



## **ASSOCIATION PRO TERRA SANCTA**

### **NGO – NPO**

Registered Office in Via Matteo Boiardo 16, Roma (RM)

Tax Code n. 97275880587

Recognition of Legal Personality Prefecture of Rome of October 19<sup>th</sup> 2015 at n.1110/2015

## **MISSION REPORT 2021**

Dear members,

the Financial Statement closed on December 31<sup>st</sup> 2021 of Association Pro Terra Sancta, that highlights an operating surplus of € 57.153, has been drawn up in compliance with the schemes offered by Ministerial Decree n.39 of March 5<sup>th</sup> 2020, in compliance with what the Third sector's code requires (art.13), and appropriately adapted to the specificities of the Association.

The following mission reports is composed of:

- General information
- Explanation of the economic-financial performance of the institution and the arrangements for pursuing the statutory objectives.
- Information on the budget resources;

### **General information**

#### **Who we are**

The Association pro Terra Sancta is an Non-Governmental Organization (article n. 28 L. 49/1987), as per Ministerial Decree n. 2006/337/001504/0 of April the 12, 2006, and is enlisted as an NPO (article n. 26, clause 2 and 3, L. 125/2014 and article n. 17 of the Ministerial Decree n. 113/2015) decree n. 2016/337/00140/4 of the 4th of April 2016. In 2019 we provided to update our Statute as per the Third

Sector Code in order to be enlisted in the National Record of the Third Sector, established in November 2021.

The Association is also endowed with legal personality as a result of the recognition by the Prefecture of Rome of 19<sup>th</sup> October 2015 to the n.1110/2015.

The Association, as a non-governmental organization is enrolled in the registry of non-profit organizations (onlus) of the Lazio region in the sector "NON-GOVERNMENTAL ORGANIZATIONS before law n.125 of 2014."

At present, although the National Record of the Third Sector has already been established, the Association is not yet registered, taking into account the provisions of the Ministerial Decree of 15<sup>th</sup> September 2020 that provides, according to the art.34 c.2, that the Revenue Agency shall update the list of organizations registered in the Registry of ONLUS, to the day before the start of the National Record of the Third Sector. Therefore, the Association has considered it consistent with the unclear regulatory framework not to proceed with the registration to the National Record of the Third Sector before the preparation of the aforementioned list which, on the basis of the press release of March 29, 2022 of the Ministry of Labor and Social Policies, has been communicated by the Revenue Agency to the National Record of the Third Sector. In this context, it should be considered that art.34 c.3 of the aforementioned Ministerial Decree specifies that "Each entity included in the list referred to in paragraph 3, for the purposes of finalizing the registration in the National Record of the Third Sector, shall submit, starting from the date of publication referred to in paragraph 2 and until March 31 of the tax period following the authorization of the European Commission referred to in article 101, paragraph 10 of Legislative Decree No.117 of July 3, 2017, to the office of the National Record of the Third Sector territorially competent, using the forms made available on the Portal of the National Record of the Third Sector, appropriate application". The Association will therefore proceed in compliance with the aforementioned deadlines.

Finally, it should be noted that Article 9, c.6, of Decree-Law no.228/21, provided that the ONLUS registered in the appropriate Registry continue to be recipients of the share of 5 per mille of the Irpef, in the manner provided for voluntary organizations by the Prime Ministerial Decree of 23 July 2020.

We are active in the areas and for the populations developing countries and economically transitioning areas and in all those countries where situations of need or emergencies arise. Particularly, we conduct our activities in the Middle East, in the following countries: Syria, Lebanon, Palestine, Israel, Jordan, Egypt and Greece.

We pursue civic, solidarity and social goals by carrying out the following statutory activities (see article 5 of the Legislative Decree n. 117/2017) in line with the discipline of the ONLUS as per D.Lgs. n.460/97 :

- a) development cooperation;
- b) charity;
- c) protection and valorisation of the Cultural Heritage;
- d) defending and rising awareness about Human, Civil, Social and Political Rights;
- e) education and professional training;
- f) organization and management of touristic activities of social, cultural and religious interest;
- g) organization and management of cultural activities;
- h) fair trade, social impacting and ethical finance, micro-credit programs;
- i) long-distance sponsorships.

The mission of Association pro Terra Sancta is to foster bonds between the Holy Land and the World.

## **Organizational structure and staff**

We work in the Middle East beside the presence of the Custody of the Holy Land. The mission of our staff both in Italy and abroad is to propose development actions in the Middle Eastern context and to provide aid to the local population in a perspective of dialogue and peace.

Our staff in Italy is composed of 30 people: 10 employees and 22 collaborators who deal with fundraising activities, communication, project management and administration.

Our staff abroad is composed of 25 collaborators (24 local contracts and 1 co.co.pro).

Moreover, starting from June 2020, Association pro Terra Sancta – as in previous years – will be supported by the collaboration of other 4 volunteers selected via a project of the Universal Civil Service promoted by the *Department for Youth Policies and Universal Civil Service* of the Italian government.

## **Fiscal framework of the Association**

In fiscal terms, the Association pro Terra Sancta Onlus does not carry out any activity of commercial nature; the overall income is determined in accordance with article 143 of DPR 917/86, highlighting that the Association has not received any income subject to declaration during 2021 and therefore no IRES is due. The Association also benefits from the IRAP exemption of the Lombardy Region pursuant to art. 77 paragraph 1 and 2 of Regional Law no. 10 of 14 July 2003. In any case, the Association submits the appropriate RW form for the monitoring of current accounts abroad and the payment of the corresponding IVAFE.

