		
Intangible fixed assets		
Software	2.533	4.009
Multi-year charges	-	-
Total intangible fixed assets	2.533	4.009
Tangible fixed assets		
Real estate properties	459.268	459.268
Office equipment	11.052	7.371
Other assets	0	0
Totale immobilizzazioni materiali	470.320	466.639
Financial assets		
Caution deposits	1.650	1.650
Total financial assets	1.650	1.650
TOTALE FIXED ASSETS	474.502	472.298

CURRENT ASSETS		
Receivables for projects		
from European Union	13.278	97.342
from International Agencies/United Nations	-	-
from National (Italian) Public Donors	30.215	27.592
from Private Organisations and Foundations	84.099	168.013
from Other Donors	-	-
Total receivables for projects	127.592	292.946
Receivables for training and support activities		
to the benefit of donor agencies	58.906	25.646
to the benefit of not-for-profit organisations	43.792	26.371
to the benefit of other organisations	-	-
Total receivables for training and support activities	102.699	52.017
Other receivables	4.912	8.871
Total other receivables	4.912	8.871
Cash at bank and in hand		
Bank and postal deposits	1.037.289	1.105.706
Cash in hand	4.822	5.544
Total cash in bank and in hand	1.042.111	1.111.250
TOTAL CURRENT ASSETS	1.277.313	1.465.084

PREPAYMENT AND ACCRUED INCOME		
Deferred liabilities and accrued income	8.542	9.018
TOTAL PREPAYMENT AND ACCRUED INCOME	8.542	9.018

TOTAL ASSETS	€ 1.760.357	€ 1.946.400
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GUARANTEES AND COMMITMENTS	2020	2019
GUARANTEES		
Guarantees issued to third parties	-	-
TOTAL GUARANTEES	0	0
COMMITMENTS		
Project commitments	67.192	106.410
TOTAL COMMITMENTS	67.192	106.410

LIABILITIES	2020	2019
CAPITAL AND RESERVES		
Endowment fund reserve		
Fund reserve	50.000	50.000
Reserves		
Tied up funds per decision	-	32
Funds available for project		
Profit and loss brought forward for the financial year	72.145	26.492
Profit and loss brought forward from the previous year	919.667	893.175
TOTAL CAPITAL AND RESERVES	1.041.812	969.699
PROVISION FOR RISKS AND EXPENDITURES	71.178	71.178
PROVISION FOR SEVERANCE PAYMENT	271.382	235.260

CREDITORS		
Long term debts		
Long term non-bank debts	0	0
Long term non-bank debts	0	7.865
Total long term debts	0	7.865
Short term debts		
Short term non-bank debts	104.071	83.407
Short term non-bank debts	215	791
Total short long term debts	104.285	84.198
TOTAL LOANS	104.285	92.062

ACCRUALS AND DEFERRED INCOME		
Accruals and deferred income	5.385	4.176
Project deferred income	266.315	574.024
TOTAL ACCRUALS AND DEFERRED INCOME	271.700	578.200

TOTAL LIABILITIES	€ 1.760.357	€ 1.946.400
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GUARANTEES AND COMMITMENTS	2020	2019
GUARANTEES		
Guarantees issued to third parties	-	-
TOTAL GUARANTEES	0	0
COMMITMENTS		
Project commitments	67.192	106.410
TOTAL COMMITMENTS	67.192	106.410

Profit and loss accounts

31st December 2020

REVENUES	2020	2019
PROGRAMS	1.563.653	2.372.616
from European Union	1.426.553	2.012.771
from International Agencies/United Nations	-	-
from National (Italian) Public Donors	39.657	78.174
from Private Organisations and Foundations	81.634	265.189
from Other Donors	15.809	16.483
REVENUES FROM TRAINING AND SUPPORT ACTIVITIES	220.046	198.627
Training and capacity/organisational development activities	142.319	140.523
- to the benefit of donor agencies	0	6.715
- to the benefit of not-for-profit organisations	87.035	86.964
- to the benefit of other organisations	55.284	46.845
Project consultancy (project management, feasibility studies, monitoring and evaluation)	77.727	58.104
- to the benefit of donor agencies	57.854	31.483
- to the benefit of not-for-profit organisations	19.873	26.621
- to the benefit of other organisations	0	0
OTHER REVENUES	23.112	0
FINANCIAL INCOME	94	182
EXTRAORDINARY INCOME	15	240
TOTAL REVENUES	€ 1.806.920	€ 2.571.666

