

ISTITUTO OIKOS

Registered office: VARESE, Via Magatti 2

Operational headquarters: MILAN, Via Crescenzago 1

C. F. 97182800157 - VAT 02503750123

**BUDGET as of
DECEMBER 31, 2019**

ISTITUTO OIKOS		
STATEMENT OF FINANCIAL POSITION FOR YEAR 2019		
ACTIVE	31/12/2019	31/12/2018
A) receivables from shareholders for payments still due		
B) FIXED ASSETS		
<i>I. INTANGIBLE FIXED ASSETS</i>		
7) Other intangible assets	29.459	40.628
<i>I. Total intangible assets</i>	29.459	40.628
<i>II. TANGIBLE FIXED ASSETS</i>		
3) Other tangible assets	24.949	29.440
<i>II. Total tangible fixed assets</i>	24.949	29.440
<i>III. FINANCIAL FIXED ASSETS</i>		
1) Related enterprises	75.000	75.000
3) Other assets	150.000	150.000
<i>III. Total financial fixed assets</i>	225.000	225.000
B) Total fixed assets	279.408	295.068
C) CURRENT ASSETS		
<i>II. CREDITS</i>		
1) Receivables from customers due within the next financial year	1.751.323	3.867.419
due beyond the next financial year	2.165.532	2.438.653
	3.916.855	6.306.072
2) tax credits due within the next financial year	4.215	10.878
due beyond the next financial year	4.215	10.878
3) to others due within the next financial year	21.399	13.884
due beyond the next financial year	940	940
	22.339	14.824
<i>II. Total credits</i>	3.943.409	6.331.774
<i>III. NON-FIXED FINANCIAL ASSETS</i>		
2) Other securities	860.000	1.350.000
<i>III. Total non-fixed financial assets</i>	860.000	1.350.000
<i>IV. CASH AND CASH EQUIVALENTS</i>		
1) Bank and postal deposits	2.697.645	2.840.472
3) Cash and other values	72.562	26.265
<i>IV. Total cash and cash equivalents</i>	2.770.207	2.866.737
C) Total current assets	7.573.616	10.548.511

D) INSTALLMENTS AND ACTIVE REPAYMENTS	90.300	46.805
ACTIVE TOTAL (A + B + C + D)	7.943.324	10.890.384
OIKOS INSTITUTE		
BALANCE SHEET FINANCIAL YEAR 2019		
PASSIVE	31/12/2019	31/12/2018
A) SHAREHOLDERS 'EQUITY		
<i>I. Endowment fund</i>	1.549	1.549
<i>II. Restricted funds</i>		
2. Funds tied by decision of the institutional bodies	66.499	66.499
<i>III. Unrestricted funds</i>		
1. Operating result for the current year	10.689	55.300
2. Reserves set aside in previous years	799.218	743.918
Euro rounding reserve	2	(3)
A) Total equity	877.957	867.263
B) FUNDS FOR RISKS AND CHARGES		
C) EMPLOYEE PROVISION FUND		
<i>Employee severance payment (TFR)</i>	136.945	106.751
C) Total employee severance payment (TFR)	136.945	106.751
D) LIABILITIES		
<i>6) Accounts payable</i>		
due within the next financial year	4.030.211	5.805.341
due beyond the next financial year	2.583.042	3.699.667
	6.613.253	9.505.008
<i>7) Tax payable</i>		
due within the next financial year	17.030	24.276
due beyond the next financial year	17.030	24.276
<i>8) social security institutions</i>		
due within the next financial year	40.582	36.477
due beyond the next financial year	40.582	36.477
<i>12) Other liabilities</i>		
due within the next financial year	108.146	115.903
due beyond the next financial year	108.146	115.903
D) Total liabilities	6.779.011	9.681.664
E) Accruals and deferred income	149.411	234.706
TOTAL LIABILITIES (A + B + C + D + E)	7.943.324	10.890.384
MEMORANDUM ACCOUNTS		
<i>Guarantee in favour of third parties</i>	1.866.837	2.053.608

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PROFIT AND LOSS ACCOUNT FINANCIAL YEAR 2019

