



EMERGENCY
www.emergency.it

**{ FINANCIAL STATEMENTS
at 31 December 2013 }**



EMERGENCY is a non-political, independent organization set up in 1994 that provides free, top-quality medical assistance and surgical treatment to all victims of war, anti-personnel mines and poverty.

EMERGENCY promotes a culture of peace, solidarity and respect for human rights.

EMERGENCY's humanitarian commitment is made possible by the contribution of thousands of volunteers and supporters.

| MANAGEMENT REPORT |

INTRODUCTION

In 2013 Emergency continued and broadened its humanitarian effort in Italy, started in 2006.

In January 2013 one of the two polibuses reached the area of Castel Volturno, one of the areas with the highest density of migrant population in Italy, where, in addition to urban decay, there is a strong presence of organized crime. The intervention lasted throughout the year and beyond, because of the health needs identified: for this reason Emergency is considering the possibility of setting up a new permanent clinic in that territory.

In July, work began on the new health centre of Polistena, in Calabria. In the same period two minivans went into operation, that is campers with a clinic on board equipped to carry out medical examinations, in particular for labourers employed throughout Puglia, in collaboration with the Puglia Region. Since late July 2013, at the request of the Prefecture and the local health authority (ASL) of Siracusa, the staff of one of the two polibuses provides basic health care to migrants, mostly from the Horn of Africa, Syria and the Middle East, who have landed in large numbers during the spring and summer and are lodged in the former Umberto I school: this intervention was later extended to the rest of the year.

Implementing a project funded by the European Community (EIF - the European Fund for Integration), in Sicily Emergency opened three social health orientation offices in Messina, Catania and Ragusa. The Emergency's mediators and nurses facilitate access to the national health system by migrants in the area.

In 2013 at the clinics of Palermo and Marghera over 10% more patients were examined, treated and registered in the Italian National Health System than the year before.

Also in 2013, the increased attention given to people in need in Italy did not weaken the commitment of Emergency in humanitarian programmes managed abroad in favour of victims of war and poverty.

In Afghanistan, for the third year running, we treated the highest number of war injured in our hospitals during the summer, when the fighting becomes more intense. The network of health centres and first aid posts was enlarged with the construction of two new FAPs in the Lashkar-gah area, thus allowing a better flow of patients to our local referral hospital, such that the criteria for admission had to be restricted to assist all the war wounded transferred to the facility. The hope of life restored among the people of Afghanistan is not limited to providing care to the direct victims of the conflict: at our Maternity Centre in Anabah in 2013 we recorded a significant increase in the number of examinations for pregnant women, in addition to attending to the birth of 12 children a day on average.

The situation in the Central African Republic suffered a drastic decline during 2013. Following the coup in late March, clashes have intensified with a brutality never witnessed before in the country, making the conditions of the already deficient health care system precipitate. Since April an Emergency surgical team has been working at the Complexe Pédiatrique, the children's hospital of the capital, thus ensuring free emergency surgical care. In the last months of the year security conditions further precipitated, causing a high number of displaced people who poured into refugee camps that sprung up spontaneously around the capital. In this situation, an Emergency mobile team was committed to providing basic care to the people living in these camps, allowing the transportation of critical patients to the hospital.

As for the facilities in Italy, the reorganization and restructuring programme of the offices and activities started in 2012 continued. In July 2013 a new figure was included in the organization chart with the hiring of a General Manager.

The continuation in 2013 of the business plan to curb costs and boost activity started in the previous year made it possible to achieve important financial results. The financial year ended it with a further reduction in debt to suppliers, now brought within physiological limits because of the volume of activity, while consolidating the elimination of exposure to banks for the advance of the 5 per thousand contributions. The year ended with the highest ever total fund-raising and with a significant surplus from management according to the objectives that were set in the reorganization and restructuring plan started in September 2011. The aims for the years to come remain the consolidation of overall finances and basic parameters in line with the recommendations of organizations for international cooperation (in particular, the *European Commission Humanitarian Office*), in order to further step up our ability to respond to healthcare needs abroad and in Italy.



EMERGENCY'S PROJECTS

IRAQ Emergency continues to manage the Rehabilitation and Prosthetic Production Centre in Sulaimaniya, where prostheses and orthoses are produced and applied to victims of land mine explosions, the war injured and patients with disabilities. Emergency also offers a social reintegration programme including vocational training courses every six months for patients who wish to attend (31 courses completed since the start of the activity). Disabled people with diplomas issued at the end of the course (497 since the start of the activity) receive economic and management assistance to start up cooperatives or craft workshops for the processing of iron, wood, leather and textiles and for the production of PVC to build interior and exterior doors and windows (308 since the start of the activity). Through this social reintegration programme, Emergency seeks to restore dignity to those who have become disabled and to help them overcome their disability, assisting patients in making a living for themselves and their families.

Since 2005 the day-to-day management of the Centre in Sulaimaniya has been handled by Kurdish personnel trained by Emergency over the previous years. In 2013 too, the Iraqi government agency which deals with anti-personnel mines in the country (GDMA - General Directorate of Mine Action) supported Emergency with the supply of material for prostheses worth **121,134 euros**.

AFGHANISTAN

THE PANSHIR VALLEY The hospital in Anabah is the only free of charge healthcare facility accessible to a population of about 250,000 people, spread over many small villages in the Panshir Valley and Salang Pass. In addition to operating on war casualties and anti-personnel mines, the hospital carries out emergency surgery, general surgery, internal medicine and paediatric medicine. The hospital also acts as a reference centre to a network of 18 First Aid Posts and healthcare centres opened and managed by Emergency in the region and surrounding provinces.

The next-door Maternity Centre run by Emergency in Anabah has increased its activities continuously over recent years. Visits to doctors surgeries have increased, as well as operations and deliveries, because the hospital has become a point of reference for women in the valley and nearby provinces, partly due to the network of healthcare centres in the region which refer women to the Maternity Centre. In recent years over 10 children are born every day in the facility, reaching an average 12 births a days in 2013. This is an important result in terms of the acquisition of an understanding of healthcare problems to which women are exposed during pregnancy, including important measures for prevention, among the population in the Panshir region, as well as a vote of confidence in the work carried out by Emergency.

Since 2012 the Afghan government has allocated funds supporting Emergency's activities in the Panshir Valley. In 2013 these amounted to **USD 1,216,052**. Besides the amount, it is a significant sign of the ongoing appreciation for our work in Afghanistan and for Emergency it represents consolidation of cooperation with local healthcare authorities.

KABUL In Kabul, since April 2001, Emergency has managed a Centre for War Surgery, with a top-level IC unit with six beds (the only facility of its kind completely free of charge in the whole of Afghanistan) and computerized tomography.

The hospital acts as the central focus of the network of 13 First Aid Posts and healthcare centres managed by Emergency in the Kabul region (in prisons, reformatories and an orphanage).

The restriction of admission only to war casualties (and accident victims under the age of 14) decided in 2010 has proved to be foresighted in

the light of the escalation of fighting in the past three years: over 6 war casualties a day were admitted to the hospital in Kabul, an average of about 10 surgical procedures a day.

LASHKAR-GAH The "Tiziano Terzani" surgical centre for war casualties in the south of Afghanistan, where the population has a pashtun majority (an ethnic group which represents about 40% of the Afghan population), is located in the city of Lashkar-gah, the capital of Helmand province. The city is about 100 km west of Kandahar and has a population of about 100,000 people. The Centre has been active since 2004 and carries out operations on war casualties and victims of anti-personnel mines and accidents to patients under the age of 14. Ambulances take seriously injured patients to the hospital after examination at one of the five First Aid Posts run by Emergency in Helmand. Some patients treated in the Emergency hospital in Lashkar-gah come from very distant regions, on the border with Iran. The opening of two new FAPs in Helmand, in addition to the three opened in recent years, has allowed effective access to the hospital by patients who live in areas hardly hit by the fighting but far from our facility. Also thanks to the work of the FAP, in 2013 the flow of incoming war wounded increased significantly, making it necessary to restrict the eligibility criteria for admission to the hospital only to victims of war, while other patients are stabilized at the first aid points room and then sent to the nearby public hospital.

THE PRISON PROGRAMME AND FIRST AID NETWORK In 2013 too Emergency's healthcare activities in relation to prisoners continued in Kabul (*Governmental Jail, Investigation Department, Pol-e-charki, Female Jail*) and the city reformatory (*Juvenile Rehabilitation Centre*). Emergency is the only organization able to guarantee continuous healthcare services in these facilities.

Emergency currently manages a network of **31 First Aid Posts and healthcare centres** in the country, referring to three main hospitals. During 2013 an expansion of the healthcare network was pursued to cope even more effectively with the intensification of fighting in the country: 4 new first aid posts were opened in the provinces of Logar and Paktia (Kabul area) and Helmand (Lashkar-gah area).

During 2013 Emergency benefited from funding from funding in response to UN humanitarian emergencies. Specifically:

- ERF – *Emergency Response Fund*, totalling **USD 276,585** to support its First Aid activities and assistance to war casualties in the area of Kabul and Lashkar-gah;

- CERF – *Central Emergency Response Fund*, **USD 418,000** to support the activities of the hospital in Kabul;

- WHO – **World Health Organization**, **USD 199,866** to support the activities of the hospital in Lashkar-gah.

SIERRA LEONE The situation of Sierra Leone in general continues to be very difficult. The country is still almost bottom of the United Nations Development Index (data from 2013).

The Surgical and Paediatric Centre run by Emergency – active since November 2001 – is in Goderich, in the suburbs of the capital of Sierra Leone, Freetown, and is the only facility that provides high-level healthcare services free of charge in the area, together with specialist surgical assistance, which can be obtained nowhere else in the country. The main activities of the Centre are emergency operations, mainly abdominal, but also following trauma.

In 2002, a paediatric outpatient clinic was built inside the hospital, enlarged in 2013 with the addition of wards. Children are mainly affected by respiratory diseases, malaria and anaemia: The most serious cases lead to admissions to the paediatric wards of the hospital.

The Emergency hospital in Goderich also runs a programme for the dilation of the oesophagus in endoscopy for the treatment of burns from the ingestion of caustic soda. This type of accident is very frequent because mothers use caustic soda to make soap at home. Ingestion causes serious burns to the oesophagus which heals creating scar tissue that makes its diameter narrower and can render eating impossible.

During the year, the nutritional programme continued for children examined in the paediatric surgery; and the healthcare/hygiene programme for their mothers also continued, including information on nutrition and symptoms of leading paediatric illnesses and how to prevent them.

In 2013 the government of Sierra Leone provided funding of **350,000 euros** to support the activities of the Emergency hospital in Goderich. This is a further sign of confidence in us and recognition of the importance of our work in the country.

SUDAN In April 2007, Emergency started up a regional paediatric and heart surgery programme in Sudan and surrounding areas. The fulcrum of the programme is the *Salam* ("peace" in Arabic) Centre for heart surgery in Khartoum, which treats patients with operable, congenital and acquired cardiopathy completely free of charge. Especially significant are pathologies of the heart valves of rheumatic origin. Patients - adults and children - are taken to the Centre free of charge after examination in one of the outlying paediatric centres in Sudan and surrounding areas. These Centres carry out cardiological screening and provide basic healthcare services to children up to the age of 14, and carry out healthcare and hygiene education activities for their mothers. The first of these Centres was inaugurated in Bangui, in the Central African Republic, in spring 2009. A second Centre was inaugurated in July 2010 in Nyala, in the state of South Darfur, in Sudan. A third Centre began work in Port Sudan in December 2011.

The activities of the paediatric Centre of Nyala are currently suspended following the kidnap and detention of Francesco Azzarà, between August and December 2011. Now, two years later, minimal conditions still do not exist in which the safety and security of national and international workers in the area can be assured.

The international personnel of Emergency also carry out screening examinations in local state-run hospitals in several African countries and at the Emergency facilities in Sierra Leone, Afghanistan and Iraq. Other patients are referred by local and international humanitarian organizations and institutions.

In Khartoum, since the start-up of activity on 31 December 2013, patients from 25 countries other than Sudan have been operated on: Afghanistan (29), Burkina Faso (2), Burundi (11), Cameroon (1), Chad (38), Eritrea (130), Ethiopia (144), Djibouti (16), Jordan (4), Iraq (76), Liberia (1), Kenya (46), Nigeria (37), the Central African Republic (74), the Democratic Republic of Congo (34), Rwanda (22), Senegal (3), Sierra Leone (62), Somalia (41), Tanzania (4), Uganda (40), Zambia (8), Zimbabwe (9), as well as two Italian citizens temporarily living in Sudan.

During 2013, the *Salam* Centre received funding from the local Sudanese authorities of **1,725,911 euros** as direct support for the hospital activities, paid monthly, including the refund of expenses incurred for electricity.

The Emergency Paediatric Centre inside the Mayo refugee camp has been active since December 2005 and carries out a vital function inside the camp, which has an unknown number of refugees (mainly from the conflict in Darfur and South Sudan). The Centre carries out examinations in the

camp and a *Community Health Promoter* (CHP) examines patients in their homes, admits patients for observation during the day and refers the most serious cases to local hospitals.

In summer 2013 Emergency was forced to suspend activities of the Mayo Paediatric Centre for a few weeks due to flooding in the refugee camp that prevented access to the facility.

Since December 2011 the Mayo Paediatric Centre has been co-funded by the European Union (the EuropeAid 278-106 project), with **499,999 euros in three years: in 2013, 161,327 euros were received**.

The United Nations *Common Humanitarian Fund* (CHF) allocated the last instalment of **USD 67,508** of a three-year fund for the Port Sudan Paediatric Centre to cover the operating costs for the first quarter of the year. A further amount of **61,495 euros** was provided by the Sudanese authorities to support the Centre.

Moreover, as a result of the organization's long-standing experience in training health professionals, the Port Sudan Nursing Academy requested to be able to send its students to Emergency's Paediatric Centre for the training period required by their course. This training pathway was launched with the support of Italian Development Cooperation in Sudan, which contributed financially to the first semester of the pilot project from March to August 2013, allocating funds equivalent to **46,500 euros**. In the light of the results obtained, it is expected that this initiative will be followed up as part of a project sponsored by the Directorate General for Development Cooperation, which will be launched in 2014.

THE CENTRAL AFRICAN REPUBLIC In March 2009, in Bangui, the capital of the Central African Republic, the first Paediatric Centre was inaugurated under the Emergency regional paediatric and heart surgery programme for Africa, focussed on the *Salam* Centre in Khartoum. The facility has a ward with eight beds and is open around-the-clock; it provides basic medical assistance to children under the age of 14 (about 80 to 100 outpatient examinations are done each day) and education in healthcare and hygiene to their mothers. The Centre is also equipped with a cardiology unit where, during previous missions, Emergency specialist international personnel carry out the screening of cardiopathic children and adults to be transferred to the *Salam* Centre in Khartoum, for heart surgery. In December 2012, 74 patients from the Central African Republic were treated at the *Salam* Centre in Khartoum. After surgery, patients are given a post-op check-up directly at the Healthcare Centre in Bangui, and are provided with pharmaceuticals free of charge.

Since June 2011 a first-level prenatal programme has been running for pregnant women.

Following the coup of 24 March 2013, the health care situation in the country has deteriorated dramatically. The health care system, already understaffed and only partially capable of addressing the needs of the Central African population, was further distressed by the crisis, which has severely worsened in recent months.

That is why since April 2013 an Emergency surgical team has been working at the *Complexe Pédiatrique* - the public paediatric hospital - at the request of the facility's management. After reactivating two operating rooms at the hospital, our doctors and nurses have ensured free surgical and urgent life-saving care, treating victims of war, trauma and other surgical emergencies.

Since December 2013, tens of thousands of people have fled their villages or neighbourhoods for lack of security, pouring into refugee camps that have sprung up spontaneously throughout Bangui, particularly near the airport, churches and mosques. Emergency also provides healthcare to war refugees through a mobile team consisting of medical staff and a logistician. The team provides basic care in IDP camps and allows the transfer to hospital of severe cases requiring hospitalization for medical, paediatric or surgical care.

Emergency surgical intervention at Complexe Pédiatrique has won the support of two emergency funds of the United Nations, in particular:

- CHF – *Common Humanitarian Fund*: **USD 300,000** (of which USD 42,786 pending payment);
- CERF – *Central Emergency Response Fund*: **USD 200,855**.

ITALY During 2013 activities continued in the “immigration” area, with the aim of safeguarding in Italy as elsewhere the fundamental right of individuals to health, sadly too often denied in our country.

On 31 December 2013, the Italy Programme comprised the following operational facilities, providing socio-sanitary assistance to migrants and the needy:

- clinic in Palermo (2006);
- clinic in Marghera (2010);
- two mobile clinics – Polibus (2011);
- socio-sanitary help desk in Sassari (2012)
- clinic in Polistena (2013);
- two mobile clinics – minivans with the support of the Puglia Region (2013);
- social health orientation offices financed by the European Fund for the Integration of Third-Party Nationals (EIF) in the provinces of Catania, Messina and Ragusa (2013).

On the basis of specific agreements with the healthcare authorities, the clinics provide general and specialist medical services according to the healthcare needs found in the territory (oculist, odontology, paediatrics, gynaecology, cardiology, dermatology, infectious diseases, ear-nose-and-throat, psychiatry, psychology). In addition to the provision of healthcare activities, personnel in the clinics carry out an important function in terms of cultural mediation, accompanying patients during examinations and indicating which regional healthcare facilities are appropriate, helping them to overcome the bureaucratic difficulties that often stand in the way of the healthcare service provision to which the patients are entitled.

In 2011, Emergency also started operating with mobile medical units set up inside refurbished buses (polibus). After operating first next to the migrant camp in Manduria, in the Province of Taranto, over the next two years the Polibuses provided healthcare assistance to migrant agricultural labourers in the countryside around Foggia, Potenza, Reggio Calabria, Siracusa, Ragusa and, starting in January 2013, Caserta. In summer 2012 a mobile clinic assisted victims of the earthquake in Emilia Romagna, in the province of Modena.

During 2013 Emergency's mobile clinics provided support in Rosarno (RC), Castelvoturno (CE), Siracusa, Foggia and the surrounding area (Capitanata).

Emergency completed the fitting-out of the outpatient clinic in (RC) set up in a building confiscated from the criminal organization called 'Ndrangheta and renovated by the Valle del Marro – Libera Cooperative. The outpatient clinic started its activities in July 2013, after a period of activity of one of the mobile clinics in the area that allowed raising awareness and taking root in the local area.

In 2013 a total of **37,007 social and health care services were provided as part of the Italy Programme**. In 2013 the following services were provided:

- clinic in Palermo: 11,966 services;
- clinic in Marghera: 7,211 services;
- clinic in Polistena: 1,768 services;
- Mobile clinics: 12,605 services
- Socio-medical drop-in centres: 1,742 social health orientation services and accompaniments.

Other actions and evaluation missions

ANME (African Network of Medical Excellence) - UGANDA

During 2013 evaluation missions were carried out for the purpose of finalizing the allocation of land for the construction of a Centre of Excellence in surgery and paediatric medicine, under the umbrella of the ANME Project.

Following these on-site technical surveys, a new area was identified for the construction of the hospital in accordance with Ugandan authorities, other than the one originally assigned. The procedures were also set in motion to legally register Emergency as an NGO in Uganda, and the technical and operational design of the facility is near completion. The architectural design for the construction of the hospital was created in collaboration with the studio of the architect Renzo Piano.

In order to start up the project, however, the priority is to find the funds required for the construction and future management of the hospital, to be added to those placed at our disposal by the Prosolidar Foundation and the Health Ministry of Uganda (committed to covering 20% of the total cost).

SOMALIA In 2013, evaluation missions were carried out to assess the possibility of starting up humanitarian action in the form of war surgery and/or obstetrics and gynaecology in Mogadishu, Somalia. The project will only be started up if specific funds are found and the country is considered safe to operate in.

Design proposals were developed so that these could be presented to certain institutional donors as part of fund-raising for the start-up of activities if security conditions allow for it.

SYRIA AND IRAQ In the course of 2013, the assessment continued in view of implementing a possible humanitarian intervention as a result of the bloody conflict that continues to cause civilian casualties in Syria, and a large flow of refugees fleeing from the war, many of whom also reach the coasts of Italy. In the early months of 2014 an agreement was reached for the construction and operation of a health centre in the refugee camp of Arbat, in Sulimanyia, in Iraqi Kurdistan, near the Syrian border, partly financed by a UHNCR grant. Activities are expected to start in the second half of 2014.