Therefore, it should be noted that the Association pro Terra Sancta Onlus, being an ONLUS not registered for the 2021 financial year with the National Record of the Third Sector, and in the context of the non-operational nature of the tax regulations for ETS, it maintains the previous tax regime for ONLUS pursuant to Legislative Decree no.460/97. In this regard, it must therefore clarified that ONLUS cannot yet apply, strictly speaking, the distinction between activities of general interest and other activities, since the subdivision into institutional activities and directly related activities remains valid in substance.

Liberal donations made by subjects who do not have a business income and by business income holders are deductible/deductible according to the facilities provided by the regulations in force, in particular those provided for ETS as per art.83 paragraphs 1 and 2 of Legislative Decree no. 117/17.

## **Statutory and Supervisory Bodies**

### - General Assembly

14 members, both religious and laic.

The Assembly deliberates on the program and the activities of the Association, it approves financial statements and appoints members of the various corporate bodies. It meets once or twice a year. In 2021 the Assembly met once and 100% of its members took part in the meeting.

### - Board of Directors

Appointed on June 3<sup>rd</sup> 2019, in office until the approval of 2022's financial statement:

President: Francesco Patton

Advisors: Jacek Jaształ Dobromir, Tommaso Saltini, Carla Benelli, Marco Carrara, Francesco Cassese, Francesco Ielpo

The Board of Directors is responsible for the ordinary and extraordinary administration of the Association and it formulates views and proposals concerning the activities. It meets four or more times a year. In 2021 it met four times and 95% of its members took part in the meetings.

### - President

- Francesco Patton
- Vice-President  
Jacek Jaształ Dobromir
- Director General  
Tommaso Saltini
- Supervisory Body  
Federico Pamovio (appointed on October 29<sup>th</sup> 2020, in office until the approval of 2024's financial statement).  
It monitors the compliance with the law, the Statute and the principles of proper administration.
- Auditors  
Deloitte & Touche S.p.A. (appointed on October 29<sup>th</sup> 2020, in office until the approval of 2022's financial statement)
- Secretary General  
Marco Carrara (appointed on April 27<sup>th</sup> 2020, in office for five operational years)

### **Remuneration of the members of the management and control bodies**

Director General: €48.000,00 besides IVA and accessories of law if applicable

Supervisory Body: €1.500,00 besides IVA and accessories of law if applicable

Auditors: 13.000,00 besides IVA and accessories of law if applicable

### **Supervisory Committee**

Libero Buzzi, Giacomo Cardani, Federico Pamovio (appointed on September 23<sup>rd</sup> 2021)

The Supervisory Committee is responsible for monitoring compliance with the Organizational Model and its requirements.

### **Council of Supporters**

Established in 2013, the Council of Supporters is an advisory body external to the statutory system of the Association; it gathers people with experience and professionalism who can encourage the promotion of the programs and the projects of the Association.

### **Stakeholders**

Our stakeholders are our 33.376 benefactors, 30,396 of those being 32.411 individuals, 934 groups and Associations, 24 Private Institutions and 7 Public Institutions.

Our Major Donors – Public and Private Institutions wise- are the Hungarian Government, Cei, Missionszentrale der Franziskaner, FAI, Misereor, AICS, UE, Fondazione Terzo Pilastro.

Some data on our ulterior stakeholders:

- 57 staff members employed in Italy and in foreign countries;
- 52 Italian suppliers involved in the our marketing and promotion campaigns;
- 208 local-based suppliers involved in the development and implementation of our projects;
- 46 local-based partners involved in the development and implementation of our projects;

Our beneficiaries directly involved in our activities and projects are 68,330.

Below the division of beneficiaries according to Geographical Areas:

Israel and Palestine: 10,479; Syria: 11,628; Lebanon: 10.598; other Countries: 3,217.

