



FORUM
*of Adriatic
and Ionian*
CITIES

**FINANCIAL
STATEMENT AT
31.12.2021
AND
FINAL REPORT
2021**

Tirana, May 17th 2022

ANNEX B - FINANCIAL SITUATION YEAR 2021

REVENUES	Final balance 2021	EXPENSES	Consumptive 2020
I. Membership fees	€ 12950,00	I. Operating expenses and structure functioning	€ 2.822,00
I.I Current year fees	€ 7.050,00	I.I Postal charges	€ 43,00
I.II Previous years fees	€ 5.900,00	I.II Phone costs	€ 0,00
		I.III Printing	€ 0,00
		I.IV Stationery	€ 0,00
II. Other membership contribution	€ 0,00	I.IV Advertising	€ 0,00
II.I General contributions	€ 0,00	I.V Translations and interpreting services	€ 0,00
II.II Contributions from specific projects	€ 0,00	I.VI Representation expenses	€ 0,00
		I.VII Advisory services	€ 2.668,00
III. Contributions and financing from third parties	€ 65.708,00	I.VII.I Web page assistance services and other advisory services	€ 80,00
III.I General contributions	€ 0,00	I.VII.II Accountancy and payroll services	€ 2.588,00
		I.VII.III Other advisory fees	€ 0,00
III.II Contributions from specific projects (Region and other entities)	€ 65.708,00	I.VIII Miscellaneous expenditures	€ 111,00
		I.VIII.I Licence	€ 0,00
III.II-a) FACILITY POINT	€ 7.500,00	I.VIII.II Software licence	€ 84,00
III.II-b) AI-NURECC	€ 58.208,00	I.VIII.III Other miscellaneous expenditures	€ 27,00
		II. Staff costs	€ 0,00
IV. Sponsorship	€ 0,00	II.I Remunerations of the Secretariat Staff	€ 0,00
IV.I General contributions (liberal donations)	€ 0,00	II.II Mission and travel expense	

V. Income from the provision of services	€ 0,00	II.III <i>Reimbursement of travel and accommodation expenses</i>	€ 0,00
VI. Other income	€ 576,00	II.IV <i>Remunerations for ongoing contracts</i>	
VI. I Interest income	€ 7,00		€ 0,00
VI.II Surplus			
VI.III <i>Miscellaneous recoveries</i>	€ 569,00	III. Association bodies'	€ 1.439,00

<i>and repayments</i>		expenditures	
VII. Surpluses from the previous years	€ 42.352,00	III.I <i>Travel and subsistence expenses reimbursement board of directors</i>	€ 0,00
VII.I <i>Residual to be allocated to specific projects</i>	€ 42.352,00	III.II <i>Board of Auditors - reimbursement of expenses</i>	€ 0,00
VII.II <i>Residual destined for institutional activities</i>			
		IV. Promotion and institutional initiatives expenses	€ 35.537,00
		IV.I <i>Initiatives and project costs</i>	€ 0,00
		a) <i>Promotional activities</i>	€ 0,00
		b) <i>Cooperation projects</i>	
		c) <i>Expenses for other projects</i>	€ 0,00
		IV.II Projects funded by different organizations	35.537,00
		IV.II bis Project AI NURECC	€ 8.446,00
		a) <i>Costs financed by FAIC resources</i>	
		B) <i>Projects staff costs</i>	€ 8.286,00
		c) <i>Other expenses for project implementation</i>	€ 160,00
		IV.III bis Project FACILITY POINT	€ 27.091,00
		b) <i>Project Staff Costs</i>	€ 12.790,00
		c) <i>Other expenses for project</i>	€ 14.301,00

		<i>implementation</i>	
		V. Expenses for Asset purchases	€ 0,00
		V.I Sundry and various equipment	€ 0,00
		V.II Losses	€ 0,00
		VI. Other charges	€ 297,00
		<i>VI.I Bank charges</i>	€ 277,00
		<i>VI.II Insurance charges</i>	€ 0,00
		<i>VI.III Tax and social security charges</i>	€ 20,00
TOTAL REVENUES	€ 121.586,00	TOTAL EXPENSES	€ 39.822,00
OPERATING LOSSES		OPERATING PROFIT	€ 81.764,00
TOTAL BALANCE	€ 121.586,00	TOTAL BALANCE	€ 121.586,00