IRAQ

THE SULAIMANIYA REHABILITATION AND PROSTHETIC PRODUCTION CENTRE, from January to December 2013

Patients treated: 654
Examinations carried out: 2,814
Physiotherapy sessions: 1,727
Casts for new prostheses: 446
Crutches and leg braces: 171
Wheelchairs: 16
Prostheses applied: 443 (414 lower limbs; 29 upper limbs)
Orthoses: 35
Diplomas issued: 8
Co-operatives set up: 11

National staff employed: 79, half of whom are disabled

AFGHANISTAN

THE ANABAH MEDICAL-SURGICAL CENTRE, from January to December 2013

Examinations carried out: 28,253
- examinations for surgical reasons: 11,555
- examinations for medical reasons: 8,922
- paediatric examinations: 7,776

Overall admissions (including readmissions): 3,189
- admissions for operations: 2,115 (including 314 caused by war, 633 for emergencies and 626 for elective surgery, in addition to 350 patients admitted for observation)
- medical-paediatric admissions: 1,074
Surgical procedures carried out: 1,793 (including 423 for reasons of war)

National staff employed: 217

THE ANABAH MATERNITY CENTRE, from January to December 2013

Examinations carried out: 20,837
- obstetric examinations: 16,647
- gynaecological examinations: 4,190
Patients admitted: 5,423
Gynaecological operations: 856 (including 377 C sections)
Deliveries: 4,383
Babies born: 4,226
Babies treated in Intensive Care: 1,299 (including babies not born in the Maternity Centre but referred to us)

National staff employed: 57

THE KABUL SURGICAL CENTRE, from January to December 2013

Examinations carried out: 5,968 (including 5,415 for reasons of war)
Total admissions (including readmissions): 2,562 (including 2,209 for reasons of war)
Operations carried out: 3,925 (including 3,868 for reasons of war)

National staff employed: 279

THE LASHKAR-GAH SURGICAL CENTRE, from January to December 2013

Examinations carried out: 9,049 (including 4,111 for reasons of war)
Total admissions (including readmissions): 3,489 (including 2,108 for reasons of war)
Operations carried out: 4,723 (including 4,162 for reasons of war)

National staff employed: 217

THE PRISON PROGRAMME, from January to December 2013

Examinations carried out: 77,956

National staff employed: 23

31 FIRST AID POSTS AND HEALTHCARE CENTRES, from January to December 2013

Cases treated in a doctor's surgery or a First Aid Post: 199,986
Patients transferred to Emergency hospitals: 7,312

National staff employed: 256

SIERRA LEONE

THE GODERICH SURGICAL AND PAEDIATRIC CENTRE, from January to December 2013

Examinations carried out: 15,818
Admissions for surgery: 2,356 (including 939 for orthopaedic emergencies, 670 for surgical emergencies, 368 within the framework of the programme for the treatment of burns to the oesophagus due to caustic soda and 379 cases of elective surgery)
Surgical procedures carried out: 3,633
Paediatric examinations: 29,830
Paediatric admissions: 1,485

National staff employed: 376

SUDAN

SALAM HEART SURGERY CENTRE from January to December 2013

Triage examinations: 6,468
Specialist heart examinations: 7,005
Admissions: 667
Heart operations: 598
Heart procedures: 27
Diagnostic heart procedures through hemodynamics: 55

National staff employed: 345

THE MAYO PAEDIATRIC CENTRE, from January to December 2013

Examinations carried out: 14,715
Admissions to the Centre for observation during the day: 2,600
Patients transferred to hospitals: 1,527
Examinations by CHPs: 3,455
Prenatal examinations: 1,944
Beneficiaries of activities for preventive medicine (healthcare and hygiene activities carried out in the Mayo refugee camp): 8,058

National staff employed: 30

THE PORT SUDAN PAEDIATRIC CENTRE, from January to December 2013

Examinations carried out: 19,591
Admissions: 898

National staff employed: 91

CENTRAL AFRICAN REPUBLIC

THE BANGUI PAEDIATRIC CENTRE, from January to December 2013

Examinations carried out: 22,815

Admissions: 1,533

Prenatal examinations: 5,237

National staff employed: 71

SURGICAL PROCEDURES AT THE BANQUI PAEDIATRIC CENTRE From April to December 2013

Outpatient treatments: 4,396

Admissions: 785

Operations carried out: 1,313

National staff employed: 32

ITALY

At 31 December 2013, as part of the ITALY PROGRAMME, a total of 37,007 healthcare services were provided in Italy.

PALERMO HEALTH CENTRE

11,966 services

MARGHERA HEALTHCARE CENTRE

7,211 services

POLISTENA HEALTH CENTRE

1,768 services

Mobile clinics

12,605 services (almost all to migrant agricultural workers).

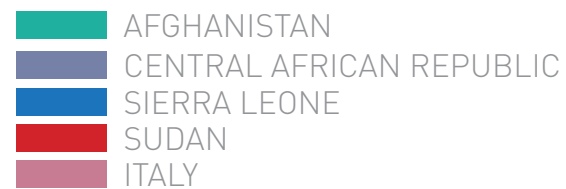
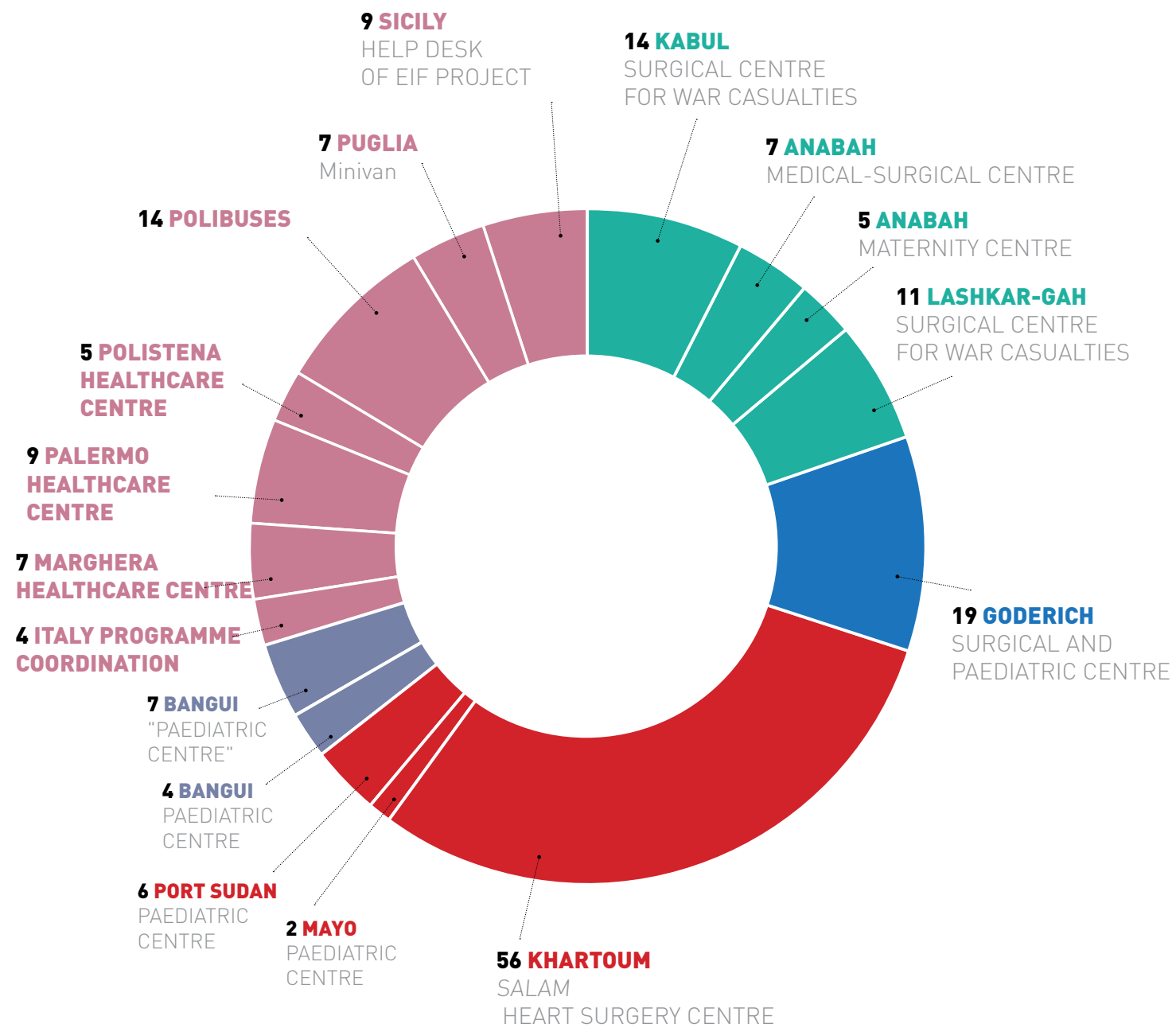
Socio-medical drop-in centres

1,742 social health orientation services and accompaniments.

WHO WORKS IN EMERGENCY'S PROJECTS

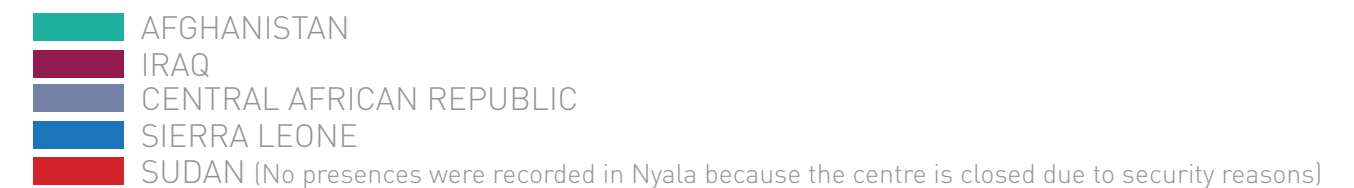
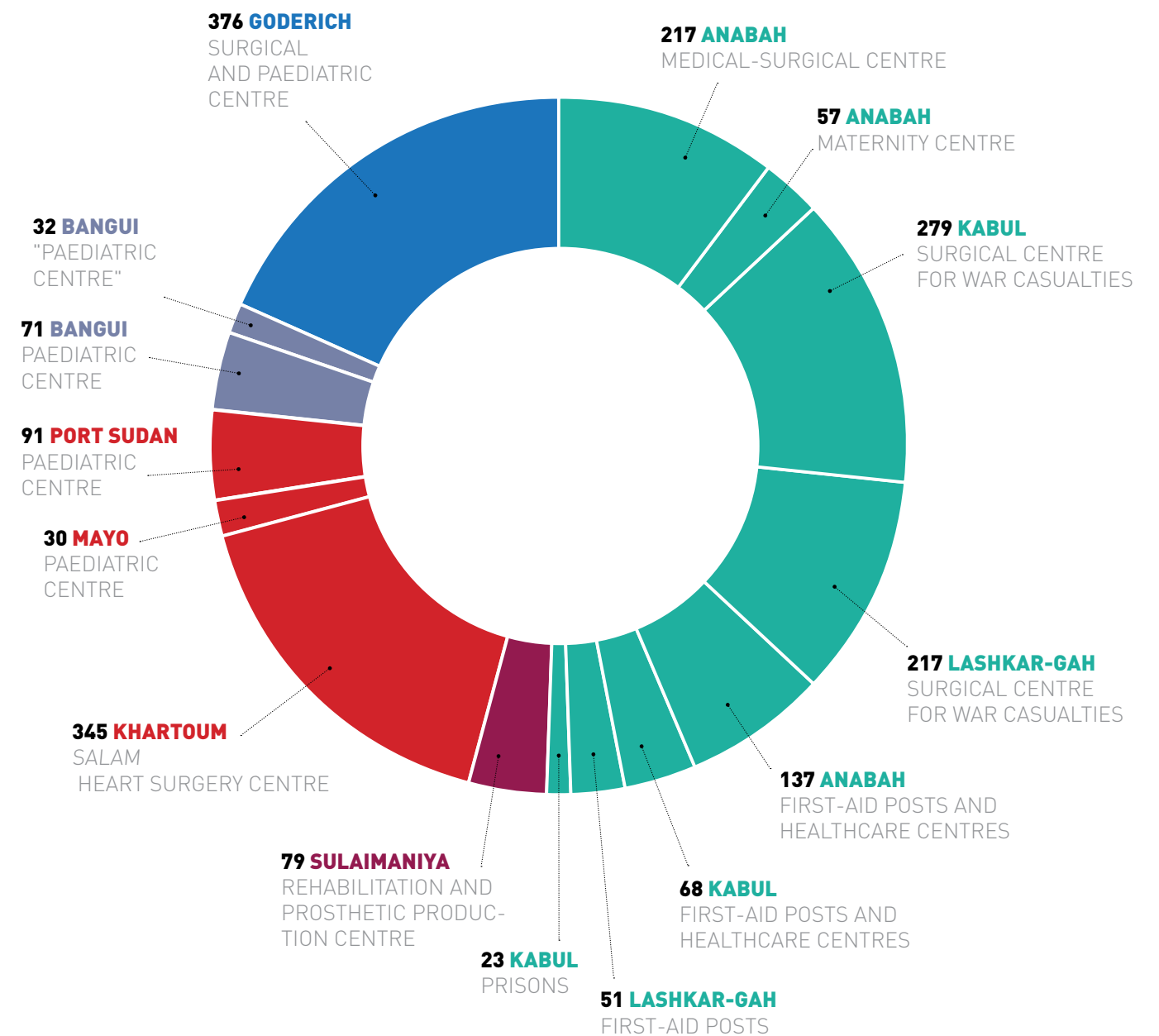
AVERAGE MONTHLY PRESENCE OF PERSONNEL ON MISSION in ITALY and ABROAD.

TOTAL: 184 PEOPLE



NATIONAL PERSONNEL in December 2013.

TOTAL: 2,073 PEOPLE





| COSTS FOR OPERATIONAL MISSIONS | | EXPENSES FOR OPERATIONAL MISSIONS AND PROJECTS |

AFGHANISTAN

Cost items	2013	2012
National and International staff	2,857,408	2,795,756
Medical and consumption materials	923,415	843,097
Hospital building, equipment and furniture	89,462	51,863
Restructuring and maintenance	153,691	189,907
Patients' canteen and staff board	348,607	393,828
Local transport	49,288	33,417
Fuel	429,543	452,197
Various (stationery-cleaning - bank costs - tailoring, etc..)	181,650	175,511
Utility consumption	64,648	91,721
FAP (Healthcare Centres and First Aid Centres)	613,311	584,956
Rentals	185,214	192,460
Insurance premiums	493	470
Prisons programme	43,711	46,240
Logistics		2,769
Recreational activities	171	
Total	5,940,612	5,854,192

SIERRA LEONE

Cost items	2013	2012
National and International staff	1,325,803	1,250,396
Medical and consumption materials	647,224	528,903
Construction of a new operating unit	-	229,965
Hospital building, equipment and furniture	109,947	
Restructuring and maintenance	163,815	116,067
Patients' canteen and staff board	198,476	196,562
Local transport	88,338	81,442
Fuel	216,230	182,076
Various (stationery-cleaning - bank costs - tailoring, etc..)	108,061	93,580
Utility consumption	14,230	19,229
Rentals	68,659	65,718
Insurance premiums	856	889
Logistics costs	13,705	8,996
Regional Programme Patient Transfers	289	
Total	2,955,634	2,773,821

CAMBODIA

On 1 March 2012 the hospital was transferred to Cambodian authorities

Cost items	2013	2012
National and International staff		90,277
Medical and consumption materials		16,689
Hospital building, equipment and furniture		8
Restructuring and maintenance		116
Patients' canteen and staff board		16,096
Local transport		4,549
Fuel		733
Various (stationery-cleaning - bank costs - tailoring, etc..)		3,008
Utility consumption		1,272
Rentals		1,837
Insurance premiums		349
Total	0	134,934

IRAQ

Cost items	2013	2012
National and International staff	280,840	242,970
Medical and consumption materials		1,154
Hospital building, equipment and furniture	6,658	7,081
Restructuring and maintenance	8,561	9,661
Patients' canteen and staff board	4,486	5,167
Local transport	3,357	9,329
Fuel	5,183	9,545
Various (stationery-cleaning - bank costs - tailoring, etc..)	2,570	3,714
Utility consumption	1,889	3,658
Recreational activities	16,050	
Rentals	8,303	8,107
Insurance premiums	251	-
Prostheses	123,576	129,862
Cooperatives Programme	46,835	121,614
Logistics		356
Total	508,559	552,219

SUDAN - Salam Heart Surgery Centre

Note: The cost of assets related to the Salam Heart Surgery Centre in Khartoum is depreciated over several years, as detailed in the relevant paragraph of the Explanatory Notes.

Cost items	2013	2012
National and International staff	2,696,712	3,017,876
Medical and consumption materials	2,238,697	1,251,355
Hospital building, equipment and furniture	839,925	888,528
Restructuring and maintenance	236,183	303,325
Patients' canteen and staff board	258,969	278,113
Local transport and materials	147,336	117,958
Fuel	128,076	157,155
Various (stationery-cleaning - bank costs - tailoring, etc..)	92,977	85,071
Utility consumption	152,759	259,533
Rentals	111,785	137,803
Logistics	17,280	16,714
Insurance premiums	19,175	21,347
Evaluation mission		4,476
Patient transfers	35,990	56,188
Recreational activities	161	
Regional Programme	4,346	7,997
Total	6,980,369	6,603,439,16

SUDAN - Mayo

Cost items	2013	2012
National and International staff	128,237	155,855
Medical and consumption materials	67,153	62,824
Hospital building, equipment and furniture	22,736	2,716
Restructuring and maintenance	12,425	22,470
Patients' canteen and staff board	946	964
Local transport	1,303	2,184
Fuel	2,864	8,025
Various (stationery-cleaning - bank costs - tailoring, etc..)	8,887	10,288
Utility consumption	2,324	321
Logistics	581	1,187
Insurance premiums	1,240	272
Rentals	2,699	4,215
Recreational activities	20	2,367
Social and Healthcare Programmes	1,070	
Total	252,485	273,689

CENTRAL AFRICAN REPUBLIC

The increase in costs was due to the activities of the Complexe Pédiatrique

Cost items	2013	2012
National and International staff	693,928	421,486
Medical and consumption materials	245,778	136,482
Hospital building, equipment and furniture	39,662	8,678
Restructuring and maintenance	36,003	26,822
Patients' canteen and staff board	48,299	28,397
Local transport	44,681	18,236
Fuel	13,967	10,519
Various (stationery-cleaning - bank costs - tailoring, etc..)	56,853	32,856
Utility consumption	20,287	18,076
Rentals	9,110	9,078
Insurance premiums	188	229
Logistics	1,276	490
Total	1,210,032	711,349

SUDAN - Nyala

Note: In 2013 the hospital was closed; the costs relate to the settlement of amounts due to national staff.

Cost items	2013	2012
National and International staff	22,176	7,938
Medical and consumption materials		1,447
Patients' canteen and staff board	100	1,425
Local transport	454	588
Various (stationery-cleaning - bank costs - tailoring, etc..)	376	1,237
Utility consumption		691
Rentals	1,880	804
Logistics	234	430
Total	25,220	14,560

Sudan -Paediatric Centre in Port Sudan

The cost of assets related to the paediatric centre in Port Sudan is depreciated over several years, as detailed in the relevant paragraph of the Explanatory Notes.

Cost items	2013	2012
National and International staff	359,147	416,115
Medical and consumption materials	82,120	61,877
Hospital building, equipment and furniture	193,239	192,889
Restructuring and maintenance	11,203	9,990
Patients' canteen and staff board	31,860	39,000
Local transport	2,767	11,634
Fuel	2,709	4,026
Various (stationery-cleaning - bank costs - tailoring, etc..)	19,773	19,785
Utility consumption	26,861	26,691
Recreational activities	1,196	35
Rentals	16,758	20,952
Insurance premiums	758	1,331
Logistics costs	869	2,550
Total	749,259	806,873

ITALY - Italy Programme / Coordination of activities

The increased personnel costs are due to the hiring of three new coordinators.