## Illustration of the economic and financial performance of PTS

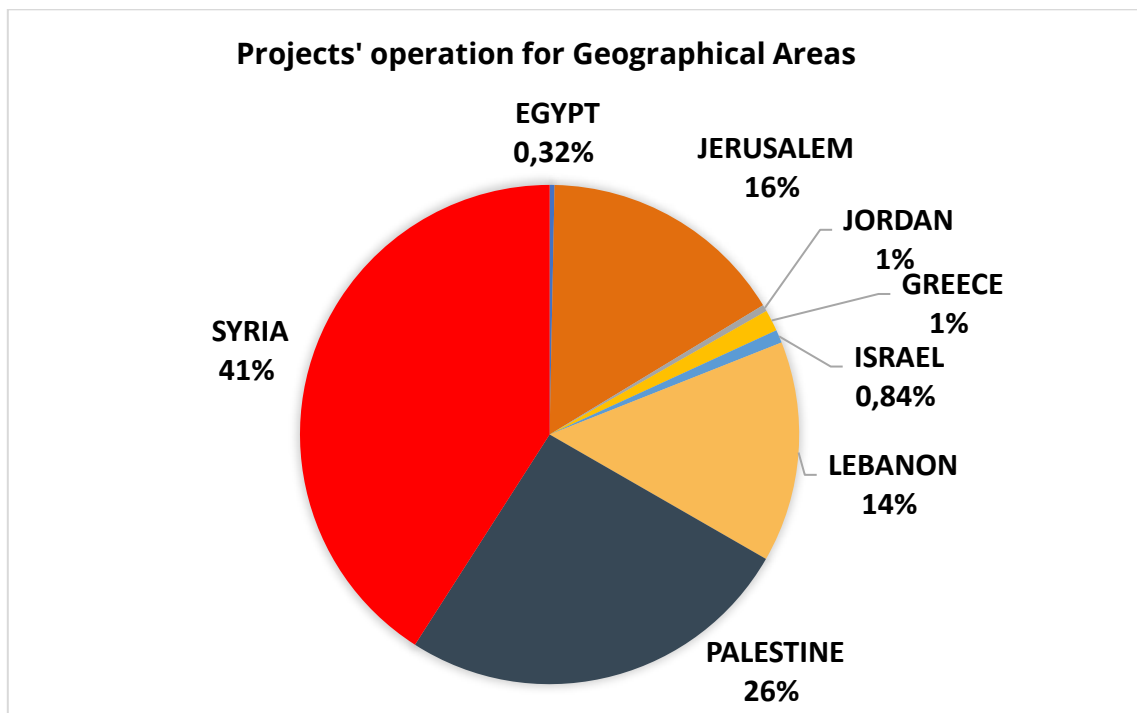
### Activities and Objectives

Our mission is to foster bonds between the Holy Land and the World.

We are active in the Middle East and we support the Franciscan Custody in these countries.

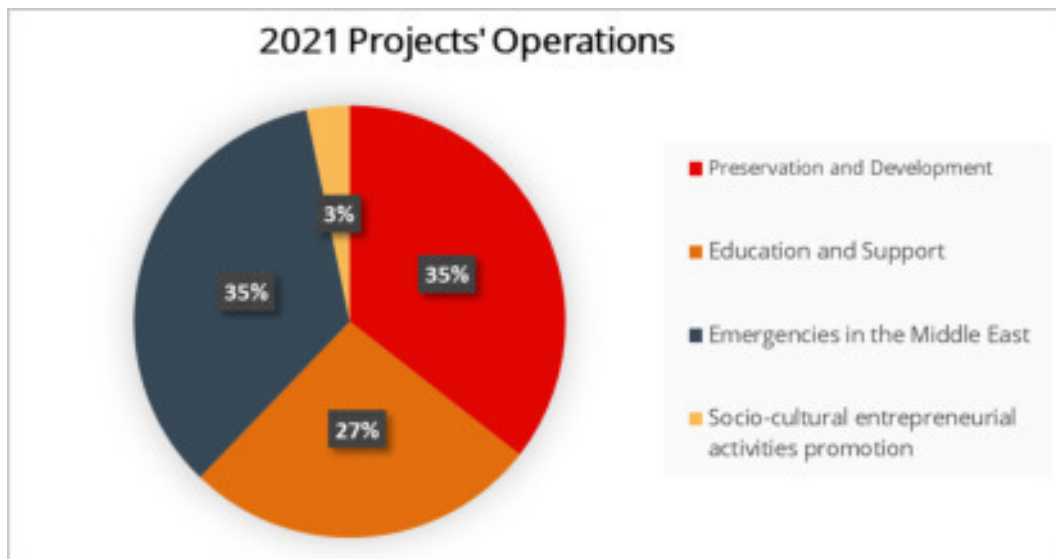
Israel and Palestine	Egypt and Jordan	Syria	Lebanon	Greece
Jerusalem	Amman	Damasco	Beirut	Rhodes
Bethlehem	Mount Nebo	Aleppo	Tripoli	Kos
Bethany	Cairo	Latakia	Tiro	
Jericho	Alexandria	Hama	Deir Mimas	
Sebastiya	Port Said	Knaye - Idlib	Harissa	
Gaza	Assiut			
Ramleh				
Nazareth				

Below, we explain how we deploy the different funds in the Geographical Areas.



Our **operation areas** are Emergencies in the Middle East, Education and Support, Preservation and Development, Socio-entrepreneurial activities. Our projects cover 35% of the operations in the Conservation and Development area, 35% in the Emergency in the Middle East area, 27% in the Education and Support area and 3% in socio-entrepreneurial activities.

As shown by the graph of uses for projects, in recent years the commitment of funds in Emergencies has been decreasing in favor of uses in Education and Assistance activities as a remark of the pursuit of our mission.



## **PRESERVATION AND DEVELOPMENT**

We contribute to the preserving of historical places of the Holy Land with the aim of raising awareness of their value by all the local communities and by tourists. Conservation and enhancement activities provide training opportunities for skilled technicians and artisans. Our sustainable tourism initiatives and new forms of inclusive hospitality generate income and work for the most fragile segments of the population (young people, women, people with disabilities). The valorization of cultural heritage facilitates and generates continuous opportunities for meeting and coexistence among the people who live and converge in this land chosen and loved by God. Our interventions during 2021 focused on the enhancement of some particularly significant places, including: maintenance and accessibility activities of the reception facilities in Samaria; renovation of the Dar al Majus building in Bethlehem for the creation of a cultural center at the service of the local community and pilgrims; conservation and enhancement of the place of Lazarus, Martha and Mary in Bethany; conservation and enhancement of the Convent of St. John the Baptist in Ain Karem; support to the Franciscan Custody in the management of the restoration project of the pavement of the Holy Sepulchre.

In addition, at the end of 2021, a major project began for the purchase and restoration of old houses in a state of decay in the area of Saint Anania, where there is a shrine of the Custody of the Holy Land. The intervention will continue during 2022 with the aim of reactivating the area from a cultural, religious and touristic perspective.

