

**General information about the company**

Details

Title: FONDAZIONE REGGIO CHILDREN CENTRO LORIS MALAGUZZI

Registered office: VIA BLIGNY 1/a REGGIO NELL'EMILIA RE

Share capital: 0.00

Fully paid-up share capital: yes

CCIAA (CHAMBER OF COMMERCE REGISTRATION)

CODE: RE

VAT Nr.: 00763100351

Fiscal code: 00763100351

REA code: 216036

Legal form: FOUNDATION

Main field of activity (ATECO): 722000

Company in liquidation: no

Company with sole shareholder: no

Company subject to management and coordination by others: no

Name of the company or entity exercising management and coordination activities:

Group membership: no

Name of the parent company:

Country of the parent company:

Registration number in the register of cooperatives:

# Financial Statements as of 31/12/2020

## Abridged Financial Statements

	31/12/2020	31/12/2019
<b>Assets</b>		
<b>B) Fixed assets</b>		
I - Intangible fixed assets	1,785	3,570
II - Tangible fixed assets	22,109	25,970
III - Financial fixed assets	610,265	610,265

<i>Total fixed assets (B)</i>	634,159	639,805
<b>C) Current assets</b>		
I - Inventories	2,000	4,051

	31/12/2020	31/12/2019
II - Receivables	2,047,002	2,138,568
due within the following financial year	2,047,002	2,138,568
IV - Cash and cash equivalents	316,764	135,632
<i>Total current assets (C)</i>	2,365,766	2,278,251
<i>Total assets</i>	2,999,925	2,918,056
<b>Liabilities</b>		
<b>A) Shareholders' equity</b>		
I - Capital	784,041	783,825
VI - Other reserves	-	(1)
IX - Profit (loss) for the financial year	2,288	216
<i>Total amount of net equity</i>	786,329	784,040
<b>C) Reserve for employee severance indemnities</b>	<b>82,728</b>	<b>66,322</b>
<b>D) Payables</b>	<b>1,978,967</b>	<b>2,067,694</b>
due within the following financial year	1,978,967	2,067,694
<b>E) Accruals and deferrals</b>	<b>151,901</b>	-
<i>Total liabilities</i>	2,999,925	2,918,056

## Abridged Income Statement

	31/12/2020	31/12/2019
<b>A) Production value</b>		
5) Other revenues and income	-	-
contributions in the financial statement	53,597	-
others	8,796	19,816
<i>Total other revenues and income</i>	62,393	19,816
<i>Total value of production</i>	1,914,552	2,162,707
<b>B) Production costs</b>		
6) for raw, auxiliary materials, consumables and goods	707,481	481,448
7) for services	511,986	1,031,376
8) for use of third-party assets	78,625	84,293
9) For staff	-	-
a) salaries and wages	423,173	407,046

	31/12/2020	31/12/2019
b) social security contributions	123,091	106,107
staff c/d/e) employee severance indemnities, pensions, other costs relating to	29,506	27,959
c) employee severance indemnities	29,506	27,959
<b>Total staff costs</b>	<b>575,770</b>	<b>541,112</b>
10) depreciations and write-downs	-	-
a/b/c) depreciation of intangible and tangible fixed assets, other write-downs of fixed assets	7,054	6,916
(a) depreciation of intangible fixed assets	1,785	1,785
a) depreciation of tangible fixed assets	5,269	5,131
<b>Total amortizations and write-downs</b>	<b>7,054</b>	<b>6,916</b>
11) Changes in inventories of raw, ancillary and consumable materials and goods	2,051	(4,051)
14) other operating expenses	27,987	12,241
<b>Total production costs</b>	<b>1,910,954</b>	<b>2,153,335</b>
<b>Difference between production values and costs (A - B)</b>	<b>3,598</b>	<b>9,372</b>
<b>C) Financial income and charges</b>		
16) Other financial income	-	-
d) Income other than the above	-	-
others	559	674
<b>Income other than the above</b>	<b>559</b>	<b>674</b>
<b>Total amount Other financial income</b>	<b>559</b>	<b>674</b>
17) interests and other financial charges	-	-
others	77	566
<b>Total interests and other financial charges</b>	<b>77</b>	<b>566</b>
17-bis) profit and loss on exchange rates	(111)	20
<b>Total financial income and financial charges (15+16-17+-17-bis)</b>	<b>371</b>	<b>128</b>
<b>Result before taxes (A-B+C+D)</b>	<b>3,969</b>	<b>9,500</b>
<b>20) current, deferred and prepaid income taxes for the year</b>		
current taxes	1,681	9,284
<b>Total current, deferred and prepaid income taxes for the year</b>	<b>1,681</b>	<b>9,284</b>
<b>21) Profit (loss) for the year</b>	<b>2,288</b>	<b>216</b>