Cost items	2013	2012
National and international staff	114,042	63,220
Equipment	734	46
Restructuring and maintenance	187	869
Staff board	4,272	930
Local transport and materials	740	
Fuel	1,528	374
Insurance premiums	11,028	1,811
Miscellaneous (stationery, cleaning, bank and postal charges)	3,261	2,641
Utility consumption	877	172
Monitoring missions	2,087	1,466
Rentals		550
Logistics costs	1,332	40
Total	140,088	72,118

ITALY - Mobile clinics

Cost items	2013	2012
Staff	284,406	245,272
Medical and consumption materials	15,878	5,115
Polibus	95,306	96,139
Equipment	4,208	
Restructuring and maintenance	21,789	20,081
Patients' canteen and staff board	26,947	20,123
Local transport	7,128	4,079
Fuel	29,227	33,524
Various (stationery-cleaning - bank costs - tailoring, etc..)	15,651	5,468
Utility consumption	4,164	3,408
Rentals	12,720	13,172
Insurance premiums	7,456	6,456
Logistics	562	157
Costs of evaluation missions	276	3,478
Total	525,717	456,473

ITALY - MOBILE CLINICS - Puglia Project

Start of activity - May 2013.

Cost items	2013
Staff	97,995
Medical and consumption materials	2,830
Minivan	241,755
Equipment	8,569
Restructuring and maintenance	7,569
Patients' canteen and staff board	10,107
Local transport	105
Fuel	10,701
Various (stationery-cleaning - bank costs - tailoring, etc..)	7,471
Utility consumption	792
Rentals	7,527
Insurance premiums	5,794
Logistics	240
Total	401,455

ITALY - Palermo Outpatient Clinic

Cost items	2013	2012
Staff	182,960	163,841
Medical and consumption materials	14,207	6,499
Hospital building, equipment and furniture	13,305	12,917
Dental and ophthalmologic material	9,072	14,196
Restructuring and maintenance	4,420	3,364
Patients' canteen and staff board	1,026	671
Local transport	4	-
Fuel	463	302
Various (stationery-cleaning - bank costs - tailoring, etc..)	8,230	14,114
Utility consumption	5,746	4,381
Insurance premiums	814	2,066
Rentals	950	600
Prostheses	290	170
Total	241,487	223,122

ITALY - Marghera Outpatient Clinic

Cost items	2013	2012
Staff	132,014	114,239
Medical and consumption materials	38,697	27,086
Hospital building, equipment and furniture	55,057	52,948
Dental and ophthalmologic material	58,042	55,225
Restructuring and maintenance	6,621	5,884
Patients' canteen and staff board	-	662
Local transport	1,319	62
Fuel	1,391	185
Various (stationery-cleaning - bank costs - tailoring, etc..)	16,124	15,230
Utility consumption	15,080	13,609
Insurance premiums	3,250	1,424
Rentals	3,989	3,246
Total	331,584	289,799

ITALY - Polistena Outpatient Clinic

Start of activity - July 2013.

Cost items	2013	2012
Staff	89,247	1,987
Medical and consumption materials	7,874	
Hospital building, equipment and furniture	9,188	1,978
Restructuring and maintenance	8,126	
Patients' canteen and staff board	323	
Local transport	1,572	315
Fuel	7,871	
Various (stationery-cleaning - bank costs - tailoring, etc..)	6,338	
Utility consumption	5,909	
Insurance premiums	791	
Rentals	5,698	100
Total	142,937	4,380

ITALY - Naples Outpatient Clinic

Start of work in 2013.

Cost items	2013	2012
Staff	1,311	
Restructuring and maintenance	359	1,195
Local transport	2,412	446
Total	4,082	1,641

ITALY - Sassari Help Desk

Start of activity - December 2012.

Cost items	2013	2012
Staff	25,593	
Hospital building, equipment and furniture	162	20
Restructuring and maintenance	423	860
Patients' canteen and staff board	766	
Local transport	56	
Fuel	1,233	21
Various (stationery-cleaning - bank costs - tailoring, etc..)	964	200
Utility consumption		15
Total	29,195	1,116

Sicily Help Desks - EIF Project

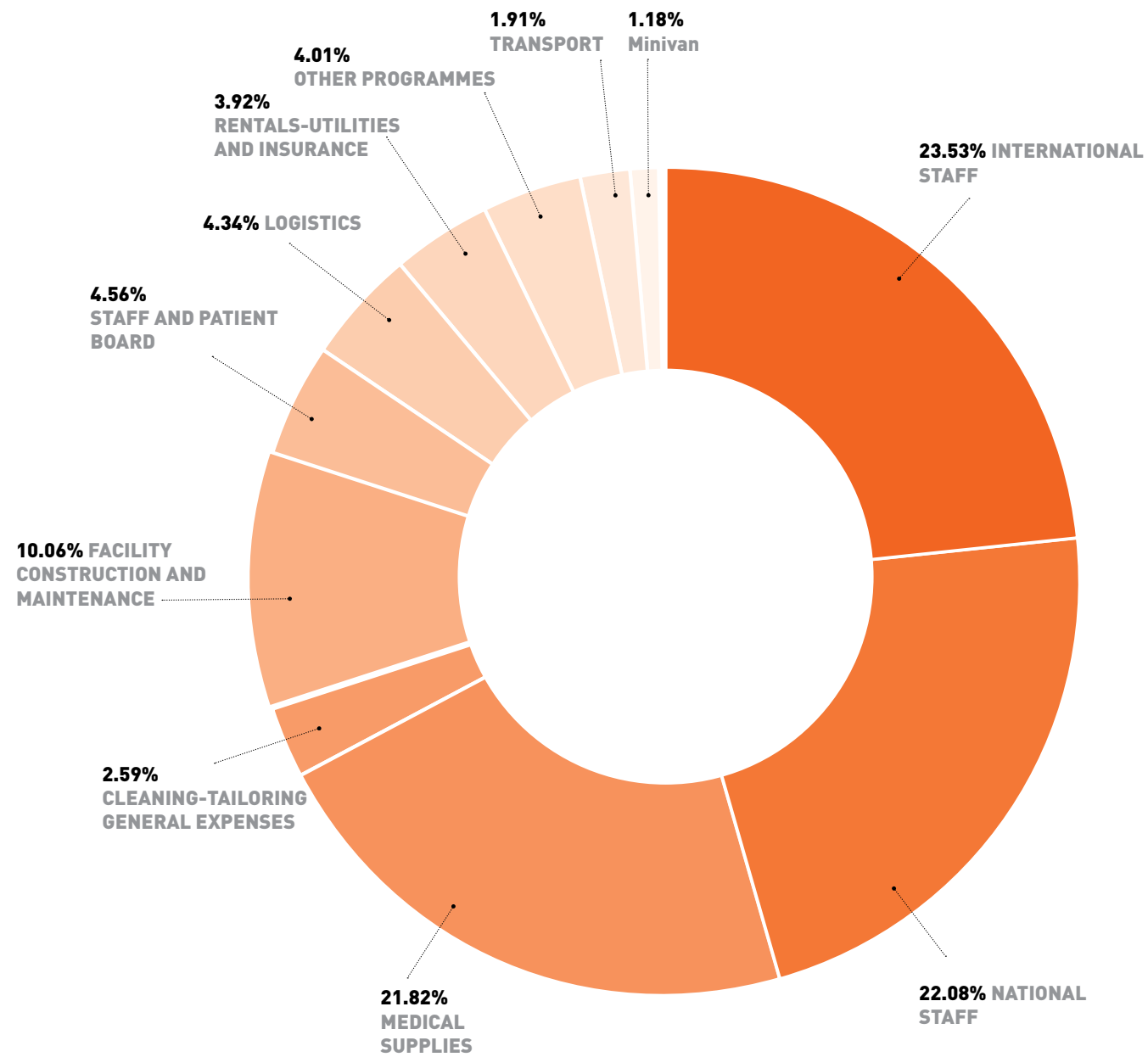
Start of activity - September 2013.

Cost items	2013
Staff	62,038
Hospital building, equipment and furniture	520
Patients' canteen and staff board	312
Local transport	261
Fuel	1,419
Various (stationery-cleaning - bank costs - tailoring, etc..)	2,255
Car rental	4,058
Total	70,864

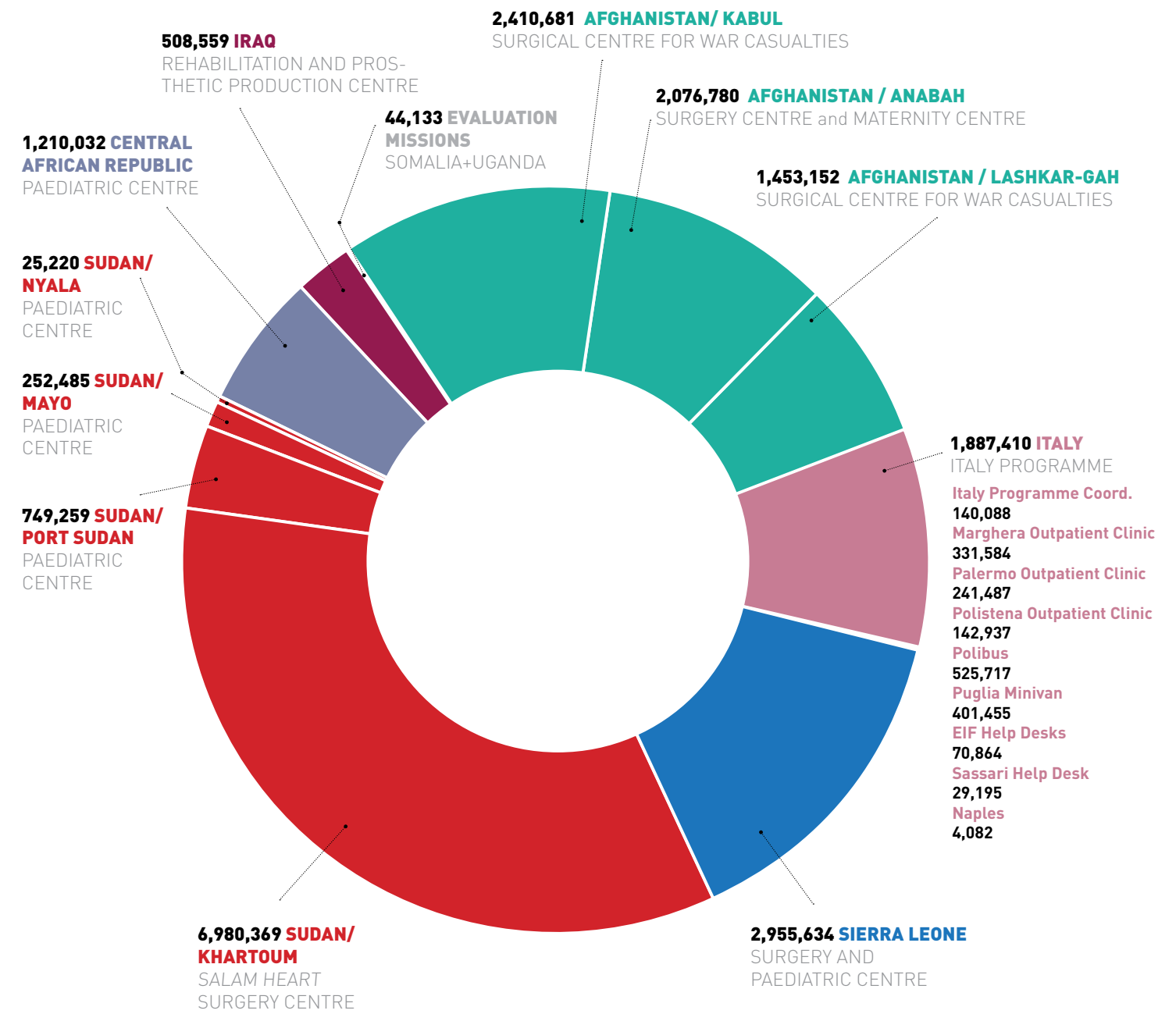
Evaluation missions

Cost items	2013	2012
Somalia	4,520	370
Uganda	39,613	17,666
Total	44,133	18,036

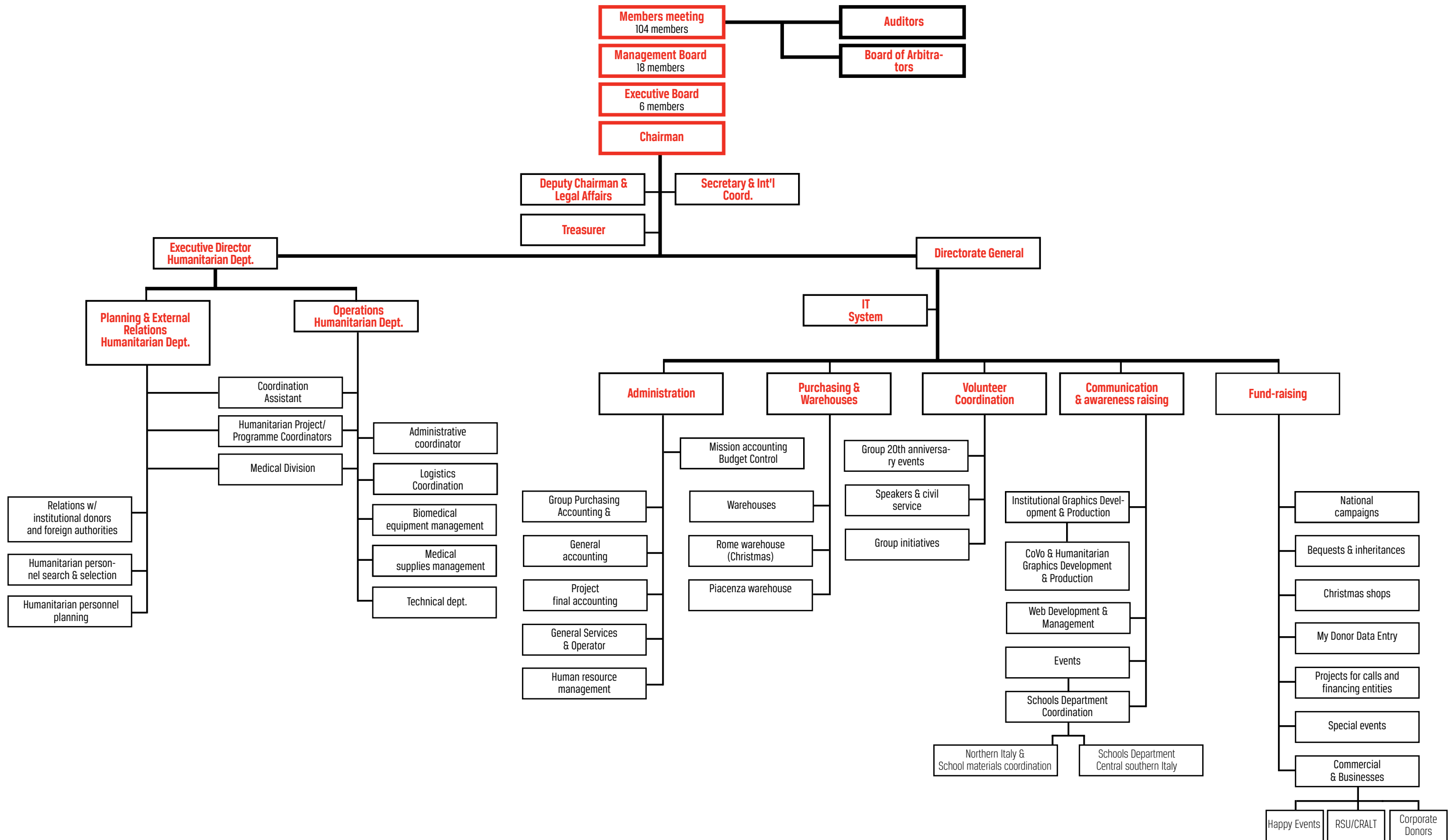
BREAKDOWN OF EXPENSES FOR OPERATING MISSIONS ITALY PROGRAMME



PROJECT EXPENSES (EUR)







ACTIVITIES IN ITALY

STRUCTURES, ORGANIZATION

PREMISES IN MILAN

The activities of the humanitarian and support missions are coordinated chiefly from our premises in Milan. As of 31 December 2013, a total of 130 people were working on these premises, including 73 volunteers.

Organizational structure of the headquarters in Milan as of 31/12/2013:

- **Chairman's and Director General's Office** - employees: 3; volunteers: 1.
- **Humanitarian Office** - employees: 8; project workers: 5; volunteers: 3.
- **Administrative Office** - employees: 8; self-employed: 1; volunteers: 3.
- **Department Coordinating Volunteers in the Territory** - employees: 2; self-employed: 2; volunteers: 9.
- **Fund Raising Office** - employees: 7; project workers: 2; volunteers: 37.
- **Communications Office - Schools** - employees: 7; self-employed: 1; volunteers: 7.
- **Purchasing & Warehouse Office** - employees: 5; Project workers: 1; Volunteers 1.
- **IT Office** - employees: 2; Project worker: 1; volunteers: 1.
- **General Services - Switchboard** - employees: 2; volunteers: 11.

SECONDARY PREMISES IN ROME

The offices for the secondary premises in Rome carry out activities in the field through the work of full time professionals and volunteers. As of 31 December 2013, our offices in Rome were stably manned by about 31 volunteers, rotating on a week-by-week basis, 8 employees and 1 project worker.

Organizational structure of the Rome office as of 31/12/2013:

- **Chairman's and Director General's Office** - employees: 1.
- **Administrative Office and Switchboard** - employees: 2; volunteers: 10.
- **Department Coordinating Volunteers in the Territory** - employees: 2; volunteers: 6.
- **Communications and Schools Department** - employees: 1; volunteers: 1.
- **Humanitarian Office** - employees: 1.
- **Purchasing & Warehouse Office** - employees: 1; Volunteers 2.
- **Fund Raising Office** - Project workers: 1; volunteers: 12.

In addition to employees in the Milan and Rome offices, 7 employees and 2 project workers are employed at the clinic in Palermo, 7 project workers at the clinic in Marghera and 6 project workers at the clinic in Polistena. About 70 volunteer physicians and nurses work at the clinic in Palermo, about 70 at the clinic in Marghera, 5 at the clinic in Polistena and 20 at the help desk in Sassari. A total of 14 project workers work on the two polibuses and 7 are those working on the two minivans, with a variable number of volunteer physicians and nurses depending on the location where each is operating; A total of 3 project workers and 1 employee are assigned to the coordination of activities in Italy, with different functions. They report to the Milan office.

A total of 4 employees and 1 project worker are currently assigned to humanitarian missions abroad.

VOLUNTEERS AND «GROUPS»

Emergency promotes a culture of peace, solidarity and respect for human rights and organizes fund raising initiatives through an intensive network of volunteers throughout the territory. Volunteers play a fundamental and essential role in informing public opinion and gaining support for the causes we support, such as peace, through taking part in and organizing conferences, meetings in schools and in the workplace, as well as initiatives

and events, info desks and so on, engaging local communities as much as possible.

In their fund raising activities, volunteers carry out their own initiatives, activate new contacts, and assist in the campaigns promoted by the Association.

In the second half of 2013 the Volunteers Coordination Office was reorganised with the inclusion of two new resources (one in Milan and one in Rome) who have taken on the role of national coordination of the activities of volunteers, each taking on responsibility for the north-central and south-central regions respectively.

Volunteers also provide precious support for the activities of the offices in Milan and Rome. In 2013, about 120 volunteers worked with us in the two premises, with a range of duties based on their skills, professionalism and the time they could dedicate to us. A further roughly 40 volunteers worked on the annual national meeting, helping the group of local volunteers. As of 31 December 2013, there were **166 local groups**, including 8 in Rome and 8 in Milan; **there are over 3,000** volunteers in the Association nationwide, 2,508 of whom have a badge to identify them as Emergency volunteers and are active in initiatives and events.

Territorial groups Volunteers at Emergency are organized into «groups» throughout the country. These groups represent the Association and carry out its activities in the field.

The groups differ in kind, numerical composition, internal organization and their relations with headquarters or the Rome office. All groups, however, follow the guidelines of the Association in terms of organization and carrying out activities, as well as in responding to local needs.