## **EMERGENCIES IN THE MIDDLE EAST**

During the previous year, the objective of Pro Terra Sancta's interventions in emergencies is to provide help and support to the neediest families in order to improve their situation and food stability, as well as to provide the necessary support to buy basic necessities and face the severe period of crisis and poverty. Especially in Syria and Lebanon, the most affected countries, we wish to make everyday life sustainable in its basic needs.

In 2021, we intervened mainly by distributing basic necessities: food, clothes, water, hygiene products (personal and household), especially diapers and powdered milk, the price of which has risen dramatically since 2019. Alongside these types of distributions, the provision of vouchers for the purchase of diesel, which is essential to obtain heating and electricity, has also been added, along with the activity of distributing medicines at no cost or at greatly reduced prices.

Within this primary assistance, Pro Terra Sancta has been careful to bring in help that can cause ripple effects. For example, by helping a man with food, water and other basic necessities, he will be able to work for his family. His children will be able to study because of his work, and thus a future of growth for that man's family can be envisioned. Let's think then of what it means to help a mother, who will thus be more available to look after her children, or what it means to allow a father to be helped by having him work only eight hours a day, instead of thirteen or fourteen. We want to move forward on this path, hoping to end the acute emergency phase as soon as possible in order to plan a phase of development and reconstruction.

## **EDUCATION AND SUPPORT**

The education of new generations is essential to build hope for a future of peace and development in land battered by conflicts; while access to basic medical assistance gives dignity to the poorest and increases life quality. Education and Support projects, carried out also in collaboration with other charitable works in the Holy Land, assist the needy (with particular attention to disabled children and women with difficulties) and train new generations of young people by providing them with access to quality education and vocational training opportunities. We are also committed to provide medical and health assistance to people who cannot afford essential care.

In parallel to the assistance provided on the emergency front, educational support projects have been implemented to guarantee the right to study to the neediest and youngest and to encourage resilience paths for children and young people affected by the drama of war (physically and psychologically) through artistic paths such as music; in parallel, we are trying to support new initiatives for sustainable restart, especially for young people still in their own countries, trying together to create links and job opportunities and offer hope for a reconstruction of society.

The year 2021 has been particularly intense for Pro Terra Sancta's activities in Palestine in the field of education and assistance. The first semester was characterized by the COVID emergency with very difficult moments for our works and in particular the listening center: the program of aid for medical emergencies and assistance to families was reinforced with particular attention to the education of children. In addition to the long-distance support program, special aid was provided for Franciscan schools with the aim of continuing to guarantee access to education to the children of families who were no longer able to pay the fees.

The construction site of Dar AlMajus Community Home has never stopped and has become a great employment opportunity for many workers, professionals and their families. More than 25 families have

benefited from the emergency water and housing project, while the BetWomen project, which started with the idea of providing employment and sewing COVID emergency masks in a creative way, has turned into a start up.

At the Elderly Center of the Società Caritate Antoniana, we have paid particular attention to sustaining the costs of management to ensure essential services to the poorest, and important work has also been done to renovate and improve the reception.

During the summer, some cultural and recreational activities were carried out to relieve the tension of the previous months with the aim of promoting and reviving the historic center of Bethlehem.

In Bethlehem and Gaza, we continued to guarantee our support to the pastoral and charitable activities of the parishes, while in the strip, home-based activities were resumed in support of the Butterfly Children affected by a serious rare disease that makes their skin fragile and thin.

### **SOCIO-ENTREPRENEURIAL ACTIVITIES**

We support the development of workshops, local handicraft activities (such as the creation of mosaics and the production of candles and soaps) and guest houses; we collaborate in the organization of ad hoc sustainable visits, itineraries and trips, in order to support the development of local communities and the preservation of their cultural heritage. Our actions aim to support both the local population through professional training and job creation and various local social and cultural works.

During 2021 the hospitality activity at the guest-house Dar Mamilla in Jerusalem, due to the closure to international tourism due to Covid, hosted only about a hundred visitors, mainly international co-operators and volunteers, continuing however its activity unlike the ones in Bethlehem that remained completely closed. The activity resumed at the beginning of 2022 and trusting in the stabilization of the improvement of the pandemic situation, a return to full operation is expected.

### **Economic and financial performance of Pro Terra Sancta**

Fundraising activities are carried out in several languages with the intention of potentially reaching the whole world; strong and relevant is especially the link with Italy, many European countries and the Anglo-Saxon public.

Fundraising actions to stimulate donations are addressed both to public and private institutions through the participation in calls and to private individuals through the sending of paper and digital communications (for foreign countries only digital), while the acquisition of new donors is carried out through the rental of mailing lists, postal distribution in magazines and online through lead generation campaigns.

Funds deriving from calls for proposals are used according to what is presented at the time of application and are conducted reporting and documentation of the activities as required by the calls themselves.

Funds collected from private donors through spontaneous donations or in response to communications are allocated according to what is indicated in the reason for donation; if the donation does not have a specific destination, it is allocated according to the needs established in the budget and annual planning carried out by the board of directors. The activities carried out thanks to the funds raised are described on the association's website and/or in the communications sent to donors.