In summary, the final balance can be represented as follows:

FORUM DELLE CITTA' DELL'ADRIATICO E DELLO IONIO (FAIC)			
REVENUES		EXPENSES	
1. Membership fees 2021	€12.950,00	1. Operating expenses	€3.119,00
		<i>1.1. Accounting services</i>	€2.822,00
III. Contributions and financing from third parties	€65.708,00	<i>1.2. Miscellaneous expenses</i>	€297,00
<i>III.1 Project Marche Region- Stakeholder Platform</i>	€7.500,00	<i>2) Expenses for the staff</i>	€0,00
<i>III.2 Project AINURECC PLUS</i>	€58.208,00	<i>3) Expenses for the organs</i>	€0,00
		<i>4)Expenses for initiatives FORA</i>	€ 0,00
		<i>5) Projects</i>	€35.537,00
	-	<i>5.1 Projects Marche Region- Stakeholder Platform</i>	€27.091,00
		<i>5.2 projects AINUREC PLUS</i>	€8.446,00

VI. Other income	€576,00		€0,00
VII. Surpluses from the previous years	€42.352,00	TOTAL EXPENSES:	€39.822,00
		OPERATING PROFIT	€81.764,00
TOTAL REVENUE:	€121.586,00	TOTAL BALANCE	€121.586,00

ANNEX I

COMPARISON BETWEEN ESTIMATE AND FINANCIAL STATEMENT FOR THE YEAR 2021

REVENUES	Budget 2021	Final balance 2021	EXPENSES	Planned budget 2021	Budget 2021
I. Membership Fees	€ 45.3500,00	€ 12.950,00	I. Operating expenses and structure functioning	€ 16.920,00	€2.738,00
I.I Current year fees	€ 19.650,00	€ 7.050,00	I.I Postal charges	€ 120,00	€ 43,00
I.II Previous years fees	€ 25.700,00	€ 5.900,00	I.II Phone costs	€ 600,00	€ 0,00
			I.III Stationery and printing	€ 700,00	€ 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	€ 2.500,00	€ 0,00
II.II Contributions from specific projects	€ 0,00	€ 0,00	I.VI Representation expenses	€ 0,00	€ 0,00
			I.VII Advisory services	€ 8.300,00	€ 2.668,00
			I.VII.I Web page assistance services	€ 2.500,00	€ 80,00
III. Contributions and financing from third parties	€ 90.000,00	€ 65.708,00	I.VII.II Accountancy and payroll services	€ 4.300,00	€ 2.588,00

III.I General Contributions		€ 0,00	€ 0,00	I.VII.III Other advisory fees	€ 1.500,00	€ 0,00
III.II Contributions from specific projects (Region and other entities)		€ 90.000,00	€ 65.708,00	I.VIII miscellaneous expenditures	€ 4.700,00	€ 111,00
				I.VIII.I Licence	€ 2.200,00	€ 0,00
III.II-a) FACILITY POINT		€ 10.000,00	€ 7.500,00	I.VII.II Other miscellaneous expenditures	€ 700,00	€ 27,00
III.II-b) AI-NURECC		€ 80.000,00	€ 58.208,00	I.VIII.III Other miscellaneous expenditures	€ 700,00	€ 27,00
Contributions from organizations or projects		€ 0,00	€ 0,00	II. Staff costs	€ 0,00	€ 1.166,00
IV. Sponsorship		€ 0,00	€ 0,00	II.I Remunerations of the Secretariat Staff	€ 0,00	1166.00 €
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 Remuneratios For ongoing contracts	€ 0,00	€ 0,00
				II.V Expenses for professional trainings	€ 0,00	€ 0,00
VI. Other income	€ 0,00	€ 576,00		II.VI Expenses for occasional collaborations	€ 0,00	€ 0,00
VI. I Interest income	€ 0,00	€ 7,00		III Association bodies'	€ 6.300,00	€ 0,00
VI.II Surplus	€ 0,00	€ 0,00		III.I Reimbursement of travel expenses and accommodation expenses	€ 6.300,00	€ 0,00
VI.III Miscellaneous recoveries and repayments	€ 0,00	€ 569,00		III.II Board of Auditors - reimbursement of expenses	€ 3.000,00	€ 0,00
VII. Surpluses from the previous years	€ 0,00	€ 42.352,00		III.III Board of directors expenditure	€ 0,00	€ 0,00