The review of organizational guidelines and the operational strategies of groups is an ongoing process for the purpose of identifying aims and priorities, providing a more rational approach to accounting in relation to fund raising and to create initiatives promoting visibility, further enhancing the territorial effectiveness of groups of Emergency volunteers. Activities have been mainly oriented towards “virtuous” fund raising, integrating activities for the sale of gadgets and stimulating initiatives and the instruments for continuous support.

The 2013/14 training offering for volunteers was provided in February 2014 through the organisation of three 2-day seminars in the cities of Rome, Milan and Polistena. The 2-day format repeated during the three meetings recorded such a great turnout of volunteers that it has been concluded that it is the most effective way to address the needs of volunteers throughout the territory as well as those of the association.

Activities In 2013 the support of “area co-ordinators” for the work of groups in the field was confirmed.

The activities of the area coordinators are increasingly geared toward the exchange of information about initiatives in order to raise awareness and for fund raising purposes, reviewing relations with other local situations. They are an opportunity to bring everybody up to date with ongoing initiatives, and to optimize the management of material by groups, as well as to support the creation and development of smaller and more recently formed groups.

Within this framework, the activities of area co-ordinators and the organization of regional co-ordination contributed to facilitating communications between groups and to stimulating commitment in the field.

In the regions where the experience gained by area co-ordinators made it possible, this method became an operational instrument for cooperating on the creation or fund raising events, for meetings between volunteers and the general public, for sharing experiences and skills, for the improvement of information about Emergency and to welcome new volunteers, ensuring that they make an optimum contribution.

During 2013, area co-ordinators liaising directly with volunteers in the Co-ordination Department at the two headquarters, provided the following support: in the majority of cases they took part in the meetings of individual groups, managed and co-ordinated inter-group meetings, organized common initiatives involving several groups, and training courses in the territory – whose contents were determined by the groups themselves. They helped to create new groups and, through liaison with headquarters, sought to solve the complex problems of groups in their territory.

Groups were involved in fund raising activities on behalf of Emergency, in disseminating information about the humanitarian programmes of the Association and in promoting a culture of peace, solidarity and respect for human rights.

In the difficult economic and social situation of the country, which continued throughout 2013, the presence of volunteers in the field was a stable point of reference providing important visibility for supporters and donors.

The national meeting, which was held in June in Livorno, was an opportunity for an update on projects and future activities of the association, with the aim of giving new impetus and motivation for volunteers throughout the country.

COMMUNICATIONS

The website www.emergency.it is one of the best known and most widely used instruments of communication for the general public to obtain information about the activities and initiatives of the Association, in Italy and abroad, and to contribute to fund raising activities (online donations, Christmas initiatives, etc.) as well as to obtain information about how to work with Emergency and more in general to come into contact with the Association and seek information about it.

The website *www.emergency.it* is addressed mainly to an Italian/Italian-speaking audience, which comprises the most users, while the English version is instrumental to an international audience. Of courses, in countries where foreign subsidiaries are present, the local website is the source of reference.

On average, the number of daily visits to the website amounts to **2,700**, with an uneven distribution – due to seasonal factors (drop in traffic in summer) and the impact of campaigns and specific initiatives (increase in traffic).

Electronic mailing lists

Allistante

Allistante is Emergency's electronic newsletter, sent weekly to update subscribers about the association's activities and initiatives.

With a list of **over 100,000 contacts**, the newsletter is one of our main channels of communication with our public of supporters who can in this way be informed of what is happening in the projects - and how then the funds raised are used -, of the campaigns and of how to support these and of the initiatives of the association.

Other e-mail lists

In addition to the news set out in Allistante for the e-mailing list that receives it, supporters on other e-mail lists are contacted on specific occasions: campaigns, appeals, particularly important events, local initiatives and where specific content is appropriate.

Most of the people on these lists - numbering about 280,000 contacts -

are those who had previously signed our appeals.

In conjunction with the Schools Department, we began sending out a newsletter to teachers.

During the year, particularly important messages were also sent to donors who had requested to be contacted by e-mail, with exclusive messages for certain categories of donors and supporters, and local messages on the occasion of nearby events of particular importance.

Social Media Facebook remains undoubtedly the most important Internet instrument for the Association, **with over 790,000 contacts on the page entitled “EMERGENCY”, over 650,000 on the page entitled “Gino Strada”** (which has been growing greatly: contacts almost doubled during the year through Gino Strada's visibility in 2013) **over 310,000 on the page entitled “Io sto con Emergency” (I'm with Emergency)**.

In addition to these pages, Emergency manages the pages dedicated to “Emergency Gadget e bomboniere” (Emergency gadgets and wedding favours) and the pages of the Infopoints in Turin and Genoa.

Facebook is used mainly for information, to involve people and to promote campaigns and initiatives, as well as acting as a point of contact between supporters and potential supporters. In addition to these objectives, in 2013 greater impetus was given to fund-raising; although the results were not relevant in quantitative terms, the information collected and the trend of growth are a good starting point for the expansion of fund-raising through social media in 2014.

The presence on **Twitter** was very substantial as well, **exceeding 360,000 contacts**.

Emergency is also present on Youtube, Pinterest and Google+, in addition to certain other more specific social networks. The Communications Department is increasingly engaged in monitoring and assessing any new forms of presence on other social networks.

Emergency magazine During 2013, 4 issues of our 3-monthly Emergency magazine were published (numbers 66, 67, 68 and 69). This is the main instrument for an in-depth description and update of Emergency's humanitarian activities, as well as for disclosure to donors, so that they can also be informed of the uses to which their donations are put.

A total of about 1,000,000 copies were printed and distributed as follows:

- **about 658,000 sent to registered supporters of Emergency**
- the remaining copies were sent to bookshops, theatres, libraries and stalls and were handed out during initiatives carried out by headquarters and the secondary offices, as well as by groups of volunteers.

Each copy contains a printed Post Office payment slip for donations to Emergency. Donations can also be made by bank remittance without costs to the donor.

Report (annual report on activities) In March the 1994-2012 Report was published.

A total of **40,000 copies** in Italian were printed and distributed by the two offices and by groups during initiatives, events, and at stalls. To minimize costs, also in 2013 it was decided not to mail the Report to registered supporters, but to inform them of the progress of humanitarian programmes, adding a supplement to issue 66 of the quarterly magazine

with summary pages for each with the latest data. The report was also published in English.

Campaigns The subject of communication during the year was the Italy Programme and its measures to the benefit of Italian citizens as well. The subject has been deepened especially through the text message campaign "Health is a right for all", which was held from 8 to 28 April in collaboration with the phone companies TIM, Vodafone, Wind, 3, PosteMobile, CoopVoce, Tiscali, Telecom Italia, Noverca, Infostrada, Fastweb, and TeleTu.

During the campaign, numerous television appearances and radio broadcasts of association members have made it possible to explore the issue of the shortcomings of healthcare in Italy and the work of the association.

The campaign included the production of posters and postcards for groups, banners and postcards for the internet, postcards for Facebook, a promotional video for TV and a radio advertisement. **The text message campaign raised more than 783,000 euros.**

The 5 per thousand campaign began in March with the production and distribution of postcards and visiting cards, posters, banners, an audio advertisement and a video for the social media. The chosen slogan was provocative and read "Le tasse fanno bene" - Taxes are good for you. It aimed at drawing attention to the virtuous mechanism of the 5 per thousand contribution.

The subject of the fall membership campaign was: "Le parole di Emergency" - Emergency's words. Peace, justice, medicine, solidarity... these are some of the words that our supporters identified as reasons for joining the group and video spots and all contributions to the web centred on these concepts. **The 2013 membership campaign raised more than 361,000 euros.**

Exhibitions and videos Emergency's effort in Italy was also expanded through an infographics exhibition of five panels, which have covered the different stages of Emergency's work in Italy.

The exhibition was designed for high schools and is also used by the association's volunteer groups.

The office collaborated in the production of the show "Viaggio italiano" - Italian Journey - by Mario Spallino and Patrizia Pasqui on this same topic.

Through collaboration of the African collective Generation Elili, Emergency organized the exhibition "Our Africa", in Italian and English, on display at Palazzo della Ragione in Milan and the European Parliament in Brussels. The exhibition - which covered all the activities of Emergency in Africa through images and everyday objects in our hospitals - was visited in Milan by about 300 people every day.

The video "I passi della speranza" by the young videomaker Giuseppe Carrieri was produced on the humanitarian programme in Iraq.

Through Kief Davidson, an independent American film-maker, Emergency was the subject of a documentary presented at the 2013 edition of the Academy Awards in Los Angeles in the "Short Documentary" category. "Open Heart" – which tells the story of 8 Rwandan children who go to the Salam Centre to undergo heart surgery – was presented in Italy at the Taormina Film Festival.

Emergency's 12th national meeting, sponsored by the municipal authorities and by the Tuscany Region, was held in Livorno, from June 26th to 28th.

The subject "Diritti o privilegi" - Rights or Privileges - discussed the situation of healthcare in Italy, where the care is becoming the preserve of the privileged few rather than the right of all.

The two evenings of discussion and the evening of entertainment saw the participation, among others, of: Maurizio Landini, Stefano Rodotà, Nerina Dirindin, Roberto Satolli, Elio Germano, David Riondino, Fiorella Mannoia, Nada, Bobo Rondelli and Paola Turci.

The event, which had the media partnership of repubblica.it, was broadcast by streaming on corriere.it, repubblica.it, rainews24.it, tg3.it and other leading Italian media sites.

For 2014, Emergency published the calendar "I vent'anni di Emergency" (20 Years of Emergency): the main stages in the work and ideas of Emergency were illustrated by the Zetalab studio and printed in 20,000 copies.

Activities in schools The leading activities co-ordinated by the Schools Department in Milan and in the secondary office in Rome included: the organization and implementation of meetings in primary and secondary schools and in libraries; the organization and implementation of meetings in primary and secondary schools and in libraries; the organization and implementation of extra-scholastic activities for children and youngsters; updating speakers and welcoming and training new school volunteers and volunteers managing relations with schools.

Currently, volunteers are working on 22 projects and 2 policy and information documents addressed at elementary and high school students suitable for various ages and broken down into subjects. The preparation and updating of material is handled by the Schools Department, which examines and collects recommendations of volunteers who are daily contact with teachers and students.

The Emergency site reserved for school speakers has 662 operational volunteers, 206 of whom are always active. **In Italy, there are 93 schools groups** which organize and arrange meetings with classes. **In the 2012-2013 school year, speakers held 2,366 meetings in schools of all types and levels**, promoting a culture of peace, solidarity and respect for human rights, involving over 150,000 people, including school children, parents and teachers.

The exhibition with infographics "Emergency Italy" was produced for high schools and comprised a user guide for teachers. The exhibition describes the humanitarian activity of Emergency in Italy on behalf of the needy, migrants and Italians.

The publisher Loescher proposed 8th-grade teachers and teachers of the first two years of high school a reader for schools of "Pappagalli verdi" - Green Parrots - edited with the participation of the Schools Department. Cooperation with the Prosolidar Foundation continued this academic year too for the 3rd edition of the Teresa Sarti Strada Award for elementary and junior high schools.

Activities in schools continue to be the cultural response of Emergency to raise awareness about peace and to promote solidarity and human rights.

FUND RAISING INITIATIVES

In 2013 about 56% of the funding to the Association came from private donations: 17,429,750 euros out of a total of 31,225,759 euros, up of approximately 2%. Growth is due exclusively to the substantial increase in tax options for the 5 per thousand contribution compared to the previous year: 11,023,415 euros. Excluding this contribution and revenue from successions, revenue from fund raising activities, i.e. donations from private citizens alone, amounted to 6,406,335 euros, slightly higher compared to 2012. A detailed analysis of these figures shows that there has been a slight decrease in one-off donations, i.e., donations not related to any campaign/direct solicitation, amounting to 2,321,410 euros (-1.5% compared to 2012) and a slight decrease in donations from the quarterly, totalling 1,403,011 euros (-1.1% compared to 2012): this decrease was however offset by ongoing donations (direct debit), equal to 1,448,639 euros (+2.4% compared to 2012) and a substantial increase in donations on the occasion of events, amounting to 557,594 euros (+20% compared to 2012).

The membership campaign reported a slight decline in the number of members (-0.8% compared to 2012), with a value substantially equal of the total amount raised. A more detailed analysis of the mode of donation shows that private citizens are increasingly shifting toward making donations on-line (+6.6% compared to 2012), compared with a continuous and slow decline in the use of conventional postal office payment slips (-10% compared to 2012).

Despite dwindling financial resources in general, private individuals continue to greatly support Emergency.

Commercial activities Gross revenues from commercial activities in 2013 totalled **2,749,890 euros**, broken down as follows: 21% from the activities of territorial groups; 40% from Christmas shops; about 39% from e-commerce (Shops, Happy Events and Christmas Special).

In 2013, the sales channel for gadgets produced higher sales than in 2012: in April an Info Point was opened in Genoa, in addition to the one in Turin; Christmas markets, which sell gadgets of the Association and other products donated or which originate from the countries in which Emergency works, were held in 16 Italian cities and from September to December a new e-commerce site was operational for Christmas, this year bringing the company and private sections under the same roof in the light of the success in 2012.

During the year, the Commercial Department implemented the procedure for the selection and management of gadgets and, in the first of quarter of 2013, developed the programming of a new category - Last pieces - with a selection of items with reduced prices to raise funds as well as to curb storage costs in the warehouse. In the second quarter of 2013 the Eco-gadget section was launched, involving new suppliers and associations specialised in manufacturing items with recycled materials.

The Happy Events site adopted two new categories, one dedicated to Graduations with dedicated items and a specific section for Special Editions featuring exclusive collaborations and the production of personalised items. The assessment of the ethical nature of the products we buy (supply chain, origin, certifications, environmental impact) and of the suppliers was maintained as a guideline for maintaining and searching new potential partnerships. As the year before, in 2013 all suppliers of gadgets were examined with an assessment of margins of improvement for investments, the quality of the products and the services provided to Emergency, partly in relation to the analysis of the margin derived from the sale of gadgets through the various sales channels.

For jerseys, the supplier, a member of the fair trading organization, was

confirmed, since it guaranteed better economic conditions and greater flexibility in placing orders and in forms of payment.

Shop.emergency.it Inaugurated in the second half of 2010, the online shop in 2013 recorded gross sales without VAT of about **112,666 euros**.

During the year, to promote the shop and other fund raising initiatives, a weekly newsletter, Allistante, was sent online, promoting one item each week, and a fortnightly newsletter was sent to 15,000 contacts placed at our disposal by our commercial partner.

In the period from September to December, the shop was given new graphics and contents in order to include the "Private Christmas Special". The proceeds from this initiative were allocated to the Italy Programme. In addition to the usual gadgets, Christmas parcels were again sold on a sale or return basis in partnership with Altromercato, a Fair Trading co-operative, and Libera, in keeping with the principles of fair trading.

Lietieventi.emergency.it We have two main partners in e-commerce for solidarity gifts: Buy srl, also our partner for the sale of gadgets, and Julia Cartotecnica, a leading company for Greetings cards, with which we renewed the agreement to sell on a sale or return basis. Additional partners are two fair trade cooperatives, for the supply of gift wrappings, and two creative agencies to customize cards and invitations that offered to Emergency the exclusive of their creations dedicated to a non-governmental organization.

The funds raised in 2013 through these activities (gross revenues, without VAT, amounted to **610,517 euros**) were used for the *Salam* heart surgery centre in Khartoum.

Christmas Special The usual fund raising activities under the "Christmas Special", in 2013, included some new aspects via the sale of greetings cards and company gifts handled - as already stated - by our commercial partner, as in 2012, and via new commercial agreements with suppliers to increase the volume of business on a sale or return basis, particularly for Christmas parcels and cards.

The Christmas site was maintained, giving it a single access for companies and private citizens. For both categories, we proposed donations to the Italy Programme and the purchase of gadgets, calendar, customised cards and gifts. Space was also reserved for the promotion of Christmas shops and a page was included to thank companies who supported these initiatives.

The sale of items through the Christmas website resulted in proceeds amounting to **111,232 euros**, without VAT.

In terms of donations, the Christmas Special in 2013 raised **101,552 euros**. **Contributions from Italian and Foreign Entities** Smemoranda Foundation made a contribution of **260,000 euros to Emergency's Italy Programme**.

The Lanfrosa Foundation donated via a Swiss sister organization, Emergency CH, funding of **500,000 CHF** for the purchase of healthcare and surgical material for the Salam Heart Surgery Centre in Khartoum. For the Bangui Paediatric Centre we received **25,000 euros** from Beneficentia Stiftung.

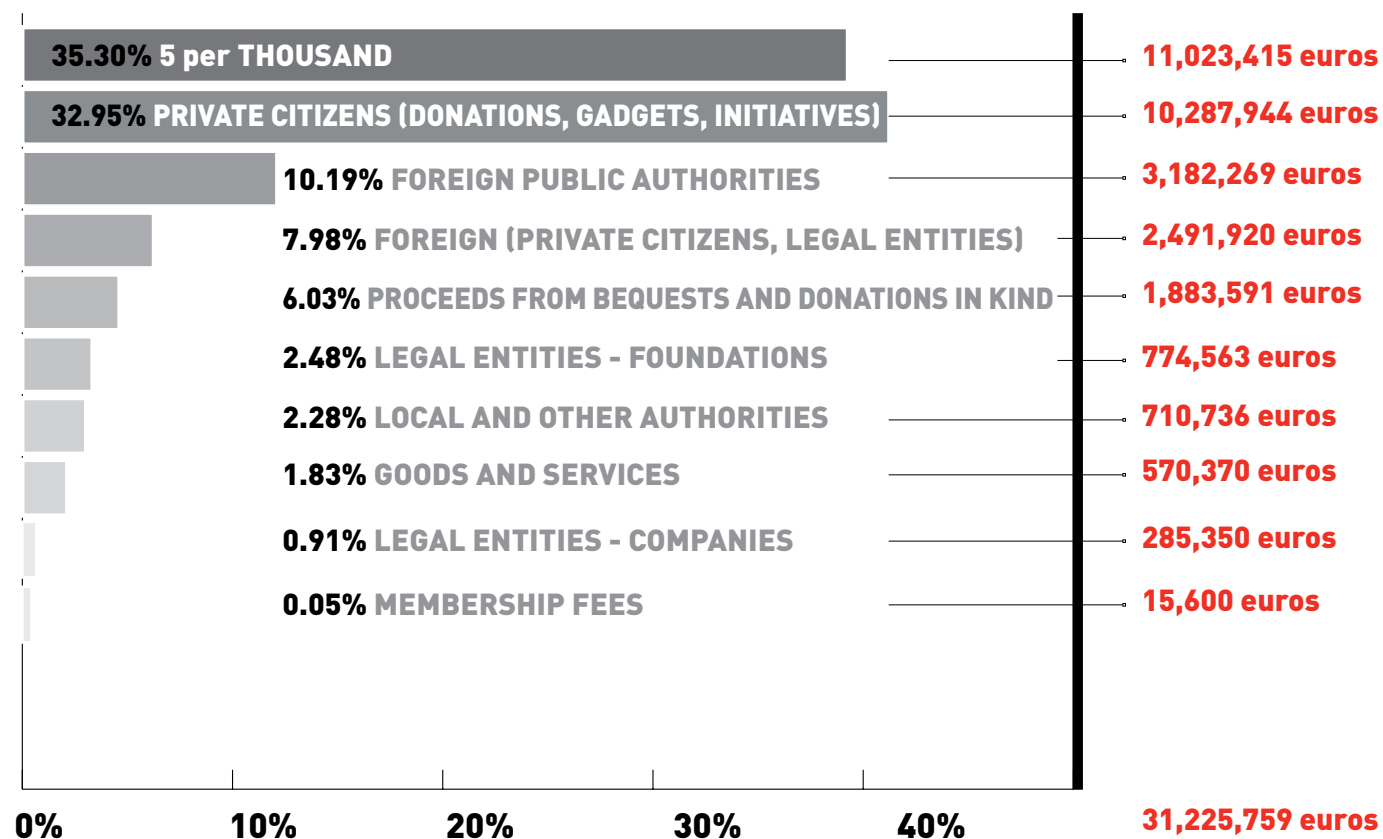
The Puglia Region provided a contribution of **325,000 euros** for the first part of the project "Prevention of infectious diseases through mobile clinics," which involves the construction and operation of two mobile clinics in the region (project described among the activities in the first part of this document).