## Explanatory Notes - Initial part

### Introduction

Dear Shareholders, these Explanatory Notes are an integral part of the Financial Statements as at 31/12/2020.

The Financial Statements are prepared in the abridged form as the limits of Art. 2435-bis of the Italian Civil Code have not been reached for two consecutive years.

The Financial Statements are in accordance with the provisions of Art. 2423 and following of the Italian Civil Code and with the national accounting standards published by the Italian Accounting Authority; hence it truthfully and clearly represents the assets and financial situation, as well as the Foundation's financial results for the year.

The content of the Balance Sheet and Income Statement is as provided for in Articles 2424 and 2425 of the Italian Civil Code. The Explanatory Notes, drafted pursuant to Art. 2427 of the Italian Civil Code, also contain all relevant information to provide a correct interpretation of the Financial Statements.

This document will also provide the information required by numbers 3 and 4 of Art. 2428 of the Italian Civil Code, since, as permitted by Art. 2435-bis of the Italian Civil Code, the Management Report has not been drawn up.

These Financial Statements for the year ended 31/12/2020 show an operating result of € 2,288.00.

The reporting year of the Financial Statements was characterized by the Covid 19 pandemic, the design and research activities was supported by interim work on projects in progress and still being defined. Relationships with foreign countries on the promotion of research and solidarity and new initiatives have stopped. The employees have observed the strict protocol imposed by the head of security, in fact there has been recourse to remote working, to the use of holidays and permits, but it was possible to avoid recourse to the redundancy fund as the multiannual works has continued to support the projects even if slowly. The pandemic, however, has impoverished the economy of the world of ETS (bodies of the Third Sector) and commercial entities such as businesses and loyal partners; the partners who were until recently more supportive of Fondazione in terms of management costs, as well as of sharing of projects through targeted contributions have significantly impoverished both the economic and financial side of Fondazione not contributing adequately to the support of the structure.

As for the investee companies: Pause srl and Reggio Children srl, have suffered a severe setback, the first for the closure of catering activities, the second for the inability to carry out the characteristic activity supported by the physical presence of people at the International Centre.

The pandemic has taken everyone by surprise, and recovery will be slow as it has changed both the way we work and how we position ourselves in the economic and scientific markets.

The Municipality of Reggio Emilia has contributed through a non-repayable contribution to balance, and thus support Fondazione, the loss caused by the lack of income from the Founding and the Supporting Members.

Ongoing and completed projects are shown here: PHD

IN REGGIO CHILDHOOD STUDIES REMIDA

FA.C.E. Farsi comunità Educanti

FARE SCUOLA

SCINTILLAE (LEGO FOUNDATION)

ABITARE IL PAESE

REUSEMED

PACE FRA LE CULTURE

Pursuant to art. 2364 of the Italian Civil Code, the foundation made use of the clause in the Bylaws that provides for the possibility to approve the financial statements within 180 days of the end of the financial year. The reasons for this delay can be traced back to the difficulty of finding online attendance and economic data in time due to Covid 19.

## Drafting criteria

### Drawing up the Financial Statements

The information contained herein is reported in the order in which the relative items are shown in the balance sheet and income statement.

In reference to what is stated in the introduction to these Explanatory Notes, we state that, pursuant to Art. 2423, paragraph 3 of the Italian Civil Code, if the information required by specific provisions of the law are not sufficient to give a true and fair view of the Foundation's situation, further information deemed necessary for the purpose is provided.

The Financial Statements, as well as these Explanatory Notes, have been drawn up in Euros.

Although Fondazione is a non-profit organization, the financial statements present a marginal activity of a commercial nature, an activity which, according to the provisions of the law, is kept separate from the institutional one.

