



FORUM
*of Adriatic
and Ionian*
CITIES

**FINANCIAL STATEMENT
AT 31.12.2020
AND
FINAL REPORT 2020**

Ancona, May 2021

REVENUES	Consumptive 2020	EXPENSES	Consumptive 2020
I. Membership fees	€ 9.250,00	I. Operating expenses and structure functioning	€ 7.809,00
I.I Current year fees	€ 7.850,00	I.I <i>Postal charges</i>	€ 0,00
I.II Previous years fees	€ 1.400,00	I.II <i>Phone costs</i>	€ 0,00
		I.III <i>Printing</i>	€ 0,00
		I.IV <i>Stationery</i>	€ 34,00
II. Other membership contribution	€ 0,00	I.IV Advertising	€ 0,00
II.I General contributions	€ 0,00	I.V <i>Translations and interpreting services</i>	€ 0,00
II.II Contributions from specific projects	€ 0,00	I.VI <i>Representation expenses</i>	€ 0,00
		I.VII <i>Advisory services</i>	€ 2.719,00
III. Contributions and financing from third parties	€ 74.675,00	I.VII.I <i>Web page assistance services and other advisory services</i>	€ 0,00
III.I General contributions	€ 0,00	I.VII.II <i>Accountancy and payroll services</i>	€ 2.719,00
		I.VII.III <i>Other advisory fees</i>	€ 0,00
III.II <i>Contributions from specific projects (Region and other entities)</i>	€ 74.675,00	I.VIII <i>Miscellaneous expenditures</i>	€ 5.056,00
		I.VIII.I <i>Licence</i>	€ 4.861,00
III.II-a) FACILITY POINT	€ 17.500,00	I.VIII.II <i>Software licence</i>	€ 0,00
III.II-b) AI-NURECC	€ 57.175,00	I.VIII.III <i>Other miscellaneous expenditures</i>	€ 195,00
III.III Anticipations from Ancona Chamber of Commerce	€ 0,00	II. Staff costs	€ 0,00
IV. Sponsorship	€ 0,00	II.I Remunerations of the Secretariat Staff	€ 0,00
IV.I <i>General contributions (liberal donations)</i>	€ 0,00	II.II Mission and travel expense	
V. Income from the provision of services	€ 0,00	II.III Reimbursement of travel and accommodation expenses	€ 0,00
VI. Other income	€ 8,00	II.IV Remunerations for ongoing contracts	
VI. I Interest income	€ 5,00		€ 0,00
VI.II Surplus			
VI.III <i>Miscellaneous recoveries</i>	€ 3,00	III. Association bodies'	€ 1.439,00

<i>and repayments</i>		expenditures	
VII. Surpluses from the previous years	€ 3.680,00	III.I Reimbursement of travel expenses and accommodation expenses	€ 0,00
VII.I Residual to be allocated to specific projects	€ 3.680,00	III.III Board of Auditors - reimbursement of expenses	€ 1.439,00
VII.II Residual destined for institutional activities			
		IV. Promotion and institutional initiatives expenses	€ 34.388,00
		IV.I Initiatives and project costs	€ 400,00
		<i>a) Promotional activities</i>	€ 0,00
		<i>b) Cooperation projects</i>	
		<i>c) Expenses for other projects</i>	€ 400,00

		IV.II	33,988,00
		IV.II bis Project AI NURECC	€ 27.645,00
		<i>a) Costs financed by FAIC resources</i>	
		<i>B) Projects staff costs</i>	€ 9.166,00
		<i>c) Other expenses for project implementation</i>	€ 18.479,00
		IV.III bis Progetto FACILITY POINT	€ 6.343,00
		<i>b) Project Staff Costs</i>	€ 5.769,00
		<i>c) Other expenses for project implementation</i>	€ 574,00
		V. Expenses for Asset purchases	€ 890,00
		V.I Sundry and various equipment	€ 890,00
		V.II Losses	€ 0,00
		VI. Other charges	€ 735,00
		VI.I Bank charges	€ 278,00
		<i>VI.II Insurance charges</i>	€ 0,00
		<i>VI.III Tax and social security charges</i>	€ 457,00
TOTAL REVENUES	€ 87.612,00	TOTAL EXPENSES	€ 45.261,00
OPERATING LOSSES		OPERATING PROFIT	€ 42.352,00

