

## VIALLI E MAURO FOUNDATION FOR RESEARCH AND SPORT - ONLUS

### **EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS AT 31.12.2009**

The Vialli and Mauro Foundation for Research and Sport – Onlus, is a non commercial activities Body, that through the collection of funds, pursues its corporate mission by financing projects in the research against cancer or ALS framework.

The Foundation's Financial statements at 31.12.2009 were drafted in compliance with the fundamental principles of clarity, truth and correctness in representing the Statement of financial position. In order to achieve this, reference was made, when applicable, to the provisions of the Civil Code for commercial undertakings and the accounting principles of Accountants and Tax Advisers drafted for undertakings as well as the guidelines of the Association of Accountants and Tax Advisers prepared for non-profit companies and the guidelines of non-profit entities approved by the Agency for non-profit companies on 11 February 2009 and those approved by the Piedmont Region on 26 October 2009.

For the purpose of making the Financial statements easier to read, next to the data relative to the fiscal year under examination, the results of the previous year have been shown: if necessary, the latter have been reclassified to make the data under comparison homogeneous. The financial schedules used are different from those referring to 2008 since they have been adjusted to comply with the Piedmont Region guidelines.

The data in the Financial statements and Explanatory notes have been exposed for the purposes of transparency of the activity carried out by the Foundation during the year in respect of the statutory mission and the various supporters who have contributed to pursue it with their free contributions.

### **Members of the Foundation**

The Foundation is managed by a Board of Directors made up as follows:

Gianluca Vialli, President

Massimo Mauro, Vice-President

Grazia Micarelli, Director

The General Secretary of the Foundation is Mr. Enrico Vallarolo.

Auditor of the Foundation is Mrs. Nicoletta Paracchini.

### **Tax Benefits**

The Foundation is currently registered in the taxpayer's register of Non-Profit Organisations of Social Utility (ONLUS) and benefits of the tax benefits provided for by Law no. 460 of 1997 and following amendments.

Those who give charitable donations to the Foundation can deduct the amount donated from their income within the limits and with the procedures provided for by the Decree of the President of the Republic no. 917/86 and by Law Decree no. 35/2005. The information related to the tax benefits is supplied to the supporters of the Foundation on a constant basis and in advance.

## **Personnel and collaborators**

The Foundation has two employees. One of these employees is also a Director and is helped by a semi-subordinate collaborator.

Furthermore the Foundation is helped by external consultants for administrative and tax services and event organisation.

The positions of President and Vice-President are free.

The General Secretary and the Auditor have carried out their positions free of charge in 2009.

## **Evaluation criteria and analysis of financial statement items**

### *STATEMENT OF FINANCIAL POSITION*

#### *ASSETS*

##### *Intangible assets*

They are recognised at purchase cost and are represented by constitution expenses:

Cost at source	1,492
- Amortisation provision	<u>(1,492)</u>
	0

They have been fully amortised on a straight-line basis in five fiscal years.

##### *Tangible assets*

They are recognised at purchase cost and include:

##### Furniture and fixtures

Cost at source	1,800
- Depreciation provision	<u>(972)</u>
	828

##### General installations

Cost at source	1,440
- Depreciation provision	<u>(972)</u>
	468

Asset depreciation is calculated in a systematic and constant manner considering the useful life of the same. Such reduction is deemed appropriate both with respect to the physical and the economic degradation of the said assets. Specifically, furniture and fixtures are depreciated at a rate of 12%, whereas general installations are depreciated at a rate of 15%. Depreciation starts when the goods become operative and for the first year, rates are reduced by 50%.

##### *Financial assets*

They are recognised at purchase cost. The item refers to the establishment of ARISLA, a non-profit participatory foundation created by Vialli and Mauro Foundation, AISla, Telethon Foundation and Cariplo

Foundation. The newly-established foundation will not carry out commercial activities but will be committed in raising funds to finance scientific research on ALS.

#### *Credits*

They are recognised at the presumed realisable value.

In particular the item refers to €1,222 for tax credits relating to IRAP advance payments, IRES credit as well as €3,716 relating to a credit for advance payments for labour consultancy services yet to be invoiced, to €9 for Inail credit, to €143 for a credit towards San Paolo for reversed fees to be credited and to €3 of sundry credits.

#### *Short-term investments*

The balance refers to the countervalue of residual units in collective investment undertakings: during the year, 6,947 units were purchased for a total of €49,995 whereas 13,700 were reimbursed for a total amount of €94,393.

#### *Available funds*

The balance represents the available cash and the existence of cash and assets at the end of the fiscal year. They are made up of €60,259 relating to the final balances of current accounts opened at Istituto San Paolo IMI of Turin and Poste Italiane S.p.A., appropriately reconciled with the account statement and the balance of cash in hand used for minor expenses equal to €576.00.

#### *Prepayments*

Prepayments represent the liaison entries of the fiscal year accrued in the period. The item includes prepayments on services.

#### *EQUITY*

It is constituted by the endowment fund paid by the founder members at the time it was established and is equal to €51,000. It also includes €4,932 relating to the previous year surplus and €3,256 relating to the current year surplus.

#### *LIABILITIES*

##### *Fund for institutional purposes*

It is represented by the fund for institutional purposes set aside with the donations received from the supporters of the Foundation and available for institutional projects.

During the year the fund had the following movements:

Balance at 31.12.2008	€115,856
Use for institutional costs	(€15,021)
Transfer from Objective 4 Fund	(€15,000)

Transfer from Objective 7 Fund	(€70,290)
Transfer from Objective 2 Fund	<u>6,687</u>
Balance at 31.12.2009	22,232

In addition, funds for specific objectives were used over the year:

Objective 2 Fund: €11,313 out of the balance of €18,000 at 31.12.2008 were used to cover Objective 2 costs (student grant for the Novara University), whereas the residual amount of €6,687 was transferred to a generic fund that should be used for a specific institutional project.