	EXPENSES	31/12/2019	31/12/2018		INCOME	31/12/2019	31/12/2018
1)	FOR OPERATING ACTIVITIES			1)	FROM OPERATING ACTIVITIES		
1.1)	Purchases	562.060	1.279.966	1.1)	From contributions on projects	5.051.132	5.520.002
1.2)	Services	1.006.296	795.588	1.3)	From members and associates	1.050	1.150
1.3)	Use of third party assets	216.044	160.465	1.4)	From non-members	47.381	37.836
1.4)	Personnel	2.955.994	3.082.490	1.5)	Other income	1.770	2.865
1.6)	Various management charges	211.806	140.426				
Total		4.952.200	5.458.935	Total		5.101.333	5.561.853
2)	FOR PROMOTION AND FUNDRAISING						
2.4)	Promotional activity	126.948					
Total		126.948					
3)	FOR ANCILLARY ACTIVITIES			3)	FROM ANCILLARY ACTIVITIES		
3.1)	Purchases	1.913	14.708	3.1)	From contributions on projects	220.061	279.247
3.2)	Services	28.492	40.294				
3.3)	Use of third party assets	4.962	7.367				
3.4)	Personnel	183.529	215.026				
3.6)	Various management charges	4.596					
Total		223.492	277.395	Total		220.061	279.247
4)	FINANCIAL AND CAPITAL EXPENSES			4)	FINANCIAL AND CAPITAL INCOME		
4.1)	On bank loans	5.911	6.765	4.1)	From bank deposits	2.003	2.119
4.2)	On other loans	14.588	19.264	4.2)	From other activities	30.427	12.286
4.5)	Extraordinary charges and taxes	10.120	21.476	4.5)	Extraordinary proceeds	8.642	5.696
Total		30.619	47.505	Total		41.072	20.101
5)	GENERAL SUPPORT						
5.5)	depreciation and amortization	18.518	22.066				
Total		18.518	22.066				
	TOTAL EXPENSES	5.351.777	5.805.901				
	POSITIVE MANAGEMENT RESULT	10.689	55.300				
	FINAL TOTAL	5.362.466	5.861.201	TOTAL INCOME		5.362.466	5.861.201

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Notes to the financial statement closed on 31 December 2019

This financial statement has been prepared according to the criteria provided for by civil law, integrated and interpreted according to the recommendations of the Non-Profit Companies Commission established within the National Council of Chartered Accountants, as well as for aspects not covered by the aforementioned recommendations and, where applicable, from the accounting principles established by the National Councils of Chartered Accountants and Accounting Experts as revisited by the Italian Accounting Body.

The financial statement is made up of the Statement of Financial Position, defined according to the principle of current ratio liquidity, and of the Profit and Loss account and these Explanatory Notes.

The data is presented in comparative form, with the items in the Statement of Financial Position and the Profit and Loss account showing the corresponding amount relating to the previous year.

In the Profit and Loss account, the items are grouped into five management sections. The section relating to institutional activities includes data on income and charges relating to the statutory activities carried out by the organization; the section on ancillary activities includes items concerning the expenses and income of the support activities for the institutional area, as identified by Legislative Decree no. 460/97, while the section on financial activities includes data on liquidity management.

Amounts are expressed in units of Euros. The values are rounded up or down to the nearest euro depending on whether the value is more or less than 50 euro cents.

With reference to the recommendations issued by the National Council of Chartered Accountants regarding the content of the explanatory note of non-profit entities, it is specified that:

- Istituto Oikos has been registered in the Single Register of the ONLUS since 16 December 2003;
- Istituto Oikos has been recognized as a non-governmental organization;
- This financial statement is subject to auditing by the Single Auditor d.ssa Maria Clotilde Cermisoni;
- Istituto Oikos benefits from the tax concessions provided for by the legislation in favor of non-profit organizations of social utility and in favor of non-governmental organizations recognized by the Ministry of Foreign Affairs.

Call for approval of the financial statement at 31 December 2019.

The Shareholders' Meeting for the approval of the financial statement at 31 December 2019 was convened for June 22, 2020 at 4.15 pm with notice displayed on the bulletin board at the Association's headquarters and information sent by email to the members, with acknowledgment of receipt.

Activities

The activities of 2019 are described in the Mission Statementt which accompanies this financial statement, and to which reference is made for a detailed list.

More generally, the Association has pursued its institutional purposes by operating in compliance with the limitations imposed by the Articles of Association and the current legislation on non-profit organizations.

ASSESSMENT CRITERIA AND ACCOUNTING PRINCIPLES

The financial statement was prepared in compliance with the accounting principles set out by the National Council of Chartered Accountants, applying the same criteria adopted in the previous year. Assessments were made in compliance with general principles of care and competence and there were no exemptions from the application of such criteria as no exceptional cases occurred.