The 2007 – 2013 European Fund for the Integration of Third-Party Nationals granted a contribution of **236,154 euros** (of which 118,077 euros allocated in 2013) to the project "Development of health pathways and integration pathways," that provides for the opening and management of three help desks in Catania, Messina and Ragusa (project whose activities are described in the first part of this document).

Other initiatives During 2013, a number of initiatives and collaborations successfully begun in previous years continued, whilst others were added.

The agreement with American Express, active since 2007, was confirmed. Thanks to the Club Membership Rewards operation (the donation of points converted into funds) **20,965 euros** were donated for the support of the Goderich Surgical Centre in Sierra Leone (up 58% compared to the year before).

Nordiconad, active for many years with a points scheme for customers,



donated **21,528 euros**, also for the Goderich Surgical Centre in Sierra Leone (up 77% compared to the year before).

Unicoop Tirreno introduced via its Immagina 2012/2013 catalogue the possibility to donate solidarity points in support of the Clinic in Palermo, leading to a donation of **20,000 euros**.

Micys, a cosmetics company with the Pupa trademark, confirmed for the fifth year running its support for the Anabah Maternity Centre, with a cash donation of **60,000 euros** and a donation of **goods worth 20,000 euros**.

Carpi Tecnica, a company in the hydraulic heating sector, waived the premium it had earned with suppliers, donating **27,452 euros** for the Goderich Surgical and Paediatric Centre in Sierra Leone.

In 2013 Lottomatica confirmed its support for Emergency with a donation of **25,000 euros** destined for the Clinic for migrants and the needy in Palermo.

Jaeger Le Coultre, a company of the Richemont SA Group that manufactures and markets luxury watches, supported us for the third year running, donating the proceeds of the initiative "Jaeger-LeCoultre- It's Time to Help Sierra Leone" to the Goderich Surgery Centre in Sierra Leone, as well as **two Reverso watches** to Emergency, subsequently auctioned.

Lowara S.r.l – Xylem granted funds supporting the project to expand the Goderich Centre, equivalent to **21,000 euros**.

Again in 2013 Arper, a design firm of Treviso, supported the activities of Emergency with donations of furniture and equipment for the fitting-out of

healthcare centres in the world. The contribution in kind for 2013 was equivalent to **6275.40 euros**, which is in addition to approximately 24,000 euros in goods donated in the 2009-2012 period.

Fastweb, the Italian telecommunications company specializing in telephony and broadband connections, signed a partnership agreement in support of the Italy Programme, through which donations amounting to **30,828 euros** were collected.

The fund raising initiative called "A Tavola con" during 2013 made new agreements and renewed existing ones, for a total donation of **13,697 euros**, shared out among the humanitarian programmes in Anabah, Kabul, Lashkar-gah (Afghanistan), Goderich (Sierra Leone) and the Salam Heart Surgery Centre in Khartoum (Sudan).

Emergency's Info Point project saw the opening of a new Info Point in Genoa, to raise awareness of the numerous activities of the Association (information and in-depth illustration of humanitarian programmes, activities for the recruitment of personnel, activities in schools, activities by volunteers and so on) and to allow self-funding through the sale of gadgets and books, membership campaigns and personal donations.

The extraordinary funds received include those for the prestigious awards from the Aga Khan Trust for Culture (**USD 60,000**) and the Curry Stone Foundation (**USD 20,000**).

FUND RAISING: PROBLEMS AND PROSPECTS

As stated in the introduction, the overall amount of funds raised in 2013 was the highest ever for Emergency, despite the continuing social and economic crisis in Italy. However, this increase is due to the increased funding from 5 per thousand tax (in 2011), from institutional funds - governmental and non-governmental - and from some bequests, in keeping with the development plan adopted by resolution at the end of 2011. Hence the general economic situation of the country continues to be a concern, since it impacts on the many small donors and supporters of Emergency. Therefore diversifying our sources of funding in support of our activities remains an ongoing commitment.

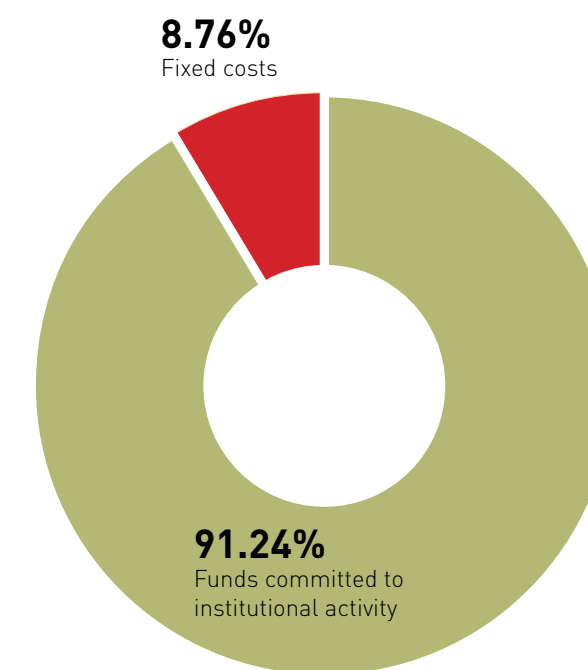
As indicated, during the year the funds for the sixth edition of the 5 per thousand tax for fiscal year 2011 were collected and accounted, amounting to 11,023,415.46 euros. Once again, Emergency ranked first among the non-profit and volunteer organizations for the amount donated and by choice, with 383,163 taxpayers. Dividing the funds received by the number of donors, the amount per donor was equivalent to 27.00 euros. In the three previous editions, Emergency had collected an amount ranging between 27.50 euros and 31.92 euros from each donor. This drop was also recorded comparing the donations and donors of the other main non-profit organizations receiving the 5 per thousand funds in the same period of time. A similar trend could be explained by a similar fall in the average tax contribution in the year in question, which, according to official figures, however, does not seem to have occurred. The reduction would instead be due to the cuts made by governments, following the setting of a cap on the distribution of the total amount allocated by citizens to non-profit organizations with the 5 per thousand contribution. The effect of this cut for Emergency, in the last two editions of 5 per thousand, amounted to almost 4.8 million euros.

MANAGEMENT CHARGES

Fixed costs in 2013 were 8.76% of the total, again under the 10% we consider «virtuous».

Once again, in 2013, the most significant item in fixed costs was the cost of personnel (salaries and social security payments). To these costs should be added the costs of leasing the warehouses in Milan, Rome and Gazzola for consumables and utilities, and for the rent of the premises in Milan and Rome.

Naturally fixed costs in relation to the overall balance sheet of Emergency need to be considered against revenues: "variable" revenues against "fixed" costs, where the most effective expenses are represented by labour and rent costs.)

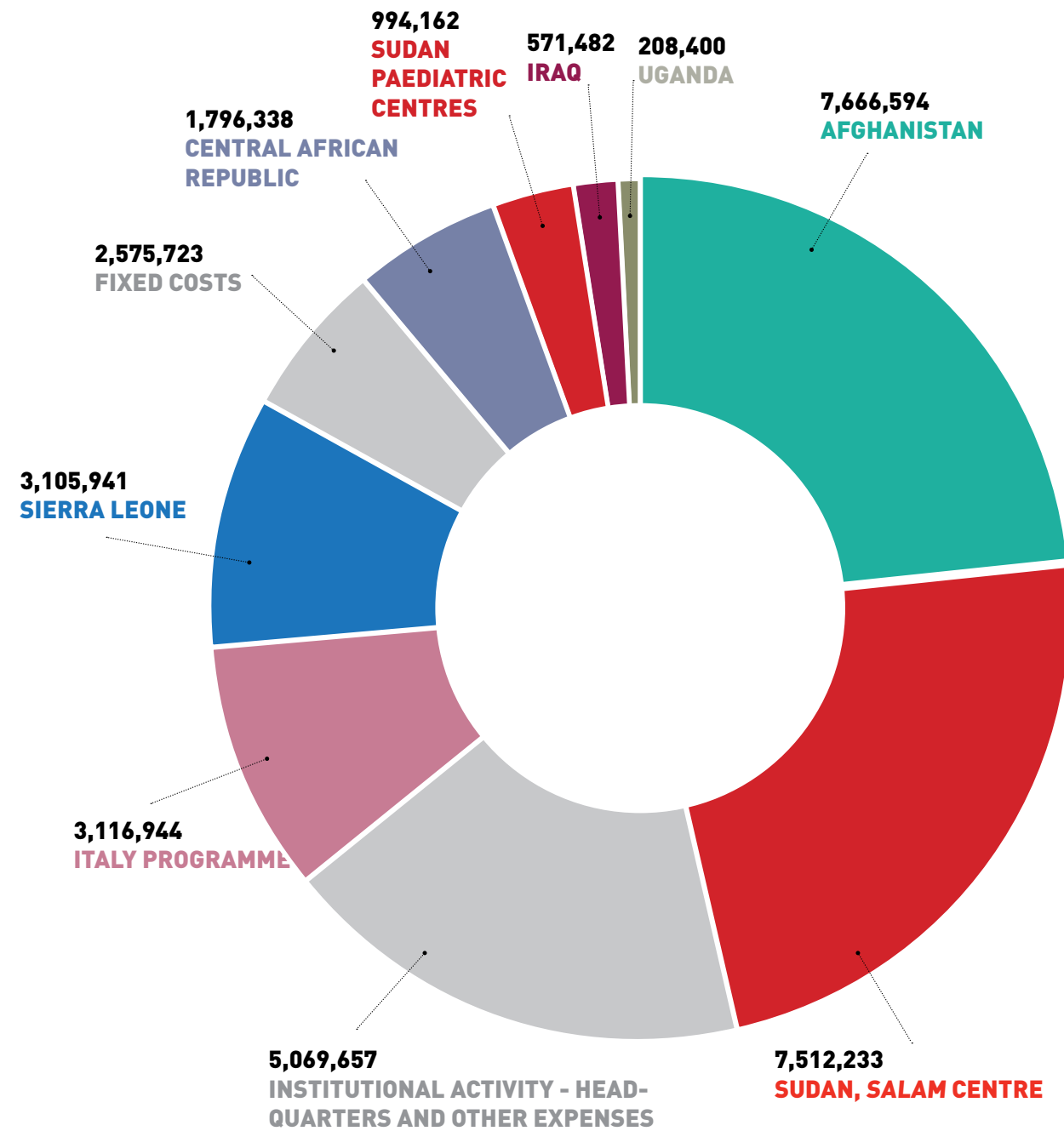


PROVISIONS

The balance sheet for 2013 shows provisions of 2,980,000 euros, the funding commitment of the Prosolidar Foundation for the construction of a surgical and paediatric centre in Uganda and 710,000 euros from funding to be received from the Smemoranda Foundation for the Italy Programme. An amount of 2,000,000 euros also remains set aside to cover the risk related to non-payment of the funds of the Sudanese government for the Salam Heart Surgery Centre and an amount of 372,500 euros to cover the risk arising, minimally, from pending disputes and payment of residual bequests (Distefano Belli succession).

ESTIMATED EXPENDITURE 2014

TOTAL = 32,737,474 euros



| BALANCE SHEET AND INCOME STATEMENT |

BALANCE SHEET

ACTIVITIES

A) ASSETS

A.I - INTANGIBLE FIXED ASSETS	tot 2013	tot 2012	ref. page 53
1) PLANT AND EXPANSION COSTS	-	-	
2) RESEARCH, DEVELOPMENT AND ADVERTISING COSTS	-	-	
3) INDUSTRIAL PATENTS AND INTELLECTUAL PROPERTY RIGHTS	48,743	36,341	
4) CONCESSIONS, LICENSES, TRADEMARKS AND PATENTS	-	-	
5) OTHERS	30,253	82,640	
6) ASSETS UNDER DEVELOPMENT AND ADVANCES	-	-	
TOTAL A.I	78,996	118,981	

A.II - TANGIBLE FIXED ASSETS USED IN OPERATIONAL MISSIONS	tot 2013	tot 2012	ref. page 54
1) LAND AND BUILDINGS	14,017,676	13,956,033	
2) PLANT AND HOSPITAL EQUIPMENT	9,745,916	9,596,816	
3) HOSPITAL EQUIPMENT	6,543,490	6,383,421	
4) OTHER ASSETS	2,234,505	1,916,419	
5) ASSETS UNDER DEVELOPMENT AND ADVANCES	28,059	28,059	
6) - CUMULATED DEPRECIATION	-29,592,939	-27,886,657	
TOTAL A.II	2,976,707	3,994,091	

A.III - TANGIBLE FIXED ASSETS USED IN GENERAL SUPPORT ACTIVITIES	tot 2013	tot 2012	ref. page 55
1) LAND AND BUILDINGS	2,912,123	3,330,121	
2) PLANT AND EQUIPMENT	-	-	
3) EQUIPMENT	97,485	97,269	
4) OTHER ASSETS	885,596	803,136	
5) ASSETS UNDER DEVELOPMENT AND ADVANCES	-	-	
6) - CUMULATED DEPRECIATION	-827,747	-767,025	
TOTAL A.III	3,067,457	3,463,501	

A.IV - FINANCIAL FIXED ASSETS	tot 2013	tot 2012	ref. page 61
1) INVESTMENTS	16,385	1,067	
2) OTHER SECURITIES	-	-	
3) RECEIVABLES	-	-	
TOTAL A.IV	16,385	1,067	

TOTAL FIXED ASSETS (A)	6,139,545	7,577,640
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B) CURRENT ASSETS

B.I - RECEIVABLES	tot 2013	tot 2012	ref. page 61
1) FROM SUPRANATIONAL BODIES	-	-	
2) FROM PUBLIC BODIES	-	-	
3) ADVANCES FOR OPERATIONAL MISSIONS	-	-	
4) FROM 5 PER THOUSAND FUNDS:	-	-	
5) FROM OTHERS	4,579,262	4,916,357	
TOTAL B.I	4,579,262	4,916,357	

B.II - INVENTORIES	tot 2013	tot 2012	ref. page 62
1) MEDICINES AND MEDICAL EQUIPMENT	1,440,362	2,032,859	
2) MATERIALS FOR PROSTHESES	312,000	370,993	
3) FOOD AND SUPPLIES IN GENERAL	-	-	
4) MATERIALS FOR FUND-RAISING OPERATIONS	959,856	671,711	
5) PROMOTIONAL MATERIAL	-	-	
6) ONGOING MISSIONS	98,845	70,609	
TOTAL B.II	2,811,063	3,146,173	

B.III - AVAILABLE FUNDS	tot 2013	tot 2012	ref. page 63
1) CASH AND CASH EQUIVALENTS	252,493	181,610	
2) BANK AND POST-OFFICE DEPOSITS	-	-	
- BANK AND POST-OFFICE DEPOSITS FOR OPERATIONAL MISSIONS	862,644	305,938	
- OTHER BANK AND POST-OFFICE DEPOSITS	6,346,245	2,389,715	
3) SHORT-TERM SECURITIES	-	-	
6) OTHER SHORT-TERM AVAILABLE FUNDS	-	-	
TOTAL B.III	7,461,383	2,877,263	

TOTAL CURRENT ASSETS (B)	14,851,708	10,939,794
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C) ACCRUALS AND DEFERRALS

C - ACCRUALS AND DEFERRALS	tot 2013	tot 2012	ref. page 63
1) ACCRUED INCOME	-	-	
2) PREPAYMENTS	179,353	44,014	
TOTAL C	179,353	44,014	

TOTAL ASSETS	21,170,606	18,561,448
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LIABILITIES

A) NET EQUITY

	tot 2013	tot 2012	ref. page 64
I - ENDOWMENT FUND	8,801	8,801	
II - RESERVES FROM DONATIONS AND GIFTS	-	-	
a - for instrumental assets	32,052	41,346	
b - for non-instrumental assets	2,350,423	3,116,921	
III - RESERVES FROM SURPLUSES OF PREVIOUS YEARS	4,636,622	2,191,301	
IV - RESERVES FROM ALLOCATED SURPLUSES OF PREVIOUS YEARS	-	-	
V - OTHER RESERVES	-	-	
VI - OPERATING PROFIT (LOSS) FROM PREVIOUS YEARS	-	-	
VII - OPERATING PROFIT (LOSS) FOR THE YEAR	3,427,988	2,445,321	
TOTAL A	10,455,886	7,803,690	

B) RESTRICTED CAPITAL ASSETS

	tot 2013	tot 2012	ref. page 64
1) FOR EQUIPMENT RENEWAL	-	-	
2) FOR FUTURE MISSIONS	3,690,000	3,950,000	
3) FOR ONGOING MISSIONS	2,000,000	2,000,000	
4) Taxes	-	-	
5) OTHERS	372,500	200,000	
TOTAL B	6,062,500	6,150,000	

TOTAL EQUITY	16,518,386	13,953,690
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C) PAYABLES

C.I - FOREIGN PAYABLES FOR OPERATIONAL MISSIONS	tot 2013	tot 2012	ref. page 65
1) PAYABLES TO THIRD PARTIES FOR FUNDING OPERATIONAL MISSIONS	-	-	
2) FUNDS FOR MISSIONS	-	-	
3) ADVANCES FOR OPERATIONAL MISSIONS	-	-	
4) PAYABLES DUE TO BANKS	-	-	
5) PAYABLES DUE TO OTHER FINANCING ENTITIES	-	-	
6) PAYABLES TO SUPPLIERS	338,152	389,610	
7) PAYABLES TO MISSION STAFF	-	-	
8) TERMINATION BENEFITS FOR SUPPORT STAFF OF OPERATIONAL MISSIONS (TFR)	48,598	29,160	
9) PAYABLES TO OTHERS	-	-	
TOTAL C.I	386,750	418,770	

C.II - PAYABLES FROM CULTURAL ACTIVITY, OPERATIONAL FACILITY AND PROCUREMENT OF GOODS AND SERVICES FOR OPERATIONAL MISSIONS	tot 2013	tot 2012	ref. page 66
1) PAYABLES DUE TO BANKS	-	-	
2) PAYABLES DUE TO OTHER FINANCING ENTITIES	-	-	
3) PAYABLES TO SUPPLIERS	2,079,031	2,524,280	
4) PAYABLES DUE TO OPERATIONAL FACILITY'S STAFF	489,555	438,553	
5) PAYABLES DUE TO SOCIAL SECURITY AND WELFARE INSTITUTIONS	188,107	197,191	
6) TERMINATION BENEFITS FOR OPERATIONAL FACILITY'S STAFF (TFR FUND)	440,856	391,400	
7) TAX PAYABLES	166,443	133,698	
8) PAYABLES TO OTHERS	901,478	503,866	
TOTAL C.II	4,265,470	4,188,988	

TOTAL PAYABLES	4,652,220	4,607,758
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D) ACCRUED INCOME AND PREPAYMENTS

D - ACCRUED INCOME AND PREPAYMENTS	tot 2013	tot 2012	ref. page 67
1) ACCRUED LIABILITIES	-	-	
2) DEFERRALS	-	-	
TOTAL D	-	-	

TOTAL ACCRUED AND PREPAYMENTS	-	-
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TOTAL LIABILITIES	21,170,606	18,561,448
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MEMORANDUM ACCOUNTS

MEMORANDUM ACCOUNTS	tot 2012	tot 2011	ref. page 67
1) FREELY TRANSFERABLE ASSETS	2,848,278	3,778,624	
2) THIRD-PARTY ASSETS	35,987	48,461	
3) BANK GUARANTEES	389,127	264,850	
TOTAL MEMORANDUM ACCOUNTS	3,273,392	4,091,935	

TOTAL MEMORANDUM ACCOUNTS	3,273,392	4,091,935
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INCOME STATEMENT

PROCEEDS (A)

INSTITUTIONAL ACTIVITY – FUND-RAISING	tot 2013	tot 2012	ref. page 69
1) DONATIONS AND CONTRIBUTIONS	14,568,492	12,848,939	
2) PROCEEDS FROM FUND-RAISING ACTIVITIES			
a - 5 per thousand allocation	11,023,415	10,699,131	
b - other	1,264,172	1,429,819	
3) PROCEEDS FROM SALE OF INHERITED OR DONATED ASSETS	1,883,591	1,442,235	
4) PROCEEDS FROM COMMERCIAL ACTIVITIES			
a - sale of goods	2,457,386	2,417,405	
b - for services provided	28,702	28,709	
TOTAL (A)	31,225,759	28,866,239	