			III.IV Assembly Members expenditure	€ 0,00	€ 0,00
			III.V Expenditure on working tables	€ 0,00	€ 0,00
VII.I Residual to be allocated to specific projects	€ 0,00	€ 42.352,00	IV. Promotion and institutional initiatives expenses	€ 110.250,00	€ 35.537,00
VII.II Residual destined for institutional activities	€ 0,00	€ 0,00	IV.I Initiatives and project costs	€ 20.250,00	€ 0,00
			a) Promotional activities	€ 6.500,00	€ 0,00
			b) Cooperation projects	€ 8.000,00	€ 0,00
			c) Expenses for other projects	€ 5.750,00	€ 0,00
			IV.II Projects funded by various entities and organisations	€ 90.000,00	€ 35.537,00

			IV.II bis Progetto AI NURECC	€ 80.000,00	€ 8.446,00
			a) Costs financed by FAIC resources	€ 2.400,00	€ 0,00
			b) Project Staff Costs	€ 33.734,00	€ 8.286,00
			c) Other expenses for project implementation	€ 43.866,00	€ 160,00
			IV.III bis Progetto FACILITY POINT	€ 10.000,00	€ 27.091,00
			b) Project Staff Costs	€ 6.555,00	€ 12.790,00
			c) Other expenses for project implementation	€ 3.445,00	€ 14.301,00
			V. Expenses for Asset purchases	€ 0,00	€ 0,00
			V.I Equipment	€ 0,00	€ 0,00
			V.II Losses	€ 0,00	€ 0,00
			VI. Other charges	€ 1.880,00	€ 297,00
			VI.I Bank charges	€ 330,00	€ 277,00
			VI.II Insurance charges	€ 250,00	€ 0,00
			VI.III Tax and social security charges	€ 1.300,00	€ 20,00

TOTAL REVENUES	€ 135.350,00	€	TOTAL EXPENSES	€ 135.350,00	€
		121.586,00			39.738,00
OPERATING LOSSES			OPERATIG PROFIT	€ 0,00	€
					81.848,00
TOTAL BALANCE	€ 135.350,00	€	TOTAL BALANCE	€ 135.350,00	€
		121.586,00			121.586,00

ANNEX II

COMPARISON BETWEEN FINAL 2019 AND 2020 FINANCIAL STATEMENTS

REVENUES	Planned budget 2020	Final balance 2021	EXPENSES	Planned budget 2021	Final balance 2021
I. Membership Fees	€ 9.250,00	€ 12.950,00	I. Operating expenses and structure functioning	€ 7.809,00	€ 2.822,00
<i>I.I Current year fees</i>	€ 7.850,00	€ 7.050,00	<i>I.I Postal charges</i>	€ 0,00	€ 43,00
<i>I.II Previous years fees</i>	€ 1.400,00	€ 5.900,00	<i>I.II Phone costs</i>	€ 0,00	€ 0,00
			<i>I.III Stationery and printing</i>	€ 34,00	€ 34,00
II. Other membership contribution	€ 0,00	€ 0,00	<i>I.IV Advertising</i>	€ 0,00	€ 0,00

<i>II.I General contributions</i>	€ 0,00	€ 0,00	<i>I.V Translations and interpreting services</i>	€ 0,00	€ 0,00
<i>II.II Contributions from specific projects</i>	€ 0,00	€ 0,00	<i>I.VI Representation expenses</i>	€ 0,00	€ 0,00
			<i>I.VII Advisory services</i>	€ 2.719,00	€ 2.668,00
			<i>I.VII.I Web page assistance services</i>	€ 100,00	€ 80,00
III. Contributions and financing from third parties	€ 74.675,00	€ 65.708,00	<i>I.VII.II Accountancy and payroll services</i>	€ 2.719,00	€ 2.588,00
<i>III.I General Contributions</i>	€ 0,00	€ 0,00	<i>I.VII.III Other advisory fees</i>	€ 0,00	€ 0,00