In drafting the financial statement, the following general principles were observed:

- a careful evaluation of the items was made in the light of a continuation of activity;
- the risks and losses for the year were taken into account even when known only after the year’s closure.

In particular, the criteria used are the following:

Fixed assets

Intangible

Intangible assets are recorded at purchase cost, including directly attributable accessory charges, and refer to costs of proven multi-year utility, shown in the Profit and Loss account net of related depreciation.

Amortization was calculated in a systematic manner on the basis of the remaining likelihood of use.

Tangible

Tangible assets are entered at purchase cost and adjusted according to accumulated depreciation. The depreciation rates, charged to the income statement, were calculated according to an estimate of the use, destination and economic-technical duration of the assets, based on the remaining likelihood of use, a criterion considered well represented by the rates recognized for tax purposes.

Depreciation coefficients

Office furniture and furnishings	12%
Electronic equipment	20%
Telephone system	20%
Miscellaneous small equipment	12%

Financial

Fixed assets

The investment recognized under financial fixed assets represents the amount of the contribution made in 2008 to the branch of Istituto Oikos Srl consisting of commercial activities.

Other assets

As on 31 December 2019, this consists of an insurance policy signed for investment purposes with the sole beneficiary being Istituto Oikos.

Credits

Credits are presented as the net realizable value, which corresponds to market value.

Liabilities

Liabilities are recognized according to their market value.

Employee provision fund

Net of advances paid, this fund includes the amount of the allowances set aside for employees' severance payments in accordance with the provisions of the law, of collective agreements and company agreements determined pursuant to art. 2120 of the Civil Code.

Accruals and deferrals

These are accounted for on an accrual basis.

Income tax

Taxes are recorded in the accounts according to the rates and regulations in force. It should be noted that there is no longer a cost relating to the Regional Tax on productive activities (IRAP) as, according to Lombardy Regional Law no. 27 of 18/12/2001, starting from 1 January 2002, non-commercial entities and non-profit organizations of social utility are exempt from the payment of the IRAP tax.

Recognition of expenses and charges

Expenses and charges are entered in the financial statement on an accrual basis, taking into account those pertaining to the financial year, even if known after the closure of the year.

Commitments, guarantees, risks

Commitments are indicated at face value in the memorandum accounts, taken from the relative documentation.

STATEMENT OF FINANCIAL POSITION

ACTIVE

B I) Fixed assets

Transactions of fixed assets

The increase is due to:

the costs of restructuring the offices following the relocation of the operational headquarters within the same building.

Depreciation of the renovations is calculated on a straight-line basis over five financial years.

	Other intangible assets	Total intangible assets
Value at start of financial year		
Cost	55.849	55.849
Depreciation (Depreciation reserve)	(15.220)	(15.220)
Budget value	40.629	40.629
Changes during the financial year		
Increases due to acquisitions		
Depreciation for the financial year	(11.170)	(11.170)
Total variation	(11.170)	(11.170)
Value at end of financial year		
Cost	55.849	55.849
Depreciation (Depreciation reserve)	(26,390)	(26,390)
Net book value at end of year	29.459	29.459

BII) Tangible fixed assets

details of the value of fixed assets are given below

Asset category	Historical cost as on 31/12/2018	Depreciation reserve as on 31/12/2018	Purchases 2019	Divestments 2019	Depreciation on Year 2019	Depreciated assets on 31/12/2019	remaining
Equipment	700	700				700	
Institutional equipment	9.685	8.233	440		672	8.905	1.220
Goods less than 516 euros	10.061	10.061				10.061	
Goods less than € 516 institutional.	7.626	7.626	490		490	8.116	
Institutional telephone system	11.675	10.675			222	10.897	778
Electronic equipment	11.188	11.188				11.188	
Institutional electronic equipment	7.049	4.595	1.147	(1.023)	992	5.587	1.586
Furniture and furnishings	24.906	24.906				24.906	
Institutional furniture and furnishings	26.491	14.327			1.743	16.070	10.421
Institutional electrical system	15.287	2.713	781		2.410	5.123	10.944
Total tangible fixed assets	124.668	95.024	2.858	(1.023)	6.529	101.553	24.949

The increases in tangible fixed assets mainly refer to the purchase of furnishings, electronic equipment and restructuring of the telephone and electrical system relating to the renovated offices. Depreciation for the year amounted to € 6,529.