### Drawing up principles

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#### Comment

The evaluation of the Financial Statement items took place in accordance with the principle of prudence, of relevance and on a going concern basis. According to art. 2423-bis c.1, paragraph 1-bis of the Italian Civil Code, the recording and presentation of the items shall be made taking into account the substance of the operation or the contract. In drawing up the Financial Statements for the financial year, income and expenses have been recorded on an accruals basis regardless of the time of their occurrence and only the profits realized at the closing date of the financial year have been indicated. The risks and losses for the fiscal year were taken into account even if they were known only after the reporting date.

The evaluation of the elements making up the individual items of assets or liabilities was carried out separately, in order to avoid that gains in value of some elements could offset losses in others.

### Structure and Content of Financial Statements

The balance sheet, income statement and accounting information contained in these explanatory notes are in accordance with the accounting records, from which they are directly derived.

In the exposition of the Balance Sheet and Income Statement there were no groupings of items preceded by Arabic numerals, as is optionally provided by Art. 2423-ter of the Italian Civil Code.

Under Art. 2424 of the Italian Civil Code, it is confirmed that no assets or liabilities are included under more than one item in the Financial Statements.

### Exceptional cases pursuant to Art. 2423, fifth paragraph, of the Italian Civil Code

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#### Comment

There were no exceptional circumstances compelling the Foundation to have recourse to the waivers established in Art. 2423, paragraph 4 and 5, of the Italian Civil Code.

## Changes in accounting policies

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### Comment

There were no exceptional circumstances compelling the Foundation to have recourse to the waivers established in Art. 2423-bis, paragraph 2, of the Italian Civil Code.

## Comparability and adaptation issues

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### Comment

Under Art. 2423-ter of the Italian Civil Code, it should be noted that all Financial Statement items were comparable with the previous year; there was therefore no need to adjust any item from the previous year.

## Evaluation criteria applied

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### Comment

The criteria used in the evaluation of Financial Statement items and value adjustments comply with the provisions of the Civil Code and the guidance provided in the accounting standards issued by the Italian Accounting Authority. The same also did not change compared to the previous year.

According to art. 2427 paragraph 1 no. 1 of the Italian Civil Code, the following are the most significant evaluation criteria adopted in compliance with the provisions of Art. 2426 of the Italian Civil Code, with particular reference to Financial Statement items for which the legislator allows various evaluation and correction criteria or for which no specific criteria are laid down.

Book values expressed in foreign currency have been posted, after conversion into euro at the exchange rate in force at the time they were recorded, or at the exchange rate on the closing date of the financial year, in accordance with accounting principle OIC 26.

### Intangible fixed assets

Intangible fixed assets, if the requirements of the accounting principles are met, are recorded in the assets of the balance sheet at purchase and/or production cost and are depreciated on a straight-line basis according to their future usefulness.

The value of fixed assets is shown net of accumulated depreciation and write-downs.

Depreciation was carried out in accordance with the following pre-established plan, which is considered to ensure a proper allocation of the cost incurred over the useful life of the fixed assets in question:

Items in intangible fixed assets	Period
Authorisations, licenses, trademarks and similar rights	Five years

Any disposals of intangible assets occurred during the fiscal year led to the elimination of their residual value.

The amortization of intangible assets has been applied systematically and, in each period, in relation to the remaining economic useful life of each asset or expense.

Pursuant to and for the purposes of art. 10 of Law No. 72 of March 19, 1983, and as it is also invoked by successive monetary revaluation laws, we would like to specify that the current intangible assets of Fondazione have never been subject to any monetary revaluation.

It should be noted that these immobilized charges did not require write-downs under Art. 2426 paragraph 1 no. 3 of the Italian Civil Code since, as required by accounting standard OIC 9, there were no indicators of potential impairment of intangible assets.

### **Tangible fixed assets**

Assets belonging to the tangible fixed assets category, shown at the date on which the risks and benefits associated with the acquired assets are transferred, are recorded in the Financial Statements at the purchase cost, plus any ancillary charges incurred up to the time when the assets are ready for use and anyway within the limits of their recoverable value. These assets are shown on the assets side of the balance sheet net of accumulated depreciation and write-downs.