Objective 4 Fund: €40,000 out of the balance of €60,000 at 31.12.2008 were used to cover Objective 4 costs (student grant for the Maugeri Foundation and consumable materials for equipment use). €15,000 were set aside and partially transferred to the generic fund.

Objective 6 Fund: the balance of €50,000 was totally used to cover Objective 6 costs i.e. the purchase of an electromyograph to be used for research on ALS.

Objective 7 Fund: the fund includes the provisions from the fund for institutional purposes totalling €70,290. The Objective 7 project relates to a 10-year student grant to the neurology department of the Turin University for a total amount of €450,000.

#### *Severance indemnity fund*

It represents the amount of future commitments, net of possible prepayments disbursed, with regard to the sole employee at the closing date of the fiscal year in compliance with art. 2120 of the Italian Civil Code, taking into account the specificity of the employment contracts in force and of professional categories. This item includes the yearly quotas accrued and the revaluations carried out based on ISTAT coefficients, net of the substitute tax of 11%. The fund was subject to the following transactions:

Value at 31.12.2008	€2,643
Increase	<u>€2,102</u>
Value at 31.12.2009	€4,745

#### *Payables*

They include: payables due to suppliers for an amount equal to €9,045.00 inclusive of invoices not yet received for €1,514 with regard to competence costs of the fiscal year, tax payables on labour cost for €1,573, payables due to social institutions for €2,499 and payables due to the grant recipient for €2,313.

#### *Accrued liabilities*

Accrued liabilities represent the liaison entries of the fiscal year charged on an accrual basis. The item includes accruals on wages and salaries and on contributions.

#### *PROFIT AND LOSS ACCOUNT*

For the entering of the Profit and Loss Account items, the accrual principle has been used.

## REVENUES

### *Revenues from typical assets*

In 2009 the Foundation received the following donations:

Donations from founder members	€10,000
Donations from third party contributors	€63,290
Use of availability funds	<u>€116,334</u>
Total	€189,624

Donations given by founder members have covered 60% of the managerial costs of the Foundation.

### *Revenues from fund raising*

They represent donations from contributors during particular events in which the Foundation participates or events that it organises directly. The item is broken down as follows:

VI Pro.Am	€ 248,000
5th Stradivari competition	€ 48,645
5 X Mille donations	<u>€ 6.896</u>
Total	€343,541

The “5 per mille” donation relating to the 2007 income taxes, collected in December 2009, was used for Vialli and Mauro Foundation Objective no. 8, thus contributing to the AriSLA project and to finance scientific research on ALS. This expense was accounted for in a separate report, as required by law.

### *Financial and equity revenues*

This item includes current account interest income for € 3,462 as well as capital gains from the reimbursement of fund units for €5,590, rounding off and contingent assets for €94, and reimbursements of travel expenses by third parties for €464.

## COSTS

### *Costs from typical assets*

They relate to the carrying out of the institutional activity and are broken down as follows:

- services costs for €3,748 relate to telephone, post office and couriers expenses as well as travel expenses;
- personnel costs for €23,915 relate to staff employed;
- costs for projects for €263,418 relate to the carrying out of the following institutional projects:

Objective 2	€ 11,313
Objective 4	€ 40,000
Objective 6	€ 57,605

Objective 8	€ 100,000
Other donations	€ 54,500
Total	€263,418

The other donations refer to an extraordinary transfer of €50,000 to ARISLA, to a donation of €3,000 to a person suffering from ALS for medical assistance and to a donation of € 1,500 for the Esquilino sports association.

#### *Costs for promotions and fund raising*

This item includes costs incurred for the Pro.Am events for an amount equal to € 127,872 and for the Stradivari competition for €20,388.

The costs for ordinary promotion activities include costs relating to fund raising personnel for €24,702, costs for casual services for €3,120, costs for telephone and post office services and travel expenses for €7,358, the dinner event for the donators to the foundation for €5,690 and sundry costs.

#### *Financial and equity costs*

They include default interest expense.

#### *Sundry operating costs*

They include the costs for the management of the Foundation.

#### *Management surplus*

It is equal to €3,256. Management surplus is equal to the difference between revenues for €386,441, the fund for institutional purposes for €116,334 and management costs equal to €499,519.

It is suggested that the result for the fiscal year is allocated to in the “Surpluses from previous years” reserve.

### **Memorandum accounts**

They include the commitments undertaken that are not considered payables, namely a 10-year student grant with the Turin University for €450,000 and the financing, together with the other members, of research activities promoted by AriSla for €1000,000 per year for other 3 years.

### **Cash flow Statement**

The Cash Flow Statement reconciles the positive balance of the management with the cash surplus: some items in the profit and Loss Account have not found the corresponding record in the financial management and therefore some items which involved banking movements, were not of economic importance in the Financial statements.

### **Statement of changes in funds**

	Equity	Funds for institutional purposes	Free funds	Total

Beginning of year	56,754	243,856	0	300,610
Surplus from previous year	3,256			3,256
Allocation to provisions				0
Use of funds		(116,334)		(116,334)
End of year	60,010	127,522	0	187,532

**Privacy law**

Pursuant to rule no. 26 of the Technical specifications concerning security measures attached to Legislative decree no. 196/2003 (Privacy code), the Foundation has implemented a Policy document on security which is updated according to regulatory provisions.

THE PRESIDENT