TOTAL BALANCE	€ 87.613,00	TOTAL BALANCE	€ 87.613,00
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In summary, the final balance can be represented as follows:

REVENUES		EXPENSES	
1. Membership fees 2020	9.250,00	1. Operating expenses	9.434,00
		1.1. Accounting services	7.809,00
III. Contributions and financing from third parties	74.675,00	1.2. Miscellaneous expenses	1.625,00
III.1 Projects Marche Region-Stakeholder Platform	17.500,00	2) Expenses for the staff	-
III.2 Projects AINUREC	57.175,00	3) Expenses for the organs	1.439,00
		4) Expenses for initiatives FORA	400,00
		5) Projects	33.988,00
	-	5.1 Projects Marche Region Stakeholder Platform	6.343,00
		5.2 projects AINUREC	27.645,00
VI. Different income	8,00		-
VII. Management surplus years previous	3.680,00	TOTAL EXPENSES:	45.261,00
		OPERATING PROFIT	42.352,00
TOTAL REVENUE:	87.613,00	TOTAL BALANCE	87.613,00

ANNEX I

COMPARISON BETWEEN THE PLANNED BUDGET AND BALANCE SHEET 2020

REVENUES	Planned budget 2020	Final balance 2020	EXPENSES	Planned budget 2020	Consuntivo 2020
I. Membership Fees	€ 33.700,00	€ 9.250,00	I. Operating expenses and structure functioning	€ 7.900,00	€ 7.809,00
I.I Current year fees	€ 21.100,00	€ 7.850,00	I.I Postal charges	€ 50,00	€ 0,00
I.II Previous years fees	€ 12.600,00	€ 1.400,00	I.II Phone costs	€ -	€ 0,00
			I.III Stationery and printing	€ 1.000,00	€ 34,00
II. Other membership contribution	€ 0,00	€ 0,00	I.IV Advertising	€ 0,00	€ 0,00

II.I General contributions	€ 0,00	€ 0,00	I.V Translations and interpreting services	€ 2.000,00	€ 0,00
II.II Contributions from specific projects	€ 0,00	€ 0,00	I.VI Representation expenses	€ 0,00	€ 0,00
			I.VII Advisory services	€ 3.850,00	€ 2.719,00
			I.VII.I Spese per assistenza sito WEB	€ 150,00	€ 0,00
III. Contributions and financing from third parties	€ 56.998,00	€ 74.675,00	I.VII.II Web page assistance services	€ 3.200,00	€ 2.719,00
III.I General Contributions	€ 0,00	€ 0,00	I.VII.III Other advisory fees	€ 500,00	€ 0,00
III.II Contributions from specific projects (Region and other entities)	€ 56.998,00	€ 74.675,00	I.VIII miscellaneous expenditures	€ 1.000,00	€ 4.871,00
III.III Anticipazioni Camera di Commercio di Ancona	€ 0,00	€ 0,00	I.VIII.I Software licence	€ 0,00	€ 5.056,00
III.II-a) FACILITY POINT	€ 10.000,00	€ 0,00	I.VIII.II Other miscellaneous expenditures	€ 300,00	€ 0,00
III.II-b) AI-NURECC	€ 45.998,00	€ 0,00	I.VIII.III Altre spese varie	€ 700,00	€ 195,00
Contributi da enti c/progetti	€ 1.000,00	€ 0,00	II. Staff costs	€ 0,00	€ 0,00
IV. Sponsorship	€ 0,00	€ 0,00	II.I Remunerations of the Secretariat Staff	€ 0,00	€ 0,00
IV.I General contributions (liberal donations)	€ 0,00	€ 0,00	II.II Mission and travel expenses	€ 0,00	€ 0,00
			II.III Reimbursement of travel and accommodation expenses	€ 0,00	€ 0,00
V. Income from the provision of services	€ 0,00	€ 0,00	II.IV Remunerations for ongoing contracts	€ 0,00	€ 0,00
			II.V Expenses for professional trainings	€ 0,00	€ 0,00
VI. Other income	€ 0,00	€ 8,00	II.VI Expenses for occasional collaborations	€ 0,00	€ 0,00
VI. I Interest income	€ 0,00	€ 5,00	III.Reimbursement of travel expenses and accommodation expenses	€ 9.000,00	€ 1.439,00
VI.II Surplus	€ 0,00	€ 0,00	III.I Board of Auditors - reimbursement of expenses	€ 6.000,00	€ 0,00