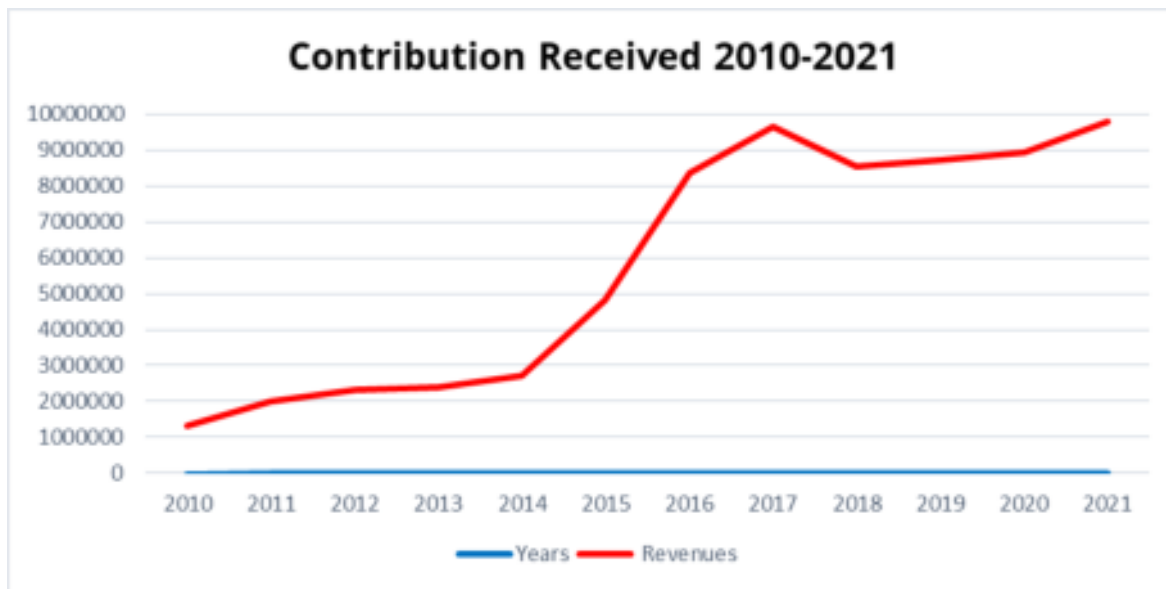
Our communication activities, in addition to the objective of supporting projects, also have the purpose of informing and keeping active the link between our supporters and the Holy Land, which is the heart of our mission: great attention is given to the creation of content so that it may increase the knowledge



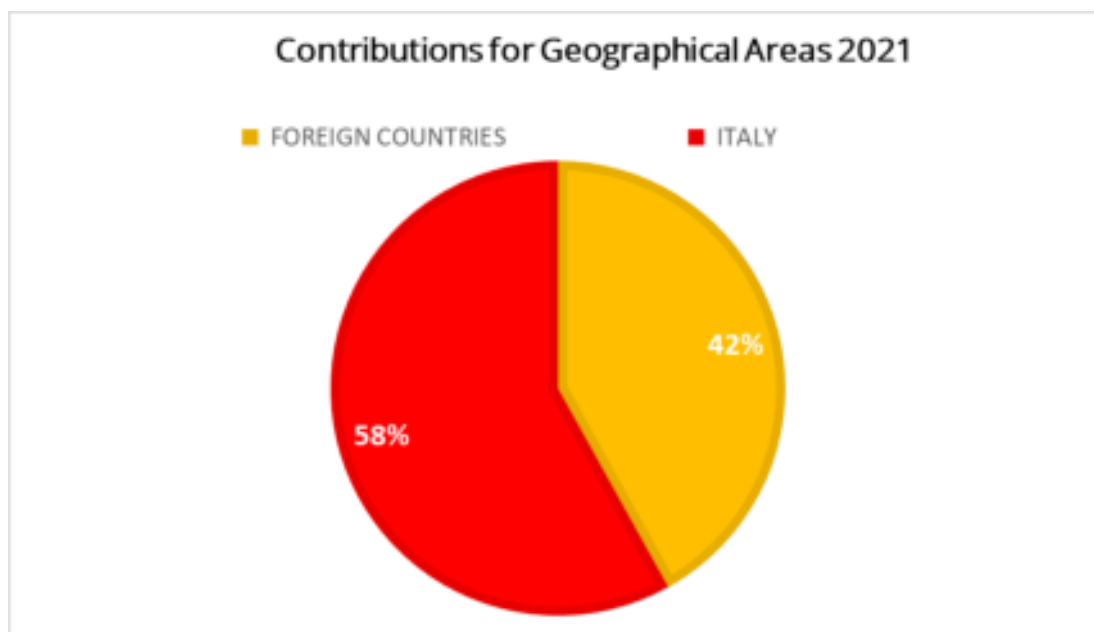
of the Holy Land and its places (on religious themes and of value) as well as inform about activities and projects underway.

In 2021, the donations rose from € 8,917,160 to € 9,792,360; in particular, donations from private donors increased by 9.9%, a figure that shows an increasing fondness of donors for our mission.

During 2021 Pts collected the contribution of the cinque per mille for the year 2020 (€ 223,444.03 on 2019 income).



Our fundraising comes for 59% from Italy and 41% from abroad (Hungary, Germany, Austria, Switzerland, Spain, United States of America etc).



## **Future Prospects**

During 2021 the persistence of the pandemic crisis had an impact on our projects, slowing them down; fundraising did not suffer from any significant drop and at the end of the year recorded an overall increase, thanks above all to the ever-increasing support of our private donors who demonstrate their bond with our works in the Holy Land.

The future outlook for the whole of 2022 but also for the coming years is to continue to operate in our areas of intervention, trusting in a stabilization of the reopening of borders in order to be able to support our projects more and more.

## **Information on budget resources**

Preliminarily, it must be specified that the Association pro Terra Sancta, in adherence to the interpretation set forth in Note no.19740 of the Ministry of Labor and Social Policies, dated December 29, 2021, as an ONLUS, although not yet registered with the National Record of the Third Sector, proceeds, for the first time, to prepare its financial statements in accordance with the provisions of Article 13 c.1 and 3 of Legislative Decree no.117717 and in accordance with the outline of the Decree of the Ministry of Labor and Social Policies dated March 5, 2020.