The book value of the assets, grouped into homogeneous classes according to the nature and year of acquisition, is broken down into the years in which they are expected to be used. This procedure is implemented through the systematic allocation to the income statement of depreciation corresponding to established plans, defined at the time when the asset is available and ready to use, with reference to the residual possible useful life of the assets themselves. These plans are subject to annual review and are formed with reference to the gross value of the assets and assuming zero net realisable value at the end of the process.

The depreciation of tangible fixed assets whose use is limited in time, was operated in compliance with the following pre-established plan:

<b>Tangible fixed assets</b>	<b>Rates %</b>
Industrial and commercial equipment	12/15
Other assets	20

Any disposal of assets (divestments, scrapping, etc.) that occurred during the fiscal year resulted in the elimination of their residual value. Any difference between the book value and the disposal value has been recorded in the income statement.

For fixed assets acquired during the year these rates have been reduced to half because the amortisation thus obtained does not differ significantly from the calculated portion from the moment when the asset is available and ready for use.

The depreciation criteria for tangible fixed assets have not changed from those applied in the previous year.

Pursuant to and for the purposes of art. 10 of Law no. 72 of 19 March 1983, and as it is also invoked by successive monetary revaluation laws, we would like to specify that the current tangible assets of the company have never been subject to any monetary revaluation.

It should be noted that no write-downs pursuant Art. 2426 paragraph 1 no. 3 of the Italian Civil Code were required, in the light of the provisions of the accounting standard OIC 9, according to which there were no indicators of potential lasting impairment of tangible fixed assets.

### **Financial fixed assets**

#### *Shareholdings*

The investments recorded in the financial statements have been accounted for using the cost method, where cost means the charges incurred for the purchase, regardless of the method of payment, including any ancillary costs (commissions and bank charges, stamp duty, bank inter-mediation, etc.).

On the page below the situation of the investee companies has been represented at the last approved budget (2019), the not yet approved 2020 budget will note that the Pandemic due to Covid 19, has produced negative effects taking into account the type of activities among the most affected.



It will be the responsibility of the Board to diligently oversee its fixed assets....

#### **Receivables**

Receivables recorded in fixed financial assets have been valued at their presumed realisable value using the faculty granted by Art. 2435-bis of the Civil Code.

#### **Other securities**

Other securities have been valued at the purchase or subscription cost of such security, consisting of the price paid including the accessory costs, using the option granted by Art. 2435-bis of the Italian Civil Code.

It should be noted that no write-downs pursuant Art. 2426 paragraph 1 no. 3 of the Italian Civil Code were required on the securities, in the light of the provisions of the accounting standard OIC 9, according to which there were no indicators of potential loss of value.

#### **Inventories**

Inventories of assets are valued at the lower of purchase and/or production cost and realisable value based on market trends.

#### **Receivables recorded under current assets**

Receivables recognised in current assets have been valued at their presumed realisable value using the faculty granted by Art. 2435-bis of the Italian Civil Code.

#### **Cash and cash equivalents**

Cash and cash equivalents are valued according to the following criteria:

- money, at face value;
- bank deposit accounts and cheques on hand, at estimated realisable value. In this case, the realisable value coincides with the face value.

#### **Shareholders' equity**

The items are recorded in the financial statements at their book value in accordance with the instructions contained in the accounting standard OIC 28.

#### **Reserve for employee severance indemnities**

The severance indemnity was calculated in accordance with the provisions of Art. 2120 of the Italian Civil Code, taking into account the legislative provisions and the specificities of the contracts and professional categories, and it includes the annual amounts accrued and the revaluations carried out on the basis of the ISTAT coefficients.

The amount of the provision is net of advances paid and of the amounts used for termination of employment during the year and represents the certain amount due to employees at the end date of the financial statements.

#### **Payables**

Payables have been shown in the Financial Statements at nominal value, using the faculty granted by Art. 2435-bis of the Italian Civil Code.

## Further information

### Comment

### Transactions which include a re-conveyance commitment

The Foundation, pursuant to art. 2427 no. 6-third, confirms that during the fiscal year it did not have any transactions subject to a re-conveyance commitment.

## Explanatory Notes, Assets

### Introduction

The individual items in the financial statements are analysed in detail below, in accordance with the provisions of current legislation.