B III) Financial fixed assets

1) Investments

Description	Increment	31/12/2019
Related enterprises		75.000
		75.000

The following information is provided relating to equity investments held directly for Related enterprises (article 2427, first paragraph, no. 5, of the Italian Civil Code).

Related enterprises

Name	City or Foreign State	Social capital	equity	% Poss.	Budget value
ISTITUTO OIKOS S.R.L.	MILANO	95.000	105.600	20%	75.000

2) Other assets

Description	31/12/2018	Increase	31/12/2019
Insurance policy FIDEURAM VITA SpA	150.000		150.000
	150.000		150.000

Fixed assets destined to remain in the company's portfolio until their natural maturity, represent a lasting investment for the association. Their book value takes into account the accessory charges directly attributable to them.

In particular, the investment consists of the "one-off" premium relating to the Fideuram life-long life insurance Policy no. 70033090507.

C) Current assets

Current assets, equal to €7,573,616 at 31/12/2019, are made up of the following elements:

- Credits: €3,943,409;
- Financial assets that do not constitute fixed assets: € 860,000;
- Cash and cash equivalents: € 2,770,207.

The evaluation criteria envisaged for the various activities are indicated in the specific statements dedicated to each of them.

II. Credits

Claims registered under current assets

They are presented at their presumed realization value.

Variations and maturity of claims registered under current assets

	Value at the start of the year	Change in the year	Value at the end of the year	Share expiring within the year	Share expiring beyond the year
Receivables from donors and partners	6.276.764	(2.381.095)	3.895.669	1.730.137	2.165.532
Receivables from customers entered under current assets	29.308	(8.122)	21.186	21.186	
Tax credits entered under current assets	10.878	(6.663)	4.215	4.215	
Receivables from others entered under current assets	14.824	7.515	22.339	21.399	940
Total receivables entered under current assets	6.331.774	(2.388.365)	3.943.409	1.776.937	2.166.472

III. Non-fixed financial assets

Non-fixed financial assets which are not destined to remain permanently among the assets have been valued, notwithstanding article 2426 of the Civil Code, on the basis of the purchase cost instead of the realization value inferable from the market trend.

	Start of year value	Change in the year	Year-end value
Other securities	1.350.000	(490.000)	860.000
Total non-fixed financial assets	1.350.000	(490.000)	860.000

In detail, these are Fideuram Investimenti SGR SpA investment funds.

IV. Cash and cash equivalents

Cash and cash equivalents are recorded in the financial statements at their nominal value.

	Start of year value	Change in the year	Year-end value
Bank and postal deposits	2.840.472	(142.827)	2.697.645
Cash and other values	26.265	46.297	72.562
Total cash and cash equivalents	2.866.737	(96.530)	2.770.207

The balance represents cash and cash equivalents and the existence of cash on the closing date of the year.

PASSIVE

A) Shareholders' equity

Shareholders' equity amounts to € 877,957 and shows an increase of €10,694 compared to the previous year, due to the allocation of the operating surplus for the period.

The details of the movements are as follows:

	Start of year value	Other changes		Year-end result	Year-end value
		Decrease	Increase		
Endowment fund	1.549				1.549
Restricted funds					
Funds bound by decision of the institutional bodies	66.499				66.499
Unrestricted funds					
Operating profit for the current year	55.300		55.300	10.689	10.689
Reserves set aside in previous years	743.918	55.300			799.218
Euro rounding reserve	(3)	2	(3)		2
Total shareholders' equity	867.263	55.243	55.240	55.300	877.957

C) Employee provision fund

	Employee provision fund
Value at start of financial year	106.751
Changes in the year	
Provision for the year	31.733
Use in the year	(1.539)
Total changes	30.194
Value at end of financial year	136.945

The Employee provision fund represents the actual debt accrued towards employees in accordance with the law and the employment contracts in force, considering any form of remuneration of an ongoing nature.

The provision corresponds to the total of the individual payments accrued in favor of employees at the end of the financial year, net of advances paid, and is equal to what would have had to be paid to employees in the event of termination of the employment relationship on that date. The Fund is determined according to the provisions of art. 2120 of the Civil Code. It includes all the shares of the entitled parties. The overall provision quota for the year 2019 is €31,733.

D) Liabilities

Payables are recognized at their nominal value, modified in the event of returns or billing adjustments.