VI.III Miscellaneous recoveries and repayments	€ 0,00	€ 3,00	III.II Executive Board - expenses	€ 3.000,00	€ 1.439,00
VII. Surpluses from the previous years	€ 0,00	€ 3.680,00	III.III Spese consiglio direttivo	€ 0,00	€ 0,00
			III.IV Spese assemblea soci	€ 0,00	€ 0,00
			III.V Spese tavoli di lavoro	€ 0,00	€ 0,00
VII.I Residual to be allocated to specific projects	€ 0,00	€ 3.680,00	IV. Promotion and institutional initiatives expenses	€ 71.898,00	€ 34.388,00
VII.II Residual destined for institutional activities	€ 0,00	€ 0,00	IV.I Initiatives and project costs	€ 15.900,00	€ 400,00
			a) Promotional activities	€ 5.500,00	€ 0,00
			b) Cooperation projects	€ 8.000,00	€ 0,00
			c) Expenses for other projects	€ 2.400,00	€ 400,00
			IV.II Projects funded by various entities and organisations	€ 55.998,00	€ 33.988,00
			IV.II bis Progetto AI NURECC	€ 45.998,00	€ 27.645,00
			a) Costs financed by FAIC resources	€ 0,00	€ 0,00
			b) Project Staff Costs	€ 16.766,00	€ 9.166,00
			c) Other expenses for project implementation	€ 29.232,00	€ 18.479,00
			IV.III bis Progetto FACILITY POINT	€ 10.000,00	€ 6.343,00
			b) Project Staff Costs	€ 9.000,00	€ 5.769,00
			c) Other expenses for project implementation	€ 1.000,00	€ 574,00
			V. Expenses for Asset purchases	€ 0,00	€ 890,00
			V.I Sundry and various equipment	€ 0,00	€ 890,00
			V.II Losses	€ 0,00	€ 0,00
			VI. Other charges	€ 1.900,00	€ 735,00
			VI.I Bank charges	€ 600,00	€ 278,00
			VI.II Insurance charges	€ 300,00	€ 0,00
			VI.III Tax and social security charges	€ 1.000,00	€ 457,00

TOTAL REVENUES	€ 90.698,00	€ 87.613,00	TOTAL EXPENSES	€ 90.698,00	€ 45.261,00
OPERATING LOSSES			OPERATING PROFIT	€ 0,00	€ 42.352,00
TOTAL BALANCE	€ 90.698,00	€ 87.613,00	TOTAL BALANCE	€ 90.698,00	€ 87.613,00

ANNEX II

COMPARISON BETWEEN FINAL 2019 AND 2020 FINANCIAL STATEMENTS

REVENUES	Consumptive 2019	Consumptive 2020	EXPENDITURES	Consumptive 2019	Consumptive 2020
I. Membership Fees	€ 10.500,00	€ 9.250,00	I. Operating expenses and structure functioning	€ 3.454,00	€ 7.809,00
I.I Current year fees	€ 8.450,00	€ 7.850,00	I.I Postal charges	€ 18,00	€ 0,00
I.II Previous years fees	€ 2.050,00	€ 1.400,00	I.II Phone costs	€ 0,00	€ 0,00
			I.III Stationery and printing	€ 0,00	€ 34,00
II. Other membership contribution	€ 0,00	€ 0,00	I.IV Advertising	€ 0,00	€ 0,00
II.I General contributions	€ 0,00	€ 0,00	I.V Translations and interpreting services	€ 0,00	€ 0,00
II.II Contributions from specific projects	€ 0,00	€ 0,00	I.VI Representation expenses	€ 0,00	€ 0,00
			I.VII Advisory services	€ 2.946,00	€ 2.719,00
III. Contributions from third parties	€ 23.999,00	€ 74.675,00	I.VII.I web page assistance services and other advisory services	€ 100,00	€ 0,00
III.I General Contributions	€ 1.000,00	€ 0,00	I.VII.II Accountancy and payroll services	€ 2.846,00	€ 2.719,00