CHARGES (B)

INSTITUTIONAL ACTIVITY – FUND-RAISING COSTS (B)	tot 2013	tot 2012	ref. page 72
5) Costs for the organization of fund-raising activities	1,036,255	581,338	
6) Costs for commercial activity	1,419,488	1,160,329	
7) Changes in inventories of materials for fund-raising operations	-288,145	-24,140	
TOTAL (B)	2,167,598	1,717,526	

INSTITUTIONAL ACTIVITY - COSTS FOR OPERATIONAL MISSIONS (C)	tot 2013	tot 2012	ref. page 73
8) FOR MEDICINES AND MEDICATION MATERIAL	4,433,691	3,112,794	
9) FOR RAW MATERIAL FOR PROSTHESES	123,866	130,085	
10) FOR FOOD AND SUPPLIES IN GENERAL	942,759	990,696	
11) FOR SERVICES	3,878,357	3,859,259	
12) FOR THE USE OF THIRD-PARTY ASSETS	508,645	513,467	
13) PERSONNEL AT OPERATING MISSIONS:			
a - wages to employees	159,955	25,220	
b - compensation for national and international personnel	8,493,851	7,036,902	
c - social security charges	558,404	526,430	
d - insurance premiums personnel	218,119	318,545	
e - termination benefits	48,689	53,999	
f - other costs	-	-	
14) OTHER COSTS FOR OPERATIONAL MISSIONS	-	-	
	SUB TOT 19,366,334	SUB TOT 16,567,397	
15) AMORTISATION, DEPRECIATION AND WRITE-DOWNS			
a - amortization of intangible assets	45,715	45,053	
b - depreciation of tangible assets	1,715,657	1,452,958	
c - impairment of non-current assets	-	-	
d - write-down of receivables included in current assets and cash on hand	-	-	
16) CHANGES IN INVENTORIES OF MEDICINES, MEDICATION MATERIALS, MATERIALS FOR PROSTHESES AND SUPPLIES	623,254	598,462	
17) PROVISIONS FOR RISKS	-	-	
18) OTHER PROVISIONS	-	-	
	SUB TOT 2,384,626	SUB TOT 2,096,473	
TOTAL (C)	21,750,960	18,663,870	

INSTITUTIONAL ACTIVITY - COSTS FOR PUBLICATIONS, CULTURAL ACTIVITIES AND MANAGEMENT OF LOCAL GROUPS (D)	tot 2013	tot 2012	ref. page 74
19) FOR THE PURCHASE AND PRODUCTION OF MATERIAL PERTAINING TO INFORMATIONAL AND CULTURAL ACTIVITY	374,672	396,250	
20) FOR SERVICES	368,879	2,464,376	
21) FOR THE USE OF THIRD-PARTY ASSETS	-	-	
22) FOR PERSONNEL:			
a - wages to employees	216,115	373,651	
b - compensation to non-employed staff	124,176	118,650	
c - social security charges	75,050	121,722	
d - insurance premiums	-	-	
e - termination benefits	17,461	29,164	
f - other costs	-	-	
23) OTHER COSTS FOR THE MANAGEMENT OF CULTURAL ACTIVITY	-	-	
	SUB TOT 1,176,353	SUB TOT 3,503,813	
24) AMORTISATION, DEPRECIATION AND WRITE-DOWNS			
a - amortization of intangible assets	-	-	
b - depreciation of tangible assets	-	-	
c - other write-downs of receivables included in current assets and cash on hand	-	-	
25) CHANGES IN INVENTORIES OF MATERIALS CULTURAL ACTIVITIES	-	-	
26) PROVISIONS FOR RISKS	-	-	
27) OTHER PROVISIONS	-	-	
TOTAL (D)	1,176,353	3,503,813	

TOTAL CHARGES (B + C + D) 25,094,911 23,885,210

RESULT OF INSTITUTIONAL ACTIVITY (A - B - C - D) 6,130,848 4,981,029

MANAGEMENT AND GENERAL SUPPORT ACTIVITIES COSTS (E)	tot 2013	tot 2012	ref. page 74
28) FOR THE PURCHASE OF ADVERTISING MATERIAL AND STATIONERY	16,748	14,425	
29) FOR SERVICES	526,942	485,255	
30) FOR THE USE OF THIRD-PARTY ASSETS	485,529	563,212	
31) FOR PERSONNEL:			
a - wages to employees	729,761	481,840	
b - compensation to non-employed staff	92,270	88,219	
c - social security charges	231,257	149,222	
d - insurance premiums	-	-	
e - termination benefits	54,170	34,126	
f - other costs	126,821	115,137	
32) OTHER COSTS FOR OPERATIONAL FACILITY MANAGEMENT	198,546	169,062	
	SUB TOT 2,462,044	SUB TOT 2,100,499	
33) AMORTISATION, DEPRECIATION AND WRITE-DOWNS			
a - amortization of intangible assets	37,419	40,245	
b - depreciation of tangible assets	46,357	35,386	
c - impairment of non-current assets	-	-	
d - write-down of receivables included in current assets and cash on hand	-	-	
34) CHANGES IN INVENTORIES SUPPORT MATERIALS	-	-	
35) PROVISIONS FOR RISKS	-	-	
36) OTHER PROVISIONS	-	-	
	SUB TOT 83,776	SUB TOT 75,631	
TOTAL (E)	2,545,820	2,176,130	

OPERATING INCOME (A - B - C - D - E) 3,585,028 2,804,899

FINANCIAL INCOME AND EXPENSES (F)	tot 2013	tot 2012	ref. page 75
37) REVENUE FROM INVESTMENTS	-	-	
38) OTHER FINANCIAL INCOME			
a - from non-current receivables	-	-	
b - from non-current securities	-	-	
c - from current securities	-	-	
d - interests received	891	1,443	
e - other income from previous years	-	-	
f - gains on foreign currency transactions for transfer funds	-	35,847	
g - profit from other foreign currency transactions	-	-	
	SUB TOT 891	SUB TOT 37,289	
39) INTEREST AND OTHER FINANCIAL CHARGES			
a - interest paid on medium and long-term loans	-	-	
b - interest paid on short-term loans	-4,718	-170,305	
c - loss on foreign currency transactions for transfer funds	-150,570	-148,821	
d - loss from other foreign currency transactions	-	-	
	SUB TOT -155,288	SUB TOT -319,127	
TOTAL (F)	-154,397	-281,837	

EXTRAORDINARY INCOME AND EXPENSES (G)	tot 2013	tot 2012	ref. page 75
40) PROCEEDS OF WHICH			
a - gain on disposals of inherited assets	-	-	
b - gain on disposals of donated assets	-	-	
c - other	252,207	143,590	
	SUB TOT 252,207	SUB TOT 143,590	
41) CHARGES			
a - interest paid on medium and long-term loans	-217,393	-190,485	
	SUB TOT -217,393	SUB TOT -190,485	
TOTAL (G)	34,813	-46,895	

EBIT (A - B - C - D - E + F + G) - - 3,465,444 2,476,167

INCOME TAX FOR THE YEAR (H)	tot 2013	tot 2012	ref. page 76
42) INCOME TAX FOR THE YEAR	37,456	30,846	
TOTAL (H)	37,456	30,846	

OPERATING RESULT (A - B - C - D - E + F + G - H) 3,427,988 2,445,321



FOREWORD

Dear Sirs,

These financial statements of "EMERGENCY ONG ONLUS", based in Milan, via Gerolamo Vida n. 11 (hereafter also "Emergency" or "Association") refer to the year ended 31 December 2013 and post a positive result of 3,427,988 euros, based on information in the rest of this document.

Association's Activity

The Association is a non-governmental organization recognized under the law 26/02/1987 n° 49 by the Ministry of Foreign Affairs – General Direction of Cooperation and Development – through the regulations 1999/128/001747/2P and 1999/128/002810/3; as such, the Association is by law an ONLUS (non-profit organization).

Emergency is a recognized association, chartered in the legal persons register at the prefecture of Milan, on 28/04/2005 n° 594, page 973, volume III. The Association is also listed in the "Register of associations and bodies which carry out activities in favour of immigrants" – first section, n°: A/662/2009/MI. This registration is the recognition of activities carried out by Emergency in favour of immigrants, initially at the Outpatient Clinic in Palermo and later at other facilities in Italy: at the Outpatient Clinics in Marghera, Polistena and at mobile clinics.

Pursuant to its Charter, the Association aims at:

- promoting a culture of peace and solidarity, also through the activity of volunteers on the territory;
- promoting the affirmation of human rights also through initiatives aimed at their actual implementation;
- intervening in war zones with humanitarian initiatives in favour of the victims –mainly civil- of conflicts, of the injured and of all those who suffer from other social consequences of conflicts or poverty such as hunger, malnutrition, diseases, lack of healthcare assistance and schooling;
- helping the victims of natural calamities.

Compilation Criteria

There are no laws or legal regulations in Italy on the compilation and contents of financial statements of non-profit organizations. To overcome the substantial absence of normative references in the context of social financial reporting, the "Non-profit Organizations' Commission", established within the National Council of Certified Public Accountants, has drawn up two documents in order to provide some guidance and suggestions on the guidelines and principles for the compilation of the financial statements of associations and non-profit organizations in general, and to propose a system which is representative of the summary results of non-profit organizations.

In addition, on 11 February 2009, the Agency for non-profit associations (established by article n° 1 of the Prime Minister's Decree of 26 September 2000, as a regulatory body for non-commercial bodies and non-profit organizations) approved the "guidelines and formats for the compilation of financial statements of non-profit organizations", as a coordinating act issued pursuant to article 3, comma 1, letter a) of the Prime Minister's Decree of 21 March 2001 n° 329.

These documents do not impose any binding obligation on non-profit organizations and, therefore, on this Association. However, they are an important reference for the compilation of financial statements, using the forms which are considered to be more appropriate and suitable to activities carried out.

As for this Association, the financial statements models, as proposed by the Agency for non-profit organizations and the National Council of Certified Accountants, while constituting an important reference, are not considered sufficient to highlight the articulate activity carried out by the Association. As for the above, it was decided to follow, and adapt to the purpose, the provisions of the Civil Code for corporations, the accounting principles and the guidelines provided by the committees in charge, but without adopting any of the proposed outlines, and choosing the appropriate solutions considering the administrative, economic and organizational characteristics of the Association itself.

Besides, the accounts recommendation on donations, bequests and other liberalities was applied. The recommendation was issued by the National Council of Certified Accountants.

The financial statements for the year ended 31/12/2013, of which this note is an integral part pursuant to article 2423, paragraph 1 of the Civil Code, are consistent with accounting records duly kept and have been compiled in accordance with articles 2423, 2424-bis and 2425-bis of the Civil Code and according to the principles of compilation conforming to Article 2423-bis, paragraph 1, of the Civil Code and the accounting policies set out in Article 2426, of the Civil Code.

Any exceptions to the accounting standards and recommendations, if and as applied, are highlighted in the paragraph on the related issue which is the object of the dispensation.

The principle of accrual was adopted for the compilation of the financial statements, therefore, the transactions and other events have been listed in the accounts and attributed to the year which said transactions and events refer, and not the year in which the relative movements of cash (cash and payments) actually took place. This principle is waived only if all sure and precise elements to make the surveys are not available.

The evaluation criteria adopted are in accordance with Art. 2426 of the Civil Code and are comparable with those employed in previous years.

The reclassification outline of the financial statements was adopted taking into consideration the purposes of the Association (non-profit), the activities it carries out, and the lack of a framework provided by law.

The items, shown grouped in the balance sheet and income statement, are commented on in this explanatory note. In this note, variations in their consistency are made explicit, when significant.

In addition it was decided to:

- Assess the single items with prudence and in anticipation of a normal continuity of the association, and taking into account the economic function, asset or liability item in question;
- Include only the profits truly made during the year;
- Determine the income and costs in respect of the accrual, regardless of their financial manifestation;
- Consider separately, for the purposes of the assessment, the heterogeneous elements included in various budget items.

The financial statements were compiled in euro (EUR) and are comparable with those of the previous year.

Tax reliefs

The Association, being a recognized non-governmental organization, is a non-profit organization (Onlus) by law and therefore it utilizes the special conditions for this sector such as:

- Art. 150 T.U.I.R. - Non-taxation of proceeds from the institutional activity in the pursuit of social solidarity purposes, as well as proceeds from directly related activities;
 - Art. 10, Presidential Decree 633/1972 - exemption from taxation on the surplus value on the purchase of goods as gratuities;
 - Art. 14, L. n° 49/1987 - tax exemption of VAT on purchases of goods intended for use abroad;
 - Art. 27-bis chart attached to the Presidential Decree 642/1972 - exemption from stamp duty (bank statements, receipts, etc.);
 - Art. 3, paragraph 1, Legislative Decree n° 346/1990 - exemption from taxes on inheritances and donations;
 - Tariff, first part, attached to the Presidential Decree 131/1986, - exemption from register tax for the purchase of tangible fixed assets if designed for the institutional activity of the Association;
 - Exemption from the I.R.A.P. tax - arrangements for taxable basis of non-commercial entities in the regions of Lombardy (Article 1, paragraph 7 of Regional Law 18/12/2001 n° 27, confirmed by article 7, paragraphs 1 and 2, the regional law n° 14/07/2003 n.10) and Sicily (Article 7, paragraph 5, 26/03/2002 Regional Law n° 2);
 - exemption from I.M.U. (council tax), (the conditions to benefit from this exemption do not apply to this non-profit organization), pursuant to article 91 bis of Legislative Decree 1/2012 converted into Law 27/2012 – exemption to pay local taxes for buildings used by public and private organizations, that are not exclusively or mainly for the exercise of commercial activities, but are intended exclusively for the performance with non-commercial procedures of welfare, healthcare and educational activities. [omission];
- For private citizens/donors the applicable tax reliefs are stated either by:
- Art. 14 D.L. 35/2005 converted with amendments into Law n° 80, May 14, 2005: deductibility of donations in cash or in kind by private citizens and legal persons subject to corporate income tax to non-profit organizations up to 10% of the stated income and not above 70,000 euro per year;
 - Art. 10, letter g) Income Tax Code T.U.I.R.: deductibility of contributions and donations by private citizens in favour of NGOs for amounts not exceeding 2% of the total declared income;
 - Art. 15, paragraph 1, letter i-bis) of the Income Tax Code T.U.I.R.: deduction of 19% of cash donations made by private citizens in favour of non-profit organizations for an amount not exceeding 2,065,83 euros.

Being a non-profit organization, the Association participates in the allocation of proceeds from the 5/1000 on individual tax returns (I.R.Pe.F.).

→ INFORMATION ON THE BALANCE-SHEET ITEMS/ASSETS

A – ASSETS

1. Accounting policies

Assets are recorded at their purchase and/or production cost and adjusted by corresponding accumulated amortisation/depreciation.

The production cost of any capitalised fixed assets and the incremental costs of depreciable assets include all costs directly attributable to said assets. The value was calculated by summing up the cost of materials, of direct labour, and of the portion of production costs directly attributable to the asset. Fixed assets received as donations were valued at their market value.

In the event that, regardless of the depreciation already recorded, there is a permanent loss of value, the fixed asset is written down accordingly. If in subsequent financial years the assumptions for the devaluation fail, the original value is reinstated, adjusted only by depreciations. In particular, there were no revaluation operations, either voluntarily or required by law.

Tangible assets are subdivided into two categories and, more precisely, in:

A.II Tangible assets used in operational missions;

A.III Tangible fixed assets used in general support activities.

2. Depreciation criteria

The depreciation charges, charged to the income statement, were calculated considering the use, destination and economic-technical duration of the assets, based on the criterion of their remaining useful life.

Depreciation related to:

- assets used for general activities in foreign missions have been fully depreciated in the year of acquisition;
- assets used in Italian missions, at the Centre for Cardiac Surgery in Khartoum, at the paediatric centre in Port Sudan and at the headquarters are depreciated at the following rates:
 - Software: 33.33%
 - Concessions and licenses: 20%
 - Improvements third-party assets: 25%
 - Property assets: 10%
 - Plants: 15%
 - Equipment: 20%
 - Electronic machinery: 20%
 - Furnishing: 12%

- assets (received through donations or bequests) are not depreciated.

The decision to fully depreciate the assets used during the missions is determined by the nature of the assets in question, that is, assets that can be freely donated to local authorities at the end of the mission, or existing in places with a high "country risk". For this reason, such assets are considered "non-returnable", seeing that it is not possible to transfer them back to Italy at the end of the mission. In addition, having prudently considered the country risk, it is difficult to claim an ownership right protected by the local authorities. Finally, according to contracts entered into with international cooperation agencies or with the local authorities, the assets still in operation at the end of the mission are to be considered as assets that can be freely donated to the local authorities.

On the other hand, the choice to write off over several years the fixed assets relative to the Centre for Cardiac Surgery in Khartoum and to the paediatric centre in Port Sudan is the result of the following considerations:

- agreements entered into with the local authorities (which provide for a multi-year concession of the land where the facilities were built and their direct involvement in supporting the project);
- the country risk, as Sudan, also based on the data of the United Nations' Human Development Index, is ranked in a - relatively - less needy position compared to the other countries where the Association operates and manages its hospitals;
- the nature of the facility (hi-tech centre);
- the specific humanitarian program (a programme with a regional dimension in Sudan and in the neighbouring countries that will only be completed in the following years with the construction of a network of satellite healthcare centres.)

It should be noted that, in reference to the items recorded in the assets section of the balance sheet, and considered to be assets that can be freely donated to the local authorities, it was deemed appropriate to list their net worth in the memorandum accounts in order to emphasise the limited availability for this Association.

3. Detail of the items

A.I – INTANGIBLE FIXED ASSETS

The change, compared to the previous year, is as follows:

Items	Net initial accounting value	Net final accounting value	Variations
A.I.3 Industrial patents and similar intellectual property rights	36,341	48,743	12,402
A.I.5 Other intangible fixed assets	82,640	30,253	-52,387
TOTALS	118,981	78,996	-39,985

The transactions carried out during the financial year are listed in the following table:

Items	Initial historical cost	Initial accumulated depreciation	Net initial accounting value	Change in the historical cost during the financial year	Final historical cost	Depreciation in the year	Accumulated depreciation at year end	Net final accounting value
A.I.3 Industrial patents and similar intellectual property rights	382,029	345,688	36,341	28,638	410,667	16,236	361,924	48,743
A.I.5 Other intangible fixed assets	569,474	486,833	82,640	14,510	583,984	66,898	553,731	30,253
TOTALS	951,503	832,521	118,981	43,148	994,651	83,134	915,655	78,996

Changes in 2013 totalled **43,148 euros**.

Depreciation recorded in 2013 amounted to **83,134 euros**.

Costs incurred for Industrial patents and similar intellectual property rights refer to the purchase of licenses needed for the management software intended for administrative and institutional purposes, and to the costs for creating the website.

Other intangible assets consist of improvements to leased assets.

A.II – TANGIBLE FIXED ASSETS USED IN OPERATIONAL MISSIONS

The change, compared to the previous year, is as follows.

Items	Net initial accounting value	Net final accounting value	Variations
A.II.1 Land and buildings	3,494,382	2,666,965	-827,417
A.II.2 Plants and hospital machinery	158,481	117,120	-41,361
A.II.3 Hospital equipment	87,814	62,922	-24,892
A.II.4 Other tangible fixed assets	250,988	127,275	-123,713
A.II.5 Under construction and advances	2,425	2,425	0
TOTALS	3,994,091	2,976,707	-1,017,383

The item in question decreased during the financial year from 3,994,091 euros to 2,976,707 euros, due to the decrease in depreciation over the years for the Heart Surgery Centre in Khartoum and the Paediatric Centre in Port Sudan. The overall historical cost of assets increased as explained in detail further below.

Acquisitions were systematically planned during the financial year. The related financial commitments were taken on in line with the hedging needs of the investments.