Variations and maturity of liabilities

Payables are assessed according to their nominal value and are divided as follows:

	Value at the start of the year	Change in the year	Value at the end of the year	Share expiring within the year	Share expiring beyond the year
Payables for projects	9.352.503	(3.017.761)	6.334.742	3.751.700	2.583.042
Trade payables	153.079	125.432	278.511	278.511	
Tax payables	24.276	(7.246)	17.030	17.030	
Payables to social security institutions	36.477	4.105	40.582	40.582	
Other payables	115.903	(7.757)	108.146	108.146	
Total payables	9.682.238	(2.903.227)	6.779.011	4.195.969	2.583.042

Trade payables are composed both of invoices already accounted for and of invoices received in the first months of 2020 but pertaining to this financial statement.

Movements of the items of debt refer to normal management activities.

Tax payables include withheld taxes for employees and consultants to be paid in January and the VAT debt for the fourth quarter of 2019.

The item "other payables" mainly consists of fees payable to employees and collaborators for December, to be paid in January.

MEMORANDUM ACCOUNTS

Memorandum accounts highlight the guarantees issued to the Lombardy Region and to the Ministry of Foreign Affairs for the realization of international projects.

STATEMENT OF MANAGEMENT

1) Operating activities

The gross result of operating activities amounts to €149,133.

Proceeds from operating activities

Description	Amount
Balance on 31/12/2019	5.101.333
Balance on 31/12/2018	5.561.853
Changes	(460.520)

The breakdown of income from fundraising and income from related activities is shown in the following table:

Description	31/12/2019	31/12/2018	Variazioni
Proceeds from grants on projects	5.051.132	5.520.002	(468.8709)
Income from members and	1.050	1.150	(100)
Donations from non-members	47.381	37.836	9.545
Other income	1.770	2.865	(1.095)
Total	5.101.333	5.561.853	(460.520)

Donations paid to Istituto Oikos enjoy tax benefits in favor of donors provided for by the Consolidated Income Tax (TUIR) and other tax regulations with reference to donations to non-profit organizations of social utility and recognized non-governmental organizations.

Charges from operating activities

Description	Amount
Balance on 31/12/2019	4.952.200
Balance on 31/12/2018	5.458.935
Changes	(506.735)

During the year, the Association's resources were allocated as detailed in the following table:

Description	31/12/201	31/12/201	Variations
Purchases	562.060	1.279.966	(717.906)
Services	1.006.296	795.588	210.708
Use of third party assets	216.044	160.465	55.579
Staff, collaborators and consultants	2.955.994	3.082.490	(124.496)
Other operating costs	211.806	140.426	71.380
Total	4.952.200	5.458.935	(506.735)

4) Financial and asset management

The gross result of financial and asset management amounts to €11,931.

Balance on 31/12/2019	Balance on 31/12/2018	Variations
11.931	(11.624)	23.555

Financial income refers to the returns on liquidity temporarily invested pending their use for institutional purposes.

Description	31/12/2019	31/12/2018	Variations
Income from bank deposits	2.003	2.119	(116)
Income from other assets	30.427	12.286	18.141
(Interest and other financial charges on bank loans)	(5.911)	(6.765)	854
(Interest and other financial charges on other loans)	(14.588)	(19.264)	4.676
Total	11.931	(11.624)	23.555

Information pursuant to art. 2427, no. 16 of the Civil Code

To complete this Explanatory Note, we inform you that for financial year 2019, the President of the Board of Directors has waived remuneration for administrative responsibilities and has been remunerated as a technical consultant for various projects relating to the operating activity of the Association. The fee for the Board of Statutory Auditors is € 6,257.

Number of employees and collaborators

As of 31 December 2019, the Association includes the following employees and collaborators:

Italy office:

Employees:	n. 16 (of which 6 part time)
Collaborators and consultants:	n. 18
Volunteers (civil service):	n. 4
Interns:	n. 0

Foreign offices

Tanzania:

Collaborators:	n. 6
Local employees (Oikos East Africa):	n. 27
Volunteers (civil service):	n. 4

Myanmar:

Collaborators:	n. 6
Local employees:	n. 32
Volunteers (civil service):	n. 2

Mozambique:

Collaborators:	n. 4
Local employees:	n. 24
Volunteers (civil service):	n. 2

Lebanon:

Collaborators:	n. 1
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Result of the year and proposed destination

As regards the operating surplus of €10,689, it is destined entirely for the available Statutory Reserve.

Conclusions

This financial statement gives a true and fair view of the financial position of the Association and its operating activities and corresponds to the results of the accounting records.

President

Dr. Rossella Rossi