			I.VII.III Other advisory fees	€ 0,00	€ 0,00
III.II Contributions from specific projects (Region and other entities)	€ 22.999,00	€ 74.675,00	I.VIII Miscellaneous expenditures	€ 490,00	€ 5.056,00
III.III Anticipazioni Camera di Commercio di Ancona	€ 0,00	€ 0,00	II. Staff costs	€ 0,00	€ 0,00
IV. Sponsorship	€ 0,00	€ 0,00	II.I II.I Remunerations of the Secretariat Staff	€ 0,00	€ 0,00
IV.I General contributions (liberal donations)	€ 0,00	€ 0,00	II.II Mission and travel expenses	€ 0,00	€ 0,00
			II.III Reimbursement of travel and accommodation expenses	€ 0,00	€ 0,00
VI. Other income	€ 16,00	€ 8,00	II.IV Remunerations for ongoing contracts	€ 0,00	€ 0,00
VI. I Interest income	€ 3,00	€ 5,00	II.V Expenses for professional trainings	€ 0,00	€ 0,00
VI.II Surplus	€ 0,00	€ 0,00	II.VI Expenses for occasional collaborations	€ 0,00	€ 0,00
VI.III Miscellaneous recoveries and repayments	€ 13,00	€ 3,00	III. Association bodies' expenditures	€ 654,00	€ 1.439,00
VII. Surpluses from the previous years	€ 33.146,00	€ 3.680,00	III.I Reimbursement of travel expenses and accommodation expenses	€ 654,00	€ 0,00

VII.II Residual destined for institutional activities	€ 33.146,00	€ 0,00	IV. Promotion and institutional initiatives expenses	€ 59.347,00	€ 34.388,00
			IV.I Initiatives and project costs e progetti	€ 0,00	€ 400,00
			a) Promotional activities	€ 0,00	€ 0,00
			b) Cooperation projects	€ 0,00	€ 0,00
			c) Miscellaneous	€ 0,00	€ 400,00
			IV.IV Progetti finanziati da enti ed organismi vari	€ 59.347,00	€ 33.988,00
			IV.II bis Project AI NURECC	€ 59.347,00	€ 27.645,00
			a) Costas financed by FAIC resources	€ 0,00	€ 0,00
			b) Project staff costs	€ 29.553,00	€ 9.166,00
			c) Other expenses for project implementation	€ 29.794,00	€ 18.479,00
			IV.III bis Project FACILITY POINT	€ 0,00	€ 6.343,00
			b) Project Staff Costs	€ 0,00	€ 5.769,00
			c) Other expenses for project implement	€ 0,00	€ 574,00

			ation		
			V. Expenses for asset purchases	€ 0,00	€ 890,00
			V.I Sundry and various equipment	€ 0,00	€ 890,00
			V.II Losses	€ 0,00	€ 0,00
			VI. Other charges	€ 526,00	€ 735,00
			VI.I Bank charges	€ 446,00	€ 278,00
			VI.II Insurance charges	€ 0,00	€ 0,00
			VI.III Tax and social security charges	€ 80,00	€ 457,00
TOTALE REVENUES	€ 67.661,00	€ 87.613,00	TOTAL EXPENSES	€ 63.981,00	€ 45.261,00
OPERATING LOSSES			OPERATING PROFIT	€ 3.680,00	€ 42.352,00
TOTAL BALANCE	€ 67.661,00	€ 87.613,00	TOTAL BALANCE	€ 67.661,00	€ 87.613,00

FINAL REPORT ON FINANCIAL STATEMENT 2020

The 2020 annual economic report has been prepared by the Secretary General according to the procedures established by the statute of the Association "Forum of the Adriatic and Ionian Cities" and contains, divided into analytical items and annotated with extreme precision and clarity, all the Association's revenues and expenditures regarding the institutional area, since no commercial activity is carried out.