However, it should be borne in mind, as already illustrated above, that since ONLUS still have to comply, on a transitional basis, with the specific regulations set forth in Legislative Decree no. 460/97, institutional activities carried out in 2021 are included in Macroclass A) of the Management Accounts, dedicated to the activities of general interest of ETs, while Macroclass B), dedicated to the various activities of ETs, should include the so-called directly related activities, which, however, the Association has not carried out.

The Management Report has been drawn up in opposing sections in order to give a clear representation of the activities carried out by the Association pro Terra Sancta. The management report scheme highlights the details of the income by origin and the uses divided between activities of general interest and general support activities.

In sequence, we submit the balance sheet for the year to the approval of the Members and analytically indicate the evaluation criteria, as well as all the useful and complementary information deemed necessary to give a true and fair representation of the Association's patrimonial and economic situation.

## **Budgetary principles and valuation criteria**

These financial statements refer to the period from January 1, 2021 to December 31, 2021 and include the Balance Sheet, the Management Report on Operations and this Mission Report, highlighting a positive operating result of 57,153 euros.

As provided for in the introduction to the aforementioned Ministerial Decree, the preparation of the financial statements must comply with "*the general clauses, the general principles of the financial statements and the valuation criteria set out, respectively, in articles 2423, 2423 bis and 2426 of the Italian Civil Code and the national accounting standards, insofar as they are compatible with the non-profit nature and with the civic, solidarity and socially useful purposes of Third Sector entities*".

Therefore, these financial statements comply with the rules for recognition and measurement contained in the national accounting standards OIC, as well as the specific rules set out in OIC 35.

The primary recipients of the information in the financial statements are those who provide or intend to provide resources without any expectation of return.

This financial statement corresponds to the underlying accounting records, which have been properly kept and prepared on a going concern basis, in accordance with the principle of neutrality.

Should the effects deriving from the requirements of recognition, measurement, presentation and disclosure be irrelevant in order to provide a true and fair view, they will not be adopted and any non-compliance will be highlighted later in this explanatory note.

It should be noted that:

- a) no exceptional circumstances have arisen that would have necessitated recourse to the exceptions pursuant to paragraph 4 of art. 2423 and paragraph 2 of art. 2423 bis of the Civil Code;
- b) the valuations of the entries were carried out in full compliance with the principle of prudence, taking into account the economic function of the assets and liabilities considered (substantive aspects prevailing over formal ones)
- c) no unrealised income has been recorded at the end of the period and account has been taken of income and charges relating to the period, even if not yet collected or paid at the end of the period
- d) risks pertaining to the financial year have been considered, even if known after the end of the financial year.

The items of the financial statements for the period are comparable with those of the financial statements for the previous year, and the items of the previous year have been reclassified on the basis of the new financial statement formats; there was no need to make adjustments to the opening balances when applying OIC 35 for the first time.

The valuation criteria used in the recognition of individual balance sheet items are described below:

- Tangible fixed assets refer to costs for materials and equipment and are recorded at cost, net of depreciation. Depreciations charged to the Income Statement are calculated over a period of 5 years;
- Financial fixed assets are recorded at purchase cost, including any ancillary charges;
- Receivables are recorded at their estimated realizable value;
- Cash and cash equivalents are recorded at nominal value;
- Shareholders' equity is recorded at nominal value and is represented by the endowment fund and unrestricted reserves deriving from operating surpluses from previous years and restricted reserves earmarked by third parties as indicated in the new accounting principle OIC 25;
- The reserve for employee severance indemnities, calculated in accordance with current legislation and collective labor contracts, represents the amount due to employees for obligations existing at the end of the period;
- Payables are recorded at nominal value;
- Accruals and deferrals are determined according to the principle of economic and temporal competence in relation with the operating costs and revenues;
- Income is recorded in the financial statements on an accruals basis, bearing in mind the provisions regarding accruals and deferrals, in order to provide a clearer representation in the financial statement in accordance with the principle of matching revenues and costs and taking account of the principle of prudence and in particular with regard to the donations and liberal disbursements received at the actual collection moment or in the one in which the certain right to receive them is acquired. In case of donations subject to apposition of constraints or conditioned, it shall apply what intended in points going from 18 to 21.

- Costs and charges are divided into costs and charges from general interest activities (institutional activities) and costs and charges of general support, as well as the costs and charges relating to financial and capital assets.

Costs and charges from general interest activities include all costs and charges directly attributable to the Projects supported and implemented by PTS, including the costs of staff employed directly on these activities.

The item Costs and charges from financial and patrimonial activities includes bank charges.

General support costs include structural and personnel costs not attributable to projects (administrative staff).

## Balance Sheet

### Assets

#### Fixed assets

*Tangible fixed assets* consist of the purchase of the multifunction printer at the Milan headquarters for 1,403 Euros, amortized by 281 Euros in 2021.

*Financial fixed assets* of 1,725 Euros consist of a shareholding in Banca Etica where we have the Association's current accounts, which remains unchanged from the previous year.

#### Current Assets

*Receivables, with additional indication*

*Tax receivables* of 114 Euros consist of tax credits for integrative treatment for employees and similar. While amounts due from others of €169 refer to the payment of airline tickets that were cancelled because of COVID 19 and we are waiting for the refund of 2020.