### Fixed assets

#### Movements of fixed assets

##### Introduction

This paragraph of the Explanatory Notes analyses the movements in intangible, tangible and financial fixed assets.

For each item in fixed assets the following has been specified:

- the historical cost;
- the previous revaluations, write-downs and amortisations of existing fixed assets at the beginning of the year;
- the acquisitions, movements from one voice to another, disposals and eliminations taking place in the fiscal year;
- the revaluations, write-downs and depreciations made during the fiscal year;
- the final amount of the fixed asset.

#### Abridged analysis of movements of fixed assets

	Intangible fixed assets	Tangible fixed assets	Financial fixed assets	Total fixed assets
<b>Value at the beginning of the year</b>				
Cost	5,355	69,504	610,265	685,124
Depreciation (accumulated depreciation)	1,785	43,534	-	45,319
Book value	3,570	25,970	610,265	639,805
<b>Changes during the year</b>				
Increases for acquisition	-	1,407	-	1,407
Depreciation for the year	1,785	5,269	-	7,054

	Intangible fixed assets	Tangible fixed assets	Financial fixed assets	Total fixed assets
Total changes	(1,785)	(3,862)	-	(5,647)
<b>Value at the end of the year</b>				
Cost	3,570	70,912	610,265	684,747
Depreciation (accumulated depreciation)	1,785	48,803	-	50,588
Book value	1,785	22,109	610,265	634,159

### Comment

List of the investee companies

**REGGIO CHILDREN srl**

**share capital** 1,000,000.0

**46.711% shareholding** 467,110.0

**book value of shareholding** 480,265.0

**net capital share of the last balance sheet 2019 RCH srl** 1,567,987.0

**Current shareholding value** 732,422.00

**profit/loss from shareholding** 252,157.00

**PAUSE srl**

**share capital** 30,000.00

**100% shareholding** 30,000.00

**book value of shareholding** 30,000.00

**net capital share of the last balance sheet 2019** 61,983.00

**profit/loss from shareholding** 31,983.00

### Financial lease transactions

#### Introduction

At the closing date of the financial year the Foundation does not have any ongoing financial leasing contracts.

### Current assets

#### Introduction

Item	Description	Financial Year 2020	Financial Year 2019	Deviation
C)	CURRENT ASSETS	2,365,766	2,278,251	87,515
I -	INVENTORIES	2,000	4,051	2,051-
II -	RECEIVABLES	2,047,002	2,138,568	91,566-
IV -	CASH AND CASH EQUIVALENTS	316,764	135,632	181,132

## Inventories

### Introduction

The following table shows information relating to changes in inventories.

Description	Initial outst. amount	Increase	Movem. to item	Movem. from item	Decrease	Final outst. amount	Absolute variation	Variat. %
Inventories	4,051	-	-	2,051	-	2,000	2,051-	51-

## Receivables recorded under current assets

### Introduction

Description	Initial outst. amount	Increase	Movem. to item	Movem. from item	Decrease	Final outst. amount	Absolute variation	Variat. %
Receivables	2,138,568	-	-	91,566	-	2,047,002	91,566-	4-
<b>Total</b>	<b>2,138,568</b>	<b>-</b>	<b>-</b>	<b>91,566</b>	<b>-</b>	<b>2,047,002</b>	<b>91,566-</b>	<b>4-</b>

## Capitalised financial charges

### Introduction

All interests and other financial costs were fully paid in the fiscal year. For the purposes of Art. 2427, par. 1, no. 8 of the Italian Civil Code, it can be stated that there was no capitalisation of financial charges.

## Explanatory notes - Liabilities and net assets

### Introduction

The individual items in the financial statements are analysed in detail below, in accordance with the provisions of current



## Shareholders' equity

### Introduction

Description	Detail	Initial outst. amount.	Increase	Movem. to item	Movem. from item	Decrease	Final outst. amount	Absolute variation	Variat. %
<i>Capital</i>									
	Tied u endown ent func	120,000	-	-	-	-	120,000	-	-
	Endowr	169,214	-	-	-	-	169,214	-	-
	ent fun	494,611	216	-	-	-	494,827	216	-
	Manag	<b>783,825</b>	<b>216</b>	-	-	-	<b>784,041</b>	<b>216</b>	
<i>Profit (loss) of the financial year</i>									
	Surplus of the financial Year 216		2,288	-	216	-	2,288	2,072	959
	<b>Total</b>	<b>216</b>	<b>2,288</b>	-	<b>216</b>	-	<b>2,288</b>	<b>2,072</b>	