The cash flow statement is of a financial nature, and shows the revenues and expenses occurring during the year classified according to the scheme shown in "Annex B".

The accounting method adopted for recording the operating events is exclusively the cash one on the basis of which the receipts and expenditures become relevant when the related financial movements (receipts or payments) occur.

The data reported in the financial statement correspond to the results of the accounting records regularly kept during the year 2020 and represent the financial result of the institutional activity carried out by the bodies of the Association.

In order to provide exhaustive information to the members on the financial trends of the association and their development over time as well as on the reliability of the forecasts made, in addition to the "Annex B" of the financial management regulation, two other schemes have been processed: "Annex I and II" in which the differences between the "Budget 2020 and Final 2020" (annex I) and between "Final 2019 and Final 2020" (annex II) were highlighted.

Furthermore, at the end of the explanatory report, the debtor items of the Association as at 31.12.2020 are highlighted, in order to give complete information to the members on the financial situation of the Forum concerned as well as the cash / bank movements in and / or out also from the commitments undertaken.

The values are represented in euro units by rounding off the relative amounts. Any rounding differences are included in the items "Income" and "Miscellaneous".

Revenues

The revenues recognized in the 2020 financial year concern:

- the fees paid by the members to the extent established by the Board of Directors relating to both the current and previous years for a total of € 9,250. Currently there are 43 member cities for a total of fees due for the year 2020 of € 19,650; the unpaid fees for 2020 amount to € 11,800; the relative unpaid portions relating to the 2019 financial year amount to **€ 9,650**;
- the final tranche of the contribution, financed with the funds of DG Regio for the European project AI-NURECC, born from the collaboration with the CPMR Association (Conference of European Peripheral Maritime Regions) and the Adriatic Ionian Euroregion which together with the Fora of the Society Civil represent the main actors of the EUSAIR Area, of **€ 57.175**.
- the contribution of € 17,500 relating to the "Facility Point - Supporting the Governance of the EUSAIR" project (Axis 4 of the Interreg ADRION Program) pursuant to the Agreement stipulated between the Marche Region (Italian Project Partner) and the Marche Chamber of Commerce and to which the FAIC is a partner, as a representative network of the civil society of the Area for the online and offline activities of the Stakeholder Platform, that will be implemented during 2020, and which aim to disseminate the EUSAIR Strategy in coordination with the project partners and the coordinators of the Thematic Steering Groups of the 4 EUSAIR Pillars.
- income for interest income accrued on current account availability of € 5 and for recovery of expenses of € 13;

Expenditures

The "**Management and operating expenses of the structure**" incurred in 2020 amounted to a total of € 7,809 with an increase of € 4,355 compared to the previous year, attributable exclusively to the cost incurred for the service and rental of the telematic platform used for the annual meeting of the shareholders, given the impossibility due to the Covid-19 pandemic and the consequent lockdown, to be able to hold a meeting in presence with all the associates. The expenses were analytically detailed in the financial statement and compared with the previous year.

The "**Personnel expenses**" The personnel expenses incurred in 2020 relate to the two work units hired on a par-time basis for the implementation of the AI NURECC project, with the contract terminated with the project, in January 2020 and at the cost relating to the new work unit hired in September 2020 to follow the Facility Point project. The cost of such employees was recognized among the costs of the Projects in the item "Project staff expenses" which will be discussed later.

The "**Expenses for the association's bodies**" of a total of € 1,439 relate to the reimbursement of expenses paid to the

members of the board of auditors;

The "**Expenses for promotional and institutional initiatives**" amount to a total of € 34,388 and show a decrease of € 24,959 compared to the previous year. Due to the COVID-19 pandemic event which entirely affected the 2020 financial year, the association's activity had to be reduced to the limitations imposed by the government precautionary measures.