EXPENSES	2020	2019
EXPENSES FOR PROJECTS	1.333.196	2.132.687
Staff costs	423.251	457.683
Operating and implementation expenses	909.944	1.675.004
Depreciation costs	-	-
EXPENSES FOR TRAINING AND SUPPORT ACTIVITIES	222.028	176.331
Staff costs	166.399	128.726
Operating and implementation expenses	55.629	47.606
Depreciation costs	-	-
GENERAL OPERATING EXPENSES	161.162	135.176
Staff costs	74.139	50.126
Office costs	66.298	64.964
IT costs	8.395	8.803
Communication & Fund Raising	7.306	5.908
Depreciation costs	5.024	5.376
FINANCIAL COSTS	1.811	1.645
TAXES	3.583	3.776
EXTRAORDINARY CHARGES	403	2.739
OTHER EXPENSES	0	71.178
TAXES ON PROFITS	12.592	21.641
PROFIT OR LOSS FOR THE FINANCIAL YEAR	72.145	26.492
TOTAL EXPENSES	€ 1.806.920	€ 2.571.666

Restructured Simplified Accounting Balance Sheets and Profit and Loss Accounts

	Year N	Year N-1
Closing date (dd/mm/yyyy)	31/12/2020	31/12/2019
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)	474.503,00	472.298,00
	2.1- Intangible fixed assets	2.533,00	4.009,00
	2.2- Tangible fixed assets	470.320,00	466.639,00
	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)	1.285.854,00	1.474.102,00
	3.1- Stocks	0,00	0,00
	3.2.1- Debtors due within one year	243.743,00	362.852,00
	3.2.2- Debtors due after one year	0,00	0,00
	3.3- Cash at bank and in hand	1.042.111,00	1.111.250,00
	3.4- Other current assets	0,00	0,00
	Total assets (1+2+3)	1.760.357,00	1.946.400,00

		Year N	Year N-1
LIABILITIES	4. Capital and reserves (4.1+4.2+4.3+4.4)	1.112.990,00	1.040.877,00
	4.1- Subscribed capital	0,00	0,00
	4.2- Reserves	71.178,00	71.178,00
	4.3- Profit and loss brought forward from the previous years	969.667,00	943.207,00
	4.4- Profit and loss brought forward for the financial year	72.145,00	26.492,00
	5. Creditors (5.1.1+5.1.2+5.2.1+5.2.2)	647.367,00	905.523,00
	5.1.1- Long term non-bank debt	271.382,00	235.260,00
	5.1.2- Long term bank debt	0,00	7.865,00
	5.2.1- Short term non-bank debt	375.770,00	661.607,00
	5.2.2- Short term bank debt	215,00	791,00
	Total liabilities (4+5)	1.760.357,00	1.946.400,00

Profit and Loss Account(s)

		Year N	Year N-1
	Turnover	1.783.699,00	2.571.243,00
+/-	Variation in stocks ⁽¹⁾	0,00	0,00
+	Other operating income	23.112,00	0,00
=	Operating income (OI)	1.806.811,00	2.571.243,00
-	Cost of materials and consumables	2.732,00	4.480,00
-	Other operating charges	1.044.841,00	1.797.803,00
-	Remuneration and charges (staff costs)	663.789,00	636.535,00
=	Gross Operating Profit or Loss (GOP/GOL)	95.449,00	132.425,00
-	Depreciation and value adjustments on non-financial assets	5.024,00	5.376,00
=	Net Operating Profit or Loss (NOP/NOL)	90.425,00	127.049,00
+	Financial income and value adjustments on financial assets	94,00	182,00
-	Interest paid	1.811,00	1.645,00
-	Similar charges	3.583,00	3.776,00
=	Profit or Loss on ordinary activities	85.125,00	121.810,00
+	Extraordinary income	15,00	240,00
-	Extraordinary charges	403,00	73.917,00
+/-	Taxes on profits ⁽¹⁾	12.592,00	21.641,00
=	Profit or Loss for the financial year (Net result)	72.145,00	26.492,00

(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)	$\frac{\text{GOP}}{\text{Turnover}}$	●	●
	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	3,42	<u>Good</u>	2	5	9
Gross Operating Profit Ratio	0,02	<u>Good</u>	2		
Profitability (1)	0,05	<u>Acceptable</u>	1		
Profitability (2)	0,05	<u>Good</u>	2	Good	Good
Solvency	0,58	<u>Good</u>	2		
Indicators	Noteworthy value's Result (**)				
	Figure	Qualification			
Equity Flag	0,58	Good			

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