The transactions carried out during the financial year are listed in the following table:

Items	Initial historical cost	Initial accumulated depreciation	Net initial accounting value	Change in the historical cost during the financial year	Final historical cost	Depreciation in the year	Accumulated depreciation at year end	Net final accounting value
A.II.1 Land and buildings	13,956,033	10,461,651	3,494,382	61,643	14,017,676	889,060	11,350,711	2,666,965
A.II.2 Plant and hospital equipment	9,596,816	9,438,335	158,481	149,101	9,745,916	190,461	9,628,796	117,120
A.II.3 Hospital equipment	6,383,421	6,295,607	87,814	160,069	6,543,490	184,962	6,480,569	62,922
A.II.4 Other tangible fixed assets	1,916,419	1,665,431	250,988	318,086	2,234,505	441,799	2,107,230	127,275
A.II.5 Under construction and advances	28,059	25,634	2,425	0	28,059	0	25,634	2,425
TOTALS	31,880,748	27,886,658	3,994,090	688,899	32,569,646	1,706,282	29,592,939	2,976,707

The item "**Land and buildings**", equal to **2,666,965 euros** (item A.II.1), mainly refers to costs relative to buildings set up as hospital facilities and boarding houses for the various missions around the world. Most of this sum refers to the Salam Centre for Cardiac Surgery in Khartoum.

Changes in the historical cost in the year of "Land and buildings" equivalent to 61,643 euros relate to increases in the Association's various missions and mainly in Bangui, and in the FAPs in Afghanistan and Mayo.

Depreciation for the year, calculated with the criteria defined in paragraph 2, amounts to 889,060 euros.

The item "**Plants and hospital equipment**", equal to **117,120 euros** (item A.II.2), mainly includes supplies, general equipment and existing plants at the various hospitals and boarding houses for the various missions in different countries around the world.

Changes in the historical cost of "Plant and hospital equipment", equivalent to 149,101 euros relate mainly to the purchase of equipment for the Kabul Surgery Centre and the Surgery and Paediatric Centre in Goderich.

Depreciation for the year, calculated with the criteria defined in paragraph 2, amounts to 190,461 euros.

The item "**Hospital equipment**", equal to **62,922 euros** (item A.II.3), includes medical equipment and equipment of various kinds used in different missions in countries around the world.

The increase in the historical cost of "Plant and hospital equipment", equivalent to 160,069 euros relates mainly to the purchase of equipment for the Khartoum Heart Surgery Centre and the Surgery and Paediatric Centre in Goderich.

Depreciation, calculated with the criteria defined in paragraph 2, amounts to 184,962 euros.

The item "**Other assets**", amounting to **127,275 euros** (item A.II.4), includes, among others, telecommunications equipment, motor vehicles, electronic machinery and various types of furniture used at the various missions in different countries around the world.

Changes in the historical cost of "Other assets", equivalent to 318,086 euros, related mainly to the purchase of motor vehicles used as clinics in Italy.

Depreciation for the year, calculated with the criteria defined in paragraph 2, amounts to 441,799 euros.

The item "**Under construction**", equal to **2,425 euros** (item A.II.5), mainly contains the costs incurred for the construction of the Paediatric Centre in Port Sudan and did not record any changes during the year.

A.III – TANGIBLE FIXED ASSETS USED IN GENERAL SUPPORT ACTIVITIES

The change, compared to the previous year, is as follows:

Items	Net initial accounting value	Net final accounting value	Variations
A.III.1 Land and buildings	3,330,120	2,912,123	-417,997
A.III.3 Other intangible fixed assets	34,169	27,135	-7,034
A.III.4 Other tangible fixed assets	99,211	128,200	28,989
TOTALS	3,463,501	3,067,457	-396,042

The item in question decreased during the financial year from 3,463,501 euros to 3,067,457 euros due to the transfer of certain buildings previously received following bequests and for the recognition of depreciation during the year. Acquisitions were systematically planned during the financial year. The related financial commitments were taken on in line with the hedging needs of the investments.

The transactions carried out during the financial year are listed in the following table:

Items	Initial historical cost	Initial accumulated depreciation	Net initial accounting value	Change in the historical cost during the financial year	Final historical cost	Depreciation in the year	Accumulated depreciation at year end	Net final accounting value
A.III.1 Land and buildings	3,330,121	0	3,330,121	-417,998	2,912,123	0	0	2,912,123
A.III.3 Equipment	97,269	63,100	34,169	216	97,485	7,250	70,350	27,135
A.III.4 Other tangible fixed assets	803,136	703,925	99,211	82,460	885,596	53,471	757,396	128,200
TOTALS	4,230,526	767,025	3,463,501	-335,322	3,895,204	60,721	827,747	3,067,457

The item "Land and buildings", amounting to **2,912,123 euros** (item A.III.1 – Final historical cost), refers primarily to non-capital buildings, received as donations or inheritance from third parties, which are entered at the amount equal to the cadastral surveys or inferred from the donation deeds. The changes in the historical cost during the year of the item "Land and buildings", equal to 417,998 euros refer to the values of properties received during the financial year, for 127,069 euros net of disposals made for 545,067 euros. Alongside the posting of the lower value of the profit item of the balance sheet, the "Reserves for donations and gratuities for non-instrumental assets" posted in the liabilities section of this balance sheet was decreased.

As mentioned above, this item is not depreciated.

At December 31, 2013, the non-capital properties are the ones listed in the following tables:

LAND

Location	Typology	Share of ownership	Sheet	Cadastral map	Land ownership income	Agrarian income	Balance sheet value
Torrenova (Messina)	Farmland	1/2	13	1402	10.65	3.56	599.06
Torrenova (Messina)	Farmland	1/2	13	1615	20.38	6.82	1,146.38
Carpasio (Imola)	chestnut wood/fruit orchard 2	1/1	8	129	6.07	3.64	682.88
Carpasio (Imola)	irrigated/ploughed agricultural land	1/1	8	157	1.37	1.88	154.13
Carpasio (Imola)	coppice 1	1/1	8	74	0.04	0.01	4.50
Carpasio (Imola)	agricultural land 2	1/1	8	50	3.56	5.69	400.50
Carpasio (Imola)	building in ruins	1/1	8	52	0.00	0.00	0.00
Carpasio (Imola)	irrigated agricultural land	1/1	9	33	0.96	1.92	108.00
Carpasio (Imola)	irrigated/ploughed agricultural land U	1/1	8	129	0.31	0.43	34.88
Carpasio (Imola)	chestnut wood/fruit orchard 4	1/1	8	129	1.09	0.66	122.63
Montaldo di Mondovì (Cuneo)	coppice 2	1/32	22	159	0.99	0.59	3.25
Montaldo di Mondovì (Cuneo)	agricultural land 3	1/64	3	39	0.64	1.14	1.05
Montaldo di Mondovì (Cuneo)	cast fruit tree 4	1/64	4	390	0.53	0.19	0.87
Montaldo di Mondovì (Cuneo)	cast fruit tree 4	1/64	4	460	0.50	0.18	0.82
Montaldo di Mondovì (Cuneo)	cast fruit tree 4	1/64	11	198	0.83	0.30	1.36
Montaldo di Mondovì (Cuneo)	cast fruit tree 4	1/64	22	8	3.74	1.34	6.14
Montaldo di Mondovì (Cuneo)	coppice 2	1/64	22	14	3.03	1.82	4.97
Roburent (Cuneo)	agricultural land 4	11/432	13	153	1.52	5.26	4.06
Roburent (Cuneo)	agricultural land 4	11/432	13	158	0.24	0.84	0.64
Roburent (Cuneo)	coppice 3	11/432	16	14	0.21	0.13	0.56
Roburent (Cuneo)	grass land 5	11/432	16	15	0.62	0.95	1.66
Villorba	agricultural land/trees	1/4	25		23.88	15.57	671.63
Porto Ceresio	coppice	1/1	9		5.29	2.12	595.13
Bettola	coppice	1/1	10		0.19	0.06	21.38
Bettola	grass land	1/1	10		35.07	25.05	3,945.38
Bettola (PC)	Agricultural land	1/1	10		34.50	69.00	3,881.25
Bettola (PC)	Agricultural land	1/1	10		20.81	41.63	2,341.13

Location	Typology	Share of ownership	Sheet	Cadastral map	Land ownership income	Agrarian income	Balance sheet value
Bettola (PC)	coppice	1/1	10		1.31	0.40	147.38
Bettola (PC)	agricultural land/trees	1/1	10		22.97	35.89	2,584.13
Bettola (PC)	Mixed wood	1/1	10		0.02	0.01	2.25
Monterotondo (RM)	vineyard	4/27	31	869	4.47	3.49	74.50
Monterotondo (RM)	vineyard	4/27	10	415	17.93	21.98	298.83
Monterotondo (RM)	cane field	4/27	10	169	1.82	0.77	30.33
Monterotondo (RM)	Agricultural land	4/27	10	168	3.51	2.81	58.50
All of the land was valued based on the cadastral surveys							

BUILDINGS

Location	Category	Share of ownership	Sheet	Land parcel	Sub.	Cat./class	Cadastral rent	Balance sheet value
Calolziocorte (Lecco)	shed	1/2	CA/1	1407	28	C/6	34.40	1,806.00
Calolziocorte (Lecco)	housing unit	1/2	CA/1	1407	21	A/3	289.22	15,183.00
Calolziocorte (Lecco)	shed	1/2	CA/1	1482	45	C/6	21.02	1,103.55
Calolziocorte (Lecco)	housing unit	1/2	CA/1	1407	702	A/3	289.22	11,385.50
Calolziocorte (Lecco)	housing unit	1/2	CA/2	1446	16	A/3	433.82	22,774.50
Scandicci (Florence)	housing unit	1/4	68	562	14	A/2 - 2	298.25	56,610.00
Scandicci (Florence)	housing unit	1/4	68	562	30	A/2 - 2	298.25	44,100.00
Scandicci (Florence)	housing unit	1/4	68	562	35	A/2 - 2	244.03	39,560.00
Scandicci (Florence)	housing unit	1/4	68	562	39	A/2 - 2	244.03	41,280.00
Scandicci (Florence)	housing unit	1/4	68	562	40	A/2 - 2	216.91	40,670.00
Scandicci (Florence)	housing unit	1/4	68	562	41	A/2 - 2	298.25	52,920.00
Scandicci (Florence)	shed	1/4	68	562	50	C/6 - 6	44.31	5,625.00
Scandicci (Florence)	shed	1/4	68	562	51	C/6 - 6	47.72	5,625.00
Scandicci (Florence)	workshop	1/4	68	562	55	C/3	916.14	54,960.00
Scandicci (Florence)	housing unit	1/2	16	706	14	A/2	271.14	17,082.00
Pelago (Florence)	housing unit	1/4	3	219 - 229	201	A/7 - 5	632.66	124,788.00
Pelago (Florence)	shed	1/4	3	229	22	C/6 - 4	65.85	12,562.00
Forte de' Marmi (Lucca)	housing unit	1/4	2	65		A/3 - 5	1,398.57	287,000.00
Menconico (Pavia)	housing unit	1/1	29	346		A/7 - 2	650.74	39,118.00
Trapani (TP)	housing unit	1/1	307	472	6	A/3 - 6	650.74	113,200.00
Carpasio (Imola)	housing unit	1/1	9	516	2	A/4 - 2	125.50	15,060.00
Carpasio (Imola)	shed	1/1	9	493	4	C/2 - 1	26.13	3,139.20
Sanremo	housing unit	833/1000	33	668	29	A/3	488.05	51,225.00
Sanremo	housing unit	833/1000	44	38	3	A/2	661.06	69,377.00
Sanremo	housing unit	833/1000	44	38	4	A/2	743.70	78,057.00
Florence	housing unit	4/9	125	107	8	A/4	479.01	26,824.00
Monterotondo	housing unit	2/27	31	827	1	A/4	262.10	2,446.30
Monterotondo	warehouse	2/27	31	872	2	C/2	131.85	1,230.60
Monterotondo	housing unit	2/27	31	872	3	A/4	449.32	4,193.70
Monterotondo	storeroom	2/27	31	1605	1	C/2	23.96	223.60
Monterotondo	storeroom	2/27	31	1605	2	C/2	17.97	167.70
Scalea	housing unit	1/1	10	282	6	A/3	138.28	17,338.00
Scalea		1/1	10	282	65			
Gualtieri (RE)	housing unit		34	308	2	A/3	581.01	73,207.00
Gualtieri (RE)	garage		34	308	1	C/2	218.46	27,526.00
Gualtieri (RE)	shed		34	308	3	C/6	56.40	7,106.00
Milan (Milan)	housing unit	1/1	389	198	25	A/3	2,685.58	338,383.00
Milan (Milan)	storeroom	1/1	389	198	722	C/2	39.04	4,919.00
Milan (Milan)	housing unit	1/1	472	30	17	A/3	522.91	65,887.00
Milan (Milan)	garage	1/1	472	30	54	C/6	166.82	21,019.00
Missano SNC (PC)	housing unit	1/1	10	754		A/3	390.44	49,195.00
Taranto	housing unit	1/2	280	453	1	A/7	759.19	47,829.00
Collecchio	industrial shed	1/1	31	1065	1	D/7	7,772.00	489,636.00
Collecchio	shed	1/1	31	1035	6	C/6	28.20	3,553.00
Collecchio	shed	1/1	31	1035	7	C/6	28.20	3,553.00

Location	Category	Share of ownership	Sheet	Land parcel	Sub.	Cat./class	Cadastral rent	Balance sheet value
Collecchio	housing unit	1/1	31	1035	1	A/2	724.33	91,266.00
Collecchio	housing unit	1/1	31	1035	2	A/2	388.63	48,967.00
Collecchio	housing unit	1/1	31	1035	3	A/2	444.15	55,963.00
Collecchio	housing unit	1/1	31	1035	4	A/2	388.63	48,967.00
Collecchio	housing unit	1/1	31	1035	5	A/2	444.15	55,963.00
Collecchio	garage	1/1	31	879	6	C/6	41.52	5,232.00
Collecchio	garage	1/1	31	879	2	C/6	41.52	5,232.00
Collecchio	garage	1/1	31	879	3	C/6	41.52	5,232.00
Parma	housing unit	1/1	001/1	843	24	A/2	448.28	56,483.00
Parma	garage	1/1	001/1	844	1	C/6	42.61	5,369.00
Porto Viro (RO)	housing unit	1/2	6	1138	1	A/7	650.74	40,997.00
Porto Viro (RO)	garage	1/2	6	1138	2	C/6	64.76	4,080.00
S. Vito di Cadore (BL)	housing unit	1/1	27	151	3	A/2	72.30	9,110.00
S. Vito di Cadore (BL)	housing unit	1/1	27	151	9	A/2	578.43	72,882.00

The real estate properties in Menconico are owned as bare property. The balance sheet therefore shows the cadastral value, net of the estimated usufruct. The real estate properties in Trapani and Carpasio were valued based on the value specified in the deed of donation. All the other real estate properties were valued based on the cadastral surveys.

All these properties are not instrumental to the Association's activity; their tax situation is currently the following:

- both the land and the buildings generate land and real estate revenues that are ordinarily taxed;
- the Carpasio (IM) lands as well as the real estate units in Carpasio (IM) and in Trapani, were acquired through donation, therefore, in case of transfer, they can potentially generate taxable capital gains as they can be classified among the different revenues referred to in article 67 T.u.i.r. (Italian Consolidated Law on Income Taxes);
- the land and real estate units obtained through inheritance or bequest do not generate taxable capital gains.

The item **"Equipment"**, equal to **97,485 euros** (item A.III.3 - Final historical cost), mainly refers to various kinds of equipment at the Milan and Rome offices.

The changes in the historical cost during the year of the item "Equipment" was negligible (216 euros), compared to the previous year.

The item **"Other assets"**, equal to **885,596 euros** (item A.III.4 - Final historical cost), mainly refers to computers, vehicles and other electronic machinery for the Milan and Rome offices.

The changes in the historical cost during the year of the item "Other assets", equal to 82,460 euros, refers to purchases mainly for computers, vehicles and other electronic equipment. This amount is indicated net of the sale of furnishing (1,144 euros).

A.IV – FINANCIAL FIXED ASSETS

The Association holds a share in the Banca Popolare Etica Soc. Coop. a r.l. – located at the address of Piazzetta Beato Giordano Forzatè, Padua, where it has also opened a bank account. The share amounts to **15,885 euros**, measured at purchase cost and increased by 15,318 euros compared to the year before.

The Association also holds a share of **500.00 euros** as an investor partner in the Cooperative Dieci Dicembre Soc.Coop. a r.l. in bankruptcy. There are no control or affiliation relationships with other companies.

B. – CURRENT ASSETS

B.I – RECEIVABLES

1. Accounting policies

Credits were valued and recorded at their estimated realisable value. The adjustment of the nominal value of the receivables to their estimated realisable value is obtained by a special bad debt provision, taking into consideration the general economic conditions of the sector as well as the country risk.

The only item that changed, and its relevant variation compared to the previous financial year, is shown below:

Items	Initial carrying amount	Final carrying amount	Variations
B.I.5 Due from others	4,916,357	4,579,262	-337,095
TOTALS	4,916,358	4,579,262	-337,095

The item in question decreased during the financial year from 4,916,357 euros to **4,579,262 euros** for the reasons indicated below.

2. Detail of the items

B.I.4) – FOR PROCEEDS FROM THE 5/1000 ON INDIVIDUAL TAX RETURNS

During the 2013 financial year, the Italian Ministry of Labour and Social Policies paid out funds originating from the allocation of proceeds from the 5 on individual tax returns (IRPEF), donated by taxpayers in 2011 based on 2010 income, including the portion attributable to "remnants" for a total of **11,023,415 euros**. The entire amount was already collected at the date on which these financial statements were drawn up.

At the closing date of the financial statements, no information was provided concerning the allocation of funds donated by taxpayers in 2012 based on their 2011 income; consequently, at the time of preparation of these financial statements, there is no certain element that allows to account for the relevant proceeds. Please refer to the paragraph concerning the events which occurred after the closing of the financial year.

B.I.5) – FROM OTHERS

The balance of receivables due From others amounts to 4,579,262 euros, down from the previous financial year, with a net change of 337,095 euros.

The balance mainly consists of:

- contributions receivable for 765,112 euros
- receivables due from social security institutions for 334,893 euros
- receivables due from clients for 347,179 euros
- receivables due from Fondazione Smemoranda for 710,000 euros
- receivables due from Fondazione Prosolidar for 2,280,000 euros
- other receivables for a total of 142,078 euros

The item Contributions receivable refers to various kinds of recognised contributions, yet to be paid. These include payments to be made by groups of volunteers for current initiatives and other donations awaiting their actual disbursement.

Receivables due from social security institutions refer to the credit accrued by the Association towards INPS (Italian Institute for Social Security) for social security contributions paid on behalf of doctors in mission abroad from 2005 to 2009, following the settlement of a dispute between INPS and ENPAM (National Insurance and Assistance Association for Doctors) concerning which agency was the actual beneficiary of such contributions (it later turned out to be ENPAM). Against this receivable, accrued from 2005 to 2009, a payable due to doctors was recorded and these amounts were reimbursed according to a multiple-year plan ended on 31 December 2013.

In 2013 the item was unchanged pending further checks by the relevant entity concerning the exact amount.

Receivables due from clients increased compared to the previous year, due to the higher volumes of the Association's business activities and in particular the sale of gadgets and solidarity favours through its e-commerce site and sales in markets organized by the Association.

The receivables from Fondazione Smemoranda include the residual amount approved by said organization in support of the Italy Programme. The amount decreased by 260,000 euros compared to the year before following the collection of the funds during the year. This receivable was included in the "Missions Fund" for the corresponding amount as it is a project that started in 2011 and will be developed in future years. The receivable from the Fondazione Prosolidar (Prosolidar Foundation) concerns funds that will be received and allocated to future projects based in Uganda. A contra-entry for the entire amount was posted in the "Future missions Fund" (2,980,000 euros).

"Other receivables" includes advances on travel expenses and prepaid credit cards, deposits and other receivables due from third parties.

B.II – INVENTORIES

1. Accounting policies

Raw materials, ancillary materials, finished products and gadgets are recorded at the average weighted purchase cost. Inventories of drugs and medical supplies are valued at the last purchase price.

2. Detail of the items

Inventories represent the value of existing material as of 31/12/2013 both at the operational missions (for medicines, medical supplies, prostheses and supplies), and at the headquarters and local groups (for promotional material).

Inventories were valued for a total of **2,811,063 euros**, with a decrease of 335,109 euros compared to the previous financial year.

Changes in inventories of medicines, medical supplies and prostheses (B.II.1 and B.II.2) amount to **1,752,362 euros**.