In detail, these expenses were incurred for:

Expenses for initiatives and projects: € 400

This cost relates to the contribution paid in 2020 to ASD Giovane Ancona Calcio as part of the event of the Adriatic Macro-Region held in 2019.

Projects financed by various bodies and organizations: € 33,988

These are the expenses incurred for carrying out the project activity and in particular:

- "AI-NURECC" project.

This is the project carried out by the Ionian Adriatic network of Cities, Universities, Regions, Chambers of Commerce (AI-NURECC) which came to an end in the early months of the year.

The costs related to this project have been divided into two categories for a better attribution and reporting of the same:

- **Project staff expenses:** this item includes the costs incurred for the employees hired for the implementation of the project and the reimbursement of expenses paid to them. The total cost incurred during the year amounts to € 9,166. We have already mentioned the item "Personnel expenses" of this personnel.
- **Other expenses for project implementation: € 18.479**

This amount is made up of all costs incurred mainly for technical, scientific and operational processing and management services for the activities implemented for the realization of the project;

- "Facility Point" project: € 6,343

For the "Facility Point - Supporting the Governance of the EUSAIR" project (Axis 4 of the Interreg ADRION Program) which sees the involvement of the three Fora (Forum AIC, FAIC and Uniadriion) as representative networks of the civil society of the Area for the online and offline activities of the Stakeholder Platform for the dissemination of the EUSAIR Strategy in coordination with the project partners of the project and the coordinators of the Thematic Steering Groups of the 4 EUSAIR Pillars, costs were incurred in financial year 2020 for € 6,343.

The costs related to this project have been divided into two categories for a better attribution and reporting of the same:

- **Expenses for project staff:** this item includes the cost incurred for the employees hired to carry out the project. The total cost incurred during the year amounts to € 5,769. We have already mentioned the item "Personnel expenses" of this personnel.
- **Other expenses for project implementation: € 574**

This cost relates to coordination and drafting of articles in the EUSAIR Stakeholder Platform Newsletter.

- Expenses for "Asset purchases".

In the 2020 financial year, no. 2 smartphones necessary for the smooth running of the business considering the Covid-19 restrictions.

The expense item "**Miscellaneous charges**" for a total of € 735 shows an increase compared to the previous year, of € 209

This item includes the costs incurred for:

- bank charges and services of € 278
- tax charges relating to IRAP, stamp duty and various penalties, for € 457

"Operating surplus / losses"

The financial statement for the year 2020 closes with an operating surplus of € 42,537 given by the sum of the operating surplus for the year 2019 of € 3,680 and the positive result for the year 2020 of € 38,857.

Operating surplus for year 2019	€ 3,680
+ Income for the year 2020	€ 83,933
- Expenses for the year 2020 -	€ 45,261
Operating surplus for 2020	€ 42,537

To complete the information on 2020 operations, the details of the cash and cash equivalents as at 31.12.2020 are provided, which overall coincide with the operating surplus to be carried forward in the year 2021:

Balance of ordinary bank current account at 31.12.2020	€ 40.840
Cash	€ 10
Prepaid credit card available at 31.12.2020	€ 1.687
Total	€ 42.537

It is also considered useful to point out that during 2020 credits towards associates and debts towards third parties accrued. In particular, at the end of the 2020 financial year, the following financial situation results:

CREDITS

Receivables from associates for unpaid training fees 2020:	€ 11,800
- training fees 2019:	€ 9,650
Total cash flow assets	€ 21,450

PAYABLES

Payables to tax authorities for withholding taxes	€ 254
Payable to social security and welfare institutions	€ 42
Payable to employees	€ 996
Payable for severance pay	€ 617
Total cash flow	<u>€ 1,909</u>

From the examination of the above, it is clear that the total expected cash flow, added to the cash and cash equivalents at the end of 2020 for a total of **€ 63,987**, is able to cover the total cash flow at 31.12.2020 of **€ 1,909**.