## Payables

### Introduction

Item	Description	Financial Year 2020	Financial Year 2019	Deviation
A)	SHAREHOLDERS' EQUITY	786,329	784,040	2,289
I -	Capital	784,041	783,825	216
VI -	Other reserves	-	1-	1
C)	RESERVE FOR EMPLOYEE SEVERANCE INDEMNITIES	82,728	66,322	16,406
D)	PAYABLES	1,978,967	2,067,694	88,727-
E)	ACCRUALS AND DEFERRALS	151,901	-	151,901

### Payables secured by collateral on corporate assets

#### Introduction

Pursuant to and for the effects of Art. 2427 c.1 n.6 of the Italian Civil Code, it is hereby attested that there are no debts with a duration of more than five years and no payables secured by collateral on the company's assets.

## Explanatory Notes - Income Statement

### Introduction

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The income statement shows the economic result for the year, of which mainly surpluses on projects for institutional activities.

It provides a representation of the management operations, through a synthesis of the positive and negative components of institutional projects that contributed to determining the surplus reinvested in the management in accordance with the aims of the Bylaws. The positive and negative components of income and expenses, costs and revenues, recorded in the Financial Statements in accordance with Art. 2425-bis of the Italian Civil Code, are distinguished according to which of the various management systems they belong to: characteristic, ancillary and financial.

The characteristic activity identifies the incoming and outgoing flows, as well as the co-financed and general costs generated by operations that are set up through planning agreements with various institutions, foundations and other entities for the development and achievement of the corporate purpose.

The institutional part does not have an impact on the income of the business and the VAT liability. Revenues are supported by the same number of costs that are identified with the implementation of the project.

The financial activity consists of transactions that generate financial income and expenses.

On a residual basis, the ancillary activity is made up of transactions that generate income that are part of ordinary activities but are not part of the characteristic and financial activities, the impact of the residual 2019 part was EUR 185,224.84, to which the related costs are charged.

The Foundation uses separate accounts, and costs are allocated to the individual cost centres.

### Production value

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#### Introduction

Revenues are entered in the Financial Statements according to applicability, net of returns, rebates, discounts and premiums, as well as taxes directly related to them. Revenues arising from the provision of services are recorded when the service is rendered, or when the service is provided; in the particular case of continuing services, the corresponding revenues are recorded for the accrued portion.

Allocations for operating expenses, recorded on an accruals basis in the year during which the right to receive them is certain, are reported under item A5 as they supplement revenues from ordinary operations and/or reduce costs and expenses for ordinary operations.

### Production Costs

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#### Comment

Costs and charges are recorded on an accrual basis and entered according to applicability and nature, net of returns, rebates, discounts and premiums, in accordance with the principle of correlation with the revenues, and recorded in the respective items in accordance with the OIC principle.

12. With respect to the purchase of assets, the revenues are recorded when the substantive and non-formal transfer of the title of the property has occurred, taking as a benchmark, for the substantial change, the transfer of risks and benefits. In the case of the purchase of services, the related costs are recorded when the service is received or when the service is completed, while in the case of ongoing services, the related costs are recorded for the accrued portion.

## Financial income and charges

### Introduction

Financial income and expenses are recorded on an accruals basis in relation to the amount accrued during the year.

### Comment

### Gains/losses on exchange rates

Here following, please find the information relating to the gains or losses on exchange with distinction made between the portion relating to valuations of assets and liabilities entered in the financial statements at end of the year.

Description	Amount budgeted	Evaluation	Realised gains/losses
<del>gains/losses on exchange rates</del>	<del>111-</del>		
Profit on exchange rates		-	-
Loss on exchange rates		111	111
<b>Total of the item</b>		<b>111-</b>	<b>111-</b>

## Amount and nature of individual items of income/expenditure of exceptional magnitude or incidence

### Introduction

No revenue or other positive components arising from events of exceptional magnitude or incidence have been recognised during the current period.