<i>III.II Contributions from specific projects (Region and other entities)</i>	€ 74.675,00	€ 65.708,00	<i>I.VIII miscellaneous expenditures</i>	€ 5.056,00	€ 111,00
			II. Staff costs	€ 0,00	€ 1.166,00
IV. Sponsorship	€ 0,00	€ 0,00	<i>II.I Remunerations of the Secretariat Staff</i>	€ 0,00	€ 0,00
IV.I General contributions (liberal donations)	€ 0,00	€ 0,00	<i>II.II Mission and travel expenses</i>	€ 0,00	€ 0,00
			<i>II.III Reimbursement of travel and accommodation expenses</i>	€ 0,00	€ 0,00
VI. Other income	€8,00	€576,00	<i>II.IV Expenses for coordinated and continuous collaborations</i>	€ 0,00	€ 0,00
<i>VI.I Interest income</i>	€ 5,00	€ 7,00	<i>II.V Expenses for professional trainings</i>	€ 0,00	€ 0,00
<i>VI.II Surplus</i>	€ 0,00	€ 0,00	<i>II.VI Expenses for occasional collaborations</i>	€ 0,00	€ 0,00
<i>VI.III Miscellaneous recoveries</i>	€ 3,00	€ 569,00	III Association bodies'	€ 1.439,00	€ 0,00
VII. Surpluses from the previous years	€ 3.680,00	€ 42.352,00	<i>III.I Reimbursement of travel expenses and accommodation expenses</i>	€ 0,00	€ 0,00
<i>VII.I Residual to be allocated to specific projects</i>	€ 0,00	€ 42.352,00	<i>III.II Board of Auditors - reimbursement of expenses</i>	€ 1.439,00	€ 0,00
<i>VII.II Residual destined for institutional activities</i>	€ 0,00	€ 0,00	IV. Promotion and institutional initiatives expenses	€ 34.388,00	€ 35.537,00
			IV.I Initiatives and project costs	€ 400,00	€ 0,00
			<i>a) Promotional activities</i>	€ 0,00	€ 0,00
			<i>b) Cooperation projects</i>	€ 0,00	€ 0,00

			c) Expenses for other projects	€ 400,00	€ 0,00
			IV.II Projects funded by various entities and organizations	€ 33.988,00	€ 35.537,00

			IV.II bis Progetto AI NURECC	€ 27.645,00	€ 8.446,00
			a) Costs financed by FAIC resources	€ 0,00	€ 0,00
			b) Project Staff Costs	€ 9.166,00	€ 8.286,00
			c) Other expenses for project implementation	€ 18.479,00	€ 160,00
			IV.III bis Progetto FACILITY POINT	€ 6.343,00	€ 27.091,00
			b) Project Staff Costs	€ 5.769,00	€ 12.790,00
			c) Other expenses for project implementation	€ 574,00	€ 14.301,00
			V. Expenses for Asset purchases	€ 890,00	€ 0,00
			V.I Equipment	€ 890,00	€ 0,00
			V.II Losses	€ 0,00	€ 0,00

			VI. Other charges	€ 735,00	€ 297,00
			VI.I Bank charges	€ 278,00	€ 277,00
			VI.II Other charges	€ 0,00	€ 0,00
			VI.III Tax and social security charges	€ 457,00	€ 20,00

TOTAL REVENUES	€ 87.613,00	€ 121.586,00	TOTAL EXPENSES	€ 45.261,00	€ 39.738,00
OPERATING LOSSES			OPERATING PROFIT	€ 42.352,00	€ 81.848,00
TOTAL BALANCE	€ 87.613,00	€ 121.586,00	TOTAL BALANCE	€ 87.613,00	€ 121.586,00

FINAL REPORT ON FINANCIAL STATEMENT 2021

The 2021 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 2021 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 2021 and Final 2021" (annex I) and between "Final 2020 and Final 2021" (annex II) were highlighted.

Furthermore, at the end of the explanatory report, the debtor items of the Association as at 31.12.2021 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

Membership fees: 12.950 euros

The fees paid by the members to the extent established by the Board of Directors for both the current and previous years for a total of € 12.950.

Currently there are 42 member cities for a total of fees due for the year 2021 of € 19.650; this amount is collected in the year 2021 for an amount equal to 7.050 euros paid by 14 associated cities. At the end of the 2021 financial year, therefore, fees for an amount of € 12.600 owed by the remaining 28 associated cities were still to be collected. In the first months of the 2022 financial year, another 6 associated cities paid the 2021 fee for an amount of € 3.400.