*Non-immobilized financial assets*

Non-immobilized financial assets amount to € 500,000 and refer to the liquidity present on the Mediolanum Bank account with the aim of supporting the operating activities.

*Cash and cash equivalents*

Cash is made up of bank and post office deposits and is so composed:

Bank deposits	€ 3.847.120
Post office deposits	€ 212.203
	€ 4.059.324
Cash equivalents in Milan	€ 864
Total Cash & cash equivalent	€ 4.060.188

The availability of banks are resources that will be used in subsequent financial years for the projects of the Association in the areas of Preservation and Development, Education and Support and Emergencies in the Middle East.

## Liability

**Net worth** equals to €4.155.930 in 2021 and consists of:

- I. Endowment fund of the institution amounting to €43.919;
- II. Tied assets destined by third parts amounting to €1.880.272: this asset has been established as provision of two institutional projects, as required by the new accounting standard OIC 25:
  - Contribution for the Sant'Anania project in Damascus, put aside share for 2022 €1.623.276; it is the contribution received from the cooperation of the Hungarian State for the purchase of buildings in the district of Damascus near the Shrine of St. Ananias and their renovation in order to preserve the historicity of the place and support the local community. The identification of the properties and the design of the renovations has already begun during 2021, the implementation of the project will continue throughout 2022.
    - Contribution U.E. Terra Sancta Museum project put aside for 2022 €256.955; it is the share of the European Union's contribution received in 2021, but to be implemented in 2022.
- III. Free assets:
  - Previous year reserves €2.174.586;
- IV. Surplus for the financial year 2021: amounting to 57.153.

**Employment severance pay:** it amounts to €80.635 and it is coherent to the allowance of severance pay for employees. The Fund at 31/12/2020 was equal to €68.756 and was raised of the share gained in 2021 and re-evaluated according to the revaluation coefficient of the severance pay net of the uses.

### Payables within the next financial year:

- Payables to banks: e2.774 for payments made by credit card not yet charged at December 31<sup>st</sup>, 2021;
- Payables to suppliers: €271.662 and are all payable debts in 60 days;
- Tax payables €14.001 of which: €10.493 for IRPEF (Italian personal income tax), €3.172 exchequer to be paid for withholding tax, €336 exchequer to be paid for severance pay tax.
- Payables to Social Security Institutions, which means debts for INPS, Inail and other Institutions for €12.720.
- Payables to employees and collaborators: €27.780 that refer to the 14<sup>th</sup> month salary payment and holidays.

## Financial Statement

### A. Income and Expense from general interest activities

During 2021, our characteristic income revenue has increased by 9.9%, it goes from €8.917.160 in 2020 to €9.792.360 in 2021.

REVENUES AND CHARGES	2021	% 2021	2020	% 2020
<b>A.4 Donations</b>				
Contributions from individuals	4.411.241	45%	3.871.766	43%
Contributions from legacies	17.943	0,2%	108.866	1%
<b>A.5 Revenue from 5 per mille</b>	223.444	2%	378.445	4%
<b>A.6 Contributions from private subjects</b>				
Contributions from groups and associations	1.892.987	19%	1.926.787	22%
Contributions from private institutions	2.120.781	22%	1.946.099	22%
<b>A.8 Contributions from public institutions</b>	872.915	9%	315.256	4%
<b>A.10 Other revenue, income and proceeds</b>	253.049	3%	369.941	4%
<b>Total</b>	<b>9.792.360</b>	<b>100%</b>	<b>8.917.160</b>	<b>100%</b>

Sources include:

*Donations:* they include the donations of individuals in support of the institutional activities of general interest in our three characteristic areas: conservation and development, education and emergency. In this entry are included also the bequests, that amount to €17.943 in 2021.

*Contributions from the Italian government (5xMille program):* €223.444 in 2021, while in 2020 we collected two annuities of €378.445.

*Contributions from private subjects: Revenue*

- Private subjects, groups, associations, and private institutions.

Most of the private Institutions of 2021 were Cei, Missionzentrale der Franziskaner, FAI, Misereor, Fondazione Terzo Pilastro.

*Contributions from Public Institutions* amounting to 872.915 Euros in 2021, 315.256 in 2020.

In 2021 the following accrued public contributions are recorded:

- Cooperation Hungarian State, project for the reconstruction of the Houses in St. Ananias, €500,000 accrued in 2021;
- European Union for the Terra Sancta Museum project in Jerusalem, €145.083;
- AICS for the Hospitable Bethany project, concluded at the beginning of March 2021 Euro 79.421:

- AICS in partnership with VIS project "Socio-economic integration of Christian minorities in the Holy Land in Bethlehem Euro 83.339;
- Obra Pia De Los Santos Lugares Government Institute Spain Euro 30.000;
- Embassy of Poland in Damascus for Syria emergency Euro 26.800;
- Italian Institute of Culture in Beirut, Euro 1,250 for the Terra Sancta Organ Festival project;
- Contribution for civil service for the year 2020/2021 Euros 7.020.

*Other revenues and income:* income related to the promotion of socio-entrepreneurial activities in Palestine.

*Charges from activities of general interest* constitute the costs of projects divided into the various Project Areas in particular:

- *Contribution Conservation and Development:* €2,795,283 (2020 €3.228.852, -13.8%).
- *Contribution to Education projects* €2.173,084 (2020 Euro 1,522,419, +40%). The Contribution to Education projects has increased in both Lebanon and Bethlehem;
- *Contribution to Emergency projects:* 2.712,552 (2020 Euro 2.101,225, +2.9%);

We increased aid to Damascus. During 2021, we increased our commitment to projects in Lebanon for both Conservation Development and Education and Assistance.