### Introduction

No costs arising from events of exceptional magnitude or incidence have been recognised during the current period.

## Current, deferred and prepaid income taxes for the year

### Introduction

The Foundation has the provision for income taxes based on application of existing tax laws. Current taxes refer to taxes for the year as reported in the tax returns;

IRAP 1,681.00

## Explanatory Notes - Other information

### Introduction

The other information required by the Italian Civil Code is given below.



## Employment figures

### Introduction

The following table shows the average number of employees by category and calculated by taking the daily average.

### Average number of employees by category

	Middle managers	Workers	Total employees
Average number	2	11	13

### Comment

The change in the number of employees compared to the previous year can be illustrated as follows:

- employed 2019

Middle Management 1

Employees: 16 and 15 are women

Employed 2020

Middle Management 2

Employees: 11 and 11 are women

## Fees, down payments and receivables granted to directors and statutory auditors, as well as commitments undertaken on their behalf

### Introduction

The Foundation did not decide fees, and there are no down payments and receivables in favour of the administrative body. Furthermore, the Foundation did not undertake any commitments on behalf of the Administrative Body due to any guarantee issued.

Compensation to the Board of Auditors EUR 3,904.00.

## Commitments, guarantees and contingent liabilities not shown in the balance sheet

### Introduction

No commitments, guarantees, and contingent liabilities not appearing in the balance sheet have been reported.

## Information on related party transactions

### Comment

For the purposes of the provisions of current legislation, no transactions with related parties were carried out during the year.

## **Information on agreements not shown in the balance sheet**

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### **Comment**

During the year, no agreement was entered into that is not shown in the balance sheet.

## **Information on significant events occurring after the end of the financial year**

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### **Comment**

With reference to par. 22-quater of Art. 2427 of the Italian Civil Code no significant events occurred after the end of the financial year that deeply affected the assets, economic and financial performance.

## **Firms drawing up the consolidated financial statement of the smallest group of companies to which it belongs as a subsidiary**

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### **Introduction**

There is no case under Art. 2427 No. 22-sexies of the Italian Civil Code.

## **Information concerning financial derivative instruments under Art. 2427-bis of the Italian Civil Code**

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### **Comment**

This is to certify that no derivative financial instrument has been entered into.

## **Summary of the Financial Statements of the company exercising management and coordination activity**

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### **Introduction**

Pursuant to Art. 2497-bis paragraph 4 of the Italian Civil Code, it is certified that the Foundation is not subject to management and coordination by another entity.

## **Treasury shares and parent company shares**

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### **Introduction**

Pursuant to Art. 2435-bis and Art. 2428, par. 3 no. 3 and 4 of the Italian Civil Code, it should be noted that during the year the company did not hold shares or quotas in the parent company.

## **Information pursuant to Art. 1, paragraph 125, of the Italian Law no. 124 dated 4 August 2017**

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### **Comment**

In relation to the provisions of Art. 1, par. 125-bis of the Law 124/2017, as regards the obligation to highlight in the Explanatory Notes any cash amounts received during the fiscal year by way of action grants, allocations, subsidies and any economic benefits of any kind, not of a general nature and without consideration, remuneration or compensation of any kind,

from the public administrations and from the subjects mentioned at the par. 125-bis of the same article, the Foundation confirms that it has received:

art. 25 Legislative Decree n. 34/2020 EUR 53,597

Preschools and Infant-toddler Centres - Istituzione EUR 250,000

## **Proposal for allocation of profits or coverage of losses**

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### **Comment**

Dear Members, in the light of the above, the Board of Directors proposes that you allocate the profit for the year as follows:

- EUR 2,287.61 to increase the Management Fund.

## **Explanatory Notes - Final part**

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### **Comment**

Dear Members, we confirm that these Financial Statements, comprising the Balance Sheet, Income Statement and Explanatory Notes give a true and fair view of the Foundation's equity and financial position, as well as the results for the year and that they correspond to the accounting records. We therefore invite you to approve the draft Financial Statements as at 31/12/2020, along with the proposed allocation of the result for the fiscal year, as prepared by the Administrative Body.

The Financial Statements above are true and accurate and correspond to the accounting records

Reggio Emilia, 11/06/2021

**On behalf of the Board of Directors**

Carla Rinaldi, President