Overall, therefore, the 2021 dues still due amount to € 9.200 and relate to the remaining 22 associated cities.

From the analysis of the position of these cities, it emerges that 18 have never paid their share for a total amount of Euro 46.350.

If the amount of 2021 dues owed by these 18 totally defaulting cities equal to 7.750 euros is deducted from the amount of € 9.200 relating to the 2021 fees to be collected, quotas of € 1.450 attributable to three member cities are still due for 2021.

In the financial year 2021, portions from previous years were also collected for € 5.900.

Contributions and third-party financing: € 65.708

The grants received for specific projects in the financial year 2021 of € 65.708 concern:

the contribution of € 7.500 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 of the project and the coordinators of the Thematic Steering Groups of the 4 EUSAIR Pillars.

The contribution of € 58.208 relating to the European project AI-NURECC PLUS (2021/2023), aimed, as requested by the European Commission, for young people, tourism, creative and cultural industries (with the development of the Smart Specialization Platform), circular economy;

Other income: 576 euros

These income relate to interest income accrued on current account availability of € 7 and to the recovery of various expenses for € 569.

Operating surplus from previous years: € 42.352

Is given by the residual operating surplus from previous years of € 42.352 as shown in the report presented for the 2020 financial year. It should be noted that the operating surplus is exclusively due to the time lag that occurs between the collections of the grants received for the projects and the payments of the expenses incurred for their implementation.

Expenses

The "Management and operating expenses of the structure incurred in 2021 amounted to a total of € 2.738, a decrease of € 4.987 compared to the previous year. The expenses were analytically detailed in the cash flow statement and compared with the previous year.

"Personnel expenses" Personnel expenses incurred in the 2021 financial year relate to the work unit hired, the former with a fixed-term contract, for the implementation of projects and for the performance of secretarial services. The cost of these employees was recognized in part among the costs of the Projects in the item "Project staff costs" which will be discussed later and the part relating to secretarial services of Euro 1.166, in the appropriate cost item.

The "Expenses for promotional and institutional initiatives" amount to a total of € 35.537 and show an increase of € 1.549 compared to the previous year. Due to the COVID-19 pandemic event that continued in the 2021

financial year, the characteristic activity of the association had to be reduced to the limitations imposed by the government precautionary measures.

In detail, these expenses were incurred for:

Projects financed by various bodies and organizations: € 35.537

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

-"AI-NURECC PLUS" project.

For the European project "AI-NURECC Plus" aimed at young people, tourism, creative and cultural industries, costs were incurred in the year 2021 for € 8.446. 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 costs incurred for the employees hired for the realization of the project and the reimbursement of expenses paid to them. The overall cost incurred during the year amounts to € 8,286. We have already mentioned the item "Personnel expenses" of this personnel.

Other expenses for project implementation: € 160

This amount is made up of all costs incurred for the activities implemented for the realization of the project;

"Facility Point" project: € 27.091

For the "Facility Point - Supporting the Governance of the EUSAIR" project (Axis 4 of the Interreg ADRIAN Program) which sees the involvement of the three Fora (Forum AIC, FAIC and Uniadriano) 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 2021 for € 27.091.

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 overall cost incurred during the year amounts to € 12.790. We have already mentioned the item "Personnel expenses" of this personnel.

Other expenses for project implementation: € 14.301

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

The expense item "**Miscellaneous charges**" totalling **€ 297** shows a decrease compared to the previous year, of € 438

This item includes the costs incurred for:

- bank charges and services of € 277
- tax charges relating to IRAP, stamp duty and various penalties, for € 20

"Operating surplus / deficit"

The cash flow statement for the year 2021 closes with an operating surplus of € **81.764** given by the sum of the operating surplus for the year 2020 of € 42.352 and the positive result for the year 2021 of € 39.412

Operating surplus for year 2020		42.352
	€	
+ Income for the year 2021	€	79.233
- Expenses for the year 2021	-€	39.821
Operating surplus for 2021	€	81.764

To complete the information on 2021 operations, the details of the cash and cash equivalents as at 31.12.2021 are provided, which overall coincide with the operating surplus to be carried forward in the year 2022:

Balance of the ordinary bank current account as at 31.12.2021	€	80.081
Cash	€	9
Prepaid credit card available as of 31.12.2021	€	1.674
Total	€	81.764