- *Contributions to socio-entrepreneurial activities:* €253,130 (2020 €357.877, -29%).

This area includes aid to socio-entrepreneurial activities in Sebastia, Nisf-Jubeil, Bethlehem and Jericho.

	2021	% area
<b>PRESERVATION AND DEVELOPMENT</b>		
Preservation and Development of Holy Sites Projects	333.637	12%
Jerusalem, Terra Sancta Museum	719.787	26%
Bethlehem, Preservation	501.132	18%
Syria, restructuring and reconstruction	282.132	10%
Sebastia, preservation and support to the local community	91.248	3%
Ain Karem	157.500	6%
Nazareth, Mary's house	60.000	2%
Jerusalem, Books bridges of peace and libraries	2.538	0,1%
Terra Santa Organ Festival	9.495	0,3%
Bethany, preservation and support to the local community	272.288	10%
Lebanon, Conservation, Monte Nebo and more	365.527	13%
Volunteers to area's service	-	0,0%
	<b>2.795.283</b>	<b>100%</b>
<b>EDUCATION AND SUPPORT</b>		
Jerusalem, charity works	188.272	9%
Schools of the Holy Land	114.252	5%
Bethlehem, training and assistance	230.697	11%
Bethlehem, support to the parish	40.000	2%
Bethlehem, support to schools	86.971	4%
Bethlehem, medical and social assistance	258.632	12%
Bethlehem, charity works	148.689	7%
Syria, education and assistance	624.060	29%
Egypt, assistance to poor families and charity works	25.000	1%
Greece-Rhodes, assistance to refugees	109.400	5%
Jordan, assistance and education	25.200	1%
Lebanon, education	321.912	15%
Valorization of volunteers to area's service		
	<b>2.173.084</b>	<b>100%</b>
<b>EMERGENCIES IN THE MIDDLE EAST</b>		
Emergency Centre, Aleppo	1.257.817	46%
Emergency Centre, Damascus	487.659	18%
Emergency Centre, Knaye - Yacubie	258.000	10%
Emergency Centre, Latakia	244.596	9%
Emergency Lebanon	414.480	15%
Support to Christian community in Gaza	50.000	2%
	<b>2.712.552</b>	<b>100%</b>
<b>SOCIAL-ENTREPRENEURIAL ACTIVITIES</b>		
Visits pro Terra Sancta	4.017	2%
Gadgets and artistic products	232.645	92%
Guest house in Jerusalem, Bethlehem and Sebastia	16.467	7%
	<b>253.130</b>	<b>100%</b>



*Costs of ordinary activity of projects' promotion:* these refer to services for promotion and communication activities with the aim to encourage the granting of donations to support our projects and amount to €1,187,341 compared to €926,052 in 2020.

These costs include:

- Consultancy € 114,603
- Graphic and typographical services and inserts € 441,495;
- Data acquisition and personal data services € 202,752;
- Postal costs: € 189,364;
- Digital services € 179,365;
- Advertising spaces € 23,106;
- Other expenses € 22,741.35.

The incidence of these charges on total income from general interest activities is 12%.

*The cost of personnel employed in general interest activities* amounts to €354,894 and is 3.7% of the income.

The result for section A of the Management Report **shows a surplus from general interest activities** of **€316,379**, corresponding to 3.2% of total income from this area.

#### ***D - Income and charges from financial and patrimonial activities***

Financial charges refer to € 11,977 in bank charges which include outgoing bank transfers and bank surety expenses; while income from current accounts amounts to € 8. Financial assets therefore show a deficit of € 11,969.

#### **E - General support income**

This item includes income from tax credits amounting to € 7,180 in 2021 and € 2,700 in 2020. Other income contingent assets for € 22,145, due to the settlement of revenues from postal slips collected in previous years and not yet recorded.

#### **E - General support costs and charges**

*General costs and charges* consist of:

- *General expenses* of € 121,766 compared to € 115,480 in the previous year and include: office expenses (energy, telephone, management database € 24,000, cleaning, office consumption expenses) and expenses for professionals € 52,000.
- *Rental expenses on loan* € 15,000.
- *Personnel expenses:* € 138,351, for administrative staff.
- *Depreciation:* € 281, for the purchase of a printer in 2021;
- *Other charges:* € 1,174, consisting of taxes on foreign current accounts.

The result of section E of the Management Report shows a deficit in general support activities of € 247,257.

**Average number of employees, divided into category and salary difference pursuant to art. 16 of Legislative Decree no. 117/17**

It should be noted that the pay difference between employees pursuant to art.16 of Legislative Decree no. 117/17 does not exceed the ratio of one to eight.

**Transactions carried out with related parties**

For the purposes of the provisions of current regulations, it should be noted that during the year ended 31 December 2021 no atypical and/or unusual transactions were carried out which, due to their significance and/or relevance, may give rise to doubts regarding the safeguarding of the institution's assets, either with related parties or with parties other than related parties.

**Commitments, guarantees and contingent liabilities not shown in the Balance Sheet**

There are no commitments on the part of the Association not shown in the Balance Sheet, nor are there any guarantees granted to third parties by the Association itself.

There are no contingent liabilities, understood as liabilities connected with situations already existing at the balance sheet date, but with a pending outcome that will be resolved in the future, the amount of which cannot be determined except on a random and arbitrary basis.

At the end of the 2021 financial year, there was a surplus of € 57,153, which it is proposed to the associates carry forward for future years' activities.

**Tommaso Saltini**

General Director