Inventories of materials for fund-raising operations (B.II.4) amounted to **959,856 euros**.

Inventories of other materials for mission and available at the facility amount to **98,845 euros**.

In detail, the change in inventories as of 31/12/2013 was as follows:

Type of inventories	Initial carrying amount	Final carrying amount	Variations
Medicines and medical equipment	2,032,859	1,440,362	-592,497
Materials for prostheses	370,993	312,000	-58,993
Material for fund-raising activities at the headquarters	564,962	861,844	296,882
Material for fund-raising activities at the local groups	106,749	98,012	-8,737
Other material for operational missions	70,609	98,845	28,236
TOTALS	3,146,172	2,811,063	-335,109

The amount for inventories of medicines and medical supplies further decreased compared to the previous year, indicating the greater efficiency in managing resources and the warehouse above all at the Heart Surgery Centre in Khartoum, Goderich and Kabul. The Salam Centre for Cardiac Surgery in Khartoum managed and supplied pharmaceutical material for the hospitals of Port Sudan and Mayo.

Inventories of material for fund-raising operations at the facility mainly concern commercial activity which in 2013 witnessed an increase. To cope with this increase in sales, inventories were increased.

Inventories of material for fund-raising with local groups slightly decreased, continuing the downward trend that has been underway for several years now, the result of greater efficiency in the accounting management of the groups.

B.III – AVAILABLE FUNDS

1. Accounting policies

The balance of this item represents the availability of cash and the existence of cash and securities at the end of the financial year.

Receivables originally expressed in foreign currency, recorded at the exchange rates in effect on the date on which they arose, are adjusted to reflect current exchange rates at the end of the financial year.

Gains and losses arising from the conversion of receivables are credited and debited, respectively, in the Profit and Loss Statement under item F38 "Gains from foreign currency transactions" and F39 "Losses on foreign currency transactions".

2. Detail of the items

Items	Initial carrying amount	Final carrying amount	Variations
B.III.1 Cash and cash equivalents	181,610	252,493	70,883
B.III.2 Bank and postal deposits	305,938	862,644	556,706
B.III.2 Other bank and postal deposits	2,389,715	6,346,245	3,956,530
TOTALS	2,877,263	7,461,383	4,584,119

In addition to cash and cash equivalents, this section also includes items relating to bank and postal accounts, with a separate listing of accounts with a specific purpose, i.e. accounts used for specific fund-raising campaigns and whose available funds have already been allocated, except for any temporary cash requirements that the administrative body shall evaluate from time to time and then shall arrange for reinstating.

Available funds at the end of the financial year increased by a total of 4,584,119 euros compared to the previous year, amounting to **7,461,383 euros**.

This amount mainly includes donations from natural persons received in total for Christmas, proceeds from Christmas market sales and other donations of significant value.

C – ACCRUALS AND DEFERRALS

C – Accrued income and prepaid expenses

1. Accounting policies

Accrued income and prepaid expenses were determined according to the criterion of the actual accrual period.

For long-term accruals and deferrals, the conditions that had determined their original entry were verified, adopting the appropriate changes, where necessary.

Accruals and prepayments measure proceeds and charges whose competence is anticipated or deferred compared to the actual date of the payment and/or of the document; they are irrespective of the date of payment or collection of related proceeds and charges, common to two or more financial years and prorated over the applicable time.

2. Detail of the items

The change, compared to the previous year, is as follows:

Items	Initial carrying amount	Final carrying amount	Variations
C.1.2 Accruals and prepayments	44,014	179,353	135,339
TOTALS	44,014	179,353	135,339

Prepaid expenses equal to **179,353 euros** increased by 135,339 euros compared to the end of the previous financial year and include prepayments calculated for insurance premiums and maintenance fees.

→ INFORMATION ON THE BALANCE-SHEET ITEMS/LIABILITIES

A – NET EQUITY

The following table lists the movements that generated variations in the net equity items (items A of the liabilities.)

Items	Initial balance	Allocation of result for the year	Increases	Decreases	Final balance
A.I Endowment fund	8,801	0	0	0	8,801
A.II Reserves for donations and gratuities:					
a) for instrumental assets	41,346	0	8,825	18,120	32,052
b) for non-instrumental assets	3,116,921	0	139,569	906,067	2,350,423
A.III Reserves for operating surplus from previous financial years	2,191,301	2,445,321	0	0	4,636,622
A.IV Reserves for operating surplus from previous financial years	0	0	0	0	0
A.V Other reserves	0	0	0	0	0
A.VI Operating profit (loss) from previous years	0	0	0	0	0
A.VII Operating profit (loss) for the year	2,445,321	0	3,427,988	2,445,321	3,427,988
TOTALS	7,803,690	2,445,321	3,576,382	3,369,508	10,455,886

The reserve for donations and gratuities for non-capital assets whose items, as we would like to remind you, are entered as a contra-entry for assets considered to be non-capital assets received through inheritance or donation, increased (to account for properties received) by 139,569 euros during the financial year and decreased (to account for properties sold) by 906,067 euros.

The only movement in item "Reserves for operating surplus from previous financial years" refers to the coverage of the loss incurred during the year ended on 31/12/2012.

B - RESTRICTED CAPITAL ASSETS

1. Accounting policies

The restricted capital assets are allocated to cover losses or payables whose existence is certain or probable, but for which, nevertheless, at year's end it was not possible to determine the amount or the date of occurrence.

If necessary, the risks and losses for the year are taken into account, even though they might have surfaced after the closing of the financial year, but before the financial statements were drawn up.

In evaluating these items, the general criteria of prudence and competence were complied with, and items related to generic risk lacking economic justification have been set up.

Potential liabilities were recorded in these items as their occurrence was deemed likely and the amount of the relevant charge could be reasonably estimated.

2. Detail of the items

At the end of the 2013 financial year, the situation is as follows:

Items	Initial balance	Decrease	Increase	Final balance
B.I.2 For future missions	3,950,000	0	260,000	3,690,000
B.I.3 For ongoing missions	2,000,000	0	0	2,000,000
B.I.5 Others	200,000	372,500	200,000	372,500
TOTALS	6,150,000	372,500	460,000	6,062,500

The amounts indicated in "Restricted capital assets" are indicated by destination; therefore it was deemed appropriate, and in line with previous years, to record the fund for future missions separately from the fund for current missions (including both risks and charges in this item), in addition to a residual item "Others", which in 2013 included only an amount connected with risk related to a succession and other lawsuits.

The final balance of the item "**For future missions**" (B.I.2), amounting to **3,690,000 euros**, reflects the economic value of existing future charges as of 31/12/2013 as these relate to future missions, as detailed below:

- 710,000 euros refer to the residual contribution approved by the Fondazione Smemoranda for development of the Italy Programme in 2010, recorded under receivables; The amount decreased by 260,000 euros due to investments made in the Italy Programme during the year. Against this decrease, higher proceeds were posted.

- 2,980,000 euros refer to the contribution approved by the Fondazione Prosolidar and allocated to development of a centre in Uganda; the entire amount was allocated in 2011 and was not used as the project has not yet begun.

The final balance of "**For future missions**" (B.I.3), amounting to **2,000,000 euros**, reflects the economic value of existing risks and future charges at 31/12/2013 as these relate to ongoing missions. It refers to the risk of the possibility that the Sudanese government may default on the contribution in support for the Khartoum Heart Surgery Centre. Said default would imply higher costs for the Association; compared to the previous year, no conditions occurred that could change the risk connected with this activity.

The final balance of "**Other**" funds (B.I.5), equivalent to **372,500 euros**, relates to 361,000 euros for a risk linked to a bequest received through a succession. When the related property will be sold, the amounts due for the bequests must be paid up to the same amount. The difference of 11,500 euros consists in provisions for legal expenses concerning pending litigation. Compared to the previous year the risk attached to the lawsuit in relation to the Bettini succession was completely eliminated since the dispute has come to an end with the payment by the Association of 187,500 euros by way of court settlement (the provisions set aside amounted to 200,000 euros). The difference of 12,500 euros was carried over to the reserve for donations and gratuities for non-capital assets.

C – PAYABLES

1. Accounting policies

Payables are recognised at their nominal value and, if necessary, adjusted in case of returned goods or billing adjustments.

The payables originally entered in foreign currency, recorded based on the exchange rates in effect on the date on which they arose, are adjusted to reflect the exchange rates in effect at the close of the financial statements, and the relevant gains or losses are charged to the profit and loss statement.

2. Detail of the items

C.I – Foreign payables for operational missions

Items	Initial carrying amount	Final carrying amount	Variations
C.I.6 Trade payables	389,610	338,152	-51,458
C.I.8 Post-employment benefit, personnel assisting operational missions	29,160	48,598	19,438
TOTALS	418,770	386,750	-32,020

The item refers to the exposure of operational missions for purchases made on site, in the country where the mission is being carried out. This table only shows payables incurred abroad, including the termination benefits for Italian employees on mission.

Please note that the exposure decreased compared to the previous year, amounting to **386,750 euros**, with a decrease of 32,020 euros.

C.II – Payables from cultural activity, operational facility and procurement of goods and services for operational missions

Items	Initial carrying amount	Final carrying amount	Variations
C.II.3 Payables due to suppliers for operational missions	2,524,280	2,079,031	-445,249
C.II.4 Payables due to operational facility's staff	438,553	489,555	51,002
C.II.5 Payables due to social security and welfare institutions	197,191	188,107	-9,084
C.II.6 Termination benefits for operational facility's staff	391,400	440,856	49,456
C.II.7 Tax payables	133,698	166,443	32,745
C.II.8 Payables to others	503,866	901,478	397,612
TOTALS	4,188,988	4,265,470	76,482

The balance at 31/12/2013 amounted to **4,265,470 euros**, increasing by 76,482 euros over the previous year.

The most significant items are the payables due to suppliers for goods and services for the headquarters and for the missions (payables incurred in Italy) and payables due to headquarters' staff and associates. Payables due to banks were almost zero due to the fact that the Association was able to cover its financial requirements with internal funds.

The most significant changes concerned the payables due to suppliers, which decreased by 445,249 euros, since the Association was able to deal promptly with the commitments, in addition to other payables, which increased by 397,612 euros mainly due to an increase in funds paid out during 2013 but recognized in 2014 amounting to about 520 thousand euros and a reduction of debt towards workers of about 172 thousand euros due to the recognition of contributions to be paid to ENPAM, as explained in paragraph relating to receivables due from others.

All payables are due within the following financial year, except for the item listed in section C.II.6, "Termination benefits for operational facility's staff", and the item listed in section C.II.8, which refers to the repayment of INPS portions to expatriate personnel. These two items are part of a long-term programme.

Detailed information relating to the changes in the provisions for termination benefits for personnel employed in operational missions abroad and for personnel employed within the organization is provided below.

Name	Previous fund	Accrued during the year	Contributions as per Italian Law 297/82	Revaluat.	Additional fund	Substitute tax	Advances/balances for the year	Indemnity leaving fund	Movements
Personnel TFR									
Cultural	92,376	11,213	821	580	3,701	64	14,583	32,125	-52,875
Headquarters	132,313	50,947	3,550	3,223	11,349	355	13,247	200,283	42,301
Operational activity	54,601	15,325	1,075	1,035		114	12,202	59,111	1,540
Fundraising	57,238	16,195	1,040	1,602		176	2,900	98,118	27,199
territory	34,405	5,356	370	312		34	1,330	20,175	-18,163
Missions	29,160	20,389	1,451	561		62		48,598	
Palermo	20,467	8,609	596	394		43		28,831	
The Italy Programme		2,375	161					2,214	
TOTALS	420,560	130,409	9,062	7,707	15,050	848	44,262	489,454	0

D – ACCRUALS AND DEFERRALS

1. Accounting policies

Accrued income and prepaid expenses were determined according to the criterion of the actual accrual period.

For long-term accruals and deferrals, the conditions that had determined their original entry were verified, adopting the appropriate changes, where necessary.

Accruals and prepayments measure proceeds and charges whose competence is anticipated or deferred compared to the actual date of the payment and/or of the document; they are irrespective of the date of payment or collection of related proceeds and charges, common to two or more financial years and prorated over the applicable time.

2. Detail of the items

The balance at 31/12/2013 is equal to zero since items were not posted whose competence is anticipated or deferred compared to the actual date of the payment and/or of the document.

MEMORANDUM ACCOUNTS

1. Accounting policies

Commitments were recorded in the memorandum accounts at their nominal value, inferred from the relevant documentation.

Third-party assets used at the Association's was valued at the value inferred from existing documentation.

The risks related to granted guarantees, personal or real, are recorded in the memorandum accounts for an amount equal to the amount of the same guarantees.

2. Detail of the items

The detail of the items is as follows:

Items	Initial carrying amount	Final carrying amount	Variations
Freely transferable assets	3,778,624	2,848,278	-930,346
Third party assets	48,461	35,987	-12,474
Bank guarantees	264,850	389,127	124,277
TOTALS	4,091,935	3,273,392	-818,543

The memorandum accounts include the value of assets that can be freely donated, net of the related accumulated depreciation, as said fixed assets, used in missions, will be donated to local institutions and authorities once the project is completed.

The decrease is due solely to the increase in the provisions for depreciation due to the recording of depreciation for the year.

As mentioned, assets that can be freely donated intended for the Heart Surgery Centre in Khartoum and for the Paediatric Centre in Port Sudan are depreciated according to the criteria indicated in paragraph 2 of chapter A - Fixed assets, Information on the balance sheet items / Assets.

Lease and rental costs of the Association include the value of rentals still due relative to tangible assets (printers/photocopiers) purchased under an operating lease for 35,987 euros.

Risks include the amount of a bank guarantee issued by Banca Popolare di Sondrio for the amount of 245,000 euros in favour of the company Centro Direzionale Valtorta S.r.l. and in the interest of the Association as collateral for the rent paid for the Milan headquarters, the amount of 9,000 euros for the lease of premises to be used as an information office in Turin, the amount of 17,050 euros for subscription to the Viacard service and 118,077 euros for participation in the EIF Project.

→ INFORMATION ON THE ITEMS OF THE INCOME STATEMENT

GENERAL INFORMATION

The structure and content of the financial statements for the year ended 31/12/2013 are as follows:

INSTITUTIONAL ACTIVITY

A - Fund-raising: it groups together items relating to donations and contributions received by the Association, with fund-raising activities, contributions from bequests or donations and with proceeds from the commercial activity;

B - Fund-raising costs: it groups together direct costs incurred for fund-raising activities and costs incurred in the management of the commercial activity;

C - Costs for operational missions: it groups together direct costs for the functioning of operational missions, such as medicines, hospital material and directly related services, as well as for the staff, in addition to the depreciation of tangible assets used in operational missions;

D - Costs for publications, cultural activities and management of local groups: this group concerns the Association's institutional activity and mainly includes costs incurred for various Emergency publications, organisation of cultural events, training courses for volunteers, management of local groups and staff employed in this sector.

NON-INSTITUTIONAL MANAGEMENT ACTIVITIES

E - Management and general support activities costs: this item refers to costs incurred for the headquarters that provide support to the Association's institutional activity. It mainly includes expenses incurred for the facilities in Milan and in Rome, rent, personnel costs and accumulated depreciation of tangible fixed assets used for general support.

F - Financial income and expenses: these two items mainly result from the algebraic sum of profits and losses on foreign currency exchanges as well as interests payable and receivable;

G - Extraordinary income and expenses: these items mainly concern capital gains and losses from the disposal of assets, as well as contingent assets and liabilities;

H - Income taxes: this item includes the taxes for the financial year.

Please find below a summary of the economic data:

Items	Initial carrying amount	Final carrying amount	Variations
A - Institutional activity – fundraising	28,866,239	31,225,759	2,359,520
B - Institutional activity – fundraising costs	1,717,526	2,167,598	450,072
C - Institutional activity - costs for operational missions	18,663,870	21,750,960	3,087,090
D - Institutional activity - costs for publications, cultural activities and management of local groups	3,503,813	1,176,353	-2,327,460
E - Management and general support activities costs	2,176,130	2,545,820	369,690
F - Financial income and expenses	-281,837	-154,397	127,440
G - Extraordinary income and expenses	-46,895	34,813	81,708
H - Income taxes for the year	30,846	37,456	6,610
TOTALS	2,445,321	3,427,988	982,666

A – INSTITUTIONAL ACTIVITY – FUND-RAISING

Items	Initial carrying amount	Final carrying amount	Variations
A.1 Donations and contributions	12,848,939	14,568,492	1,719,553
A.2 Income from fund-raising activities – From 5/1000 on individual tax returns	10,699,131	11,023,415	324,284
A.2 Proceeds from fundraising activities – Other	1,429,819	1,264,172	-165,647
A.3 proceeds from sale of inherited or donated assets	1,442,235	1,883,591	441,356
A.4 Income from commercial activity – for the sale of goods	2,417,405	2,457,386	39,981
A.4 Proceeds from the commercial activity – for the rendering of services	28,709	28,702	-7
TOTALS	28,866,239	31,225,759	2,359,520

In 2013, the total amount from fund-raising was equal to 31,225,759 euros, up by 2,359,520 euros compared to the previous year.

The above figures include donations and contributions, proceeds from the settlement of bequests or the sale of movables and real estate received by the Association as inheritance or donations, as well as proceeds from commercial activities.

In particular, the amount of donations and contributions collected during 2013 and resulting from the sum of the following items:

- A.1 Donations and contributions;
- A.2 Income from fund-raising activities – From 5/1000 on individual tax returns;
- A.2 Proceeds from fund-raising activities – Other;

is equal to 26,856,080 euros, with an increase of 1,878,190 euros compared to the previous year.

Details on the origin of the collected funds and the possible existence of a restriction are shown below:

Type of donor	31/12/2012		31/12/2013	
	Free	Restricted	Free	Restricted
Private citizens	4,065,236	1,650,787	4,387,994	1,648,803
From 5/1000 on individual tax returns	10,699,131	0	11,023,415	
Legal entities	585,208	843,526	120,341	654,221
Local authorities	20,082	71,630	33,438	25,981
Other authorities	80,756	185,794	66,362	185,974
Foundations	130,559	116,511	1,500	283,850
Abroad	272,743	302,484	96,900	712,474
Fund-raising initiatives	137,726	1,317,558	136,465	1,163,017
Memberships	206,012	83,972	293,161	72,972
Christmas donations	0	96,757	0	99,444
Emergency Foundation contribution	25,000	0	0	0
International Institutional Donors	0	437,208	0	1,682,545
Contributions from transfer of goods	0	0	18,594	212,496
Contributions from the provision of services	0	0	336,358	2,923
Membership fees	15,450		15,600	
Kurdistan financing	0	111,248	0	121,134
Sudan - Khartoum financing	0	1,956,853	0	1,725,911
Sudan – Port Sudan financing	0	70,074	0	61,496
Goderich financing	0	355,630	0	350,000
Afghanistan financing	0	1,139,951	0	923,729
Grant from Puglia Region	0	0	0	398,981
TOTALS	16,237,903	8,739,985	16,530,129	10,325,950
Totals 2013 (Free + Restricted)				26,856,080

The above data show that, again in 2013, the Association largely obtained its financing sources from its own initiatives and, to a lesser extent, from supranational entities (contributions from the governments of Sudan, Afghanistan, Sierra Leone, from the agency for demining in Kurdistan and other United Nations or European Community funds).

The grant from the Iraqi government for the Kurdistan region was made in goods and not in funds, totalling 121,134 euros.

The percentage of donations and contributions from independent sources (other than government authorities) is 88.20%.

Revenues from membership fees refer to contributions paid by Association members; at 31/12/2013 there were 103 members.

The proceeds from the sale of movables and real estate received by the Association through inheritance or donations, as set out in item A.3 - **Proceeds from settlement or sale of inherited or donated assets, amounted to 1,883,591 euros**, with an increase of 441,356 euros compared to the previous year. The increase is the result of disposals during the years and to increased contributions from inheritance and donations in kind.

Details on the origin of these funds and the possible existence of a restriction are shown below:

Source of donation	31/12/2012		31/12/2013	
	Free	Restricted	Free	Restricted
Income from the sale of assets from bequests or donations	1,291,561		1,571,637	
Capital gains from the sale of donated/inherited property	150,675		311,955	
TOTALS	1,442,235	0	1,883,591	0
TOTALS 2013 (Free + Restricted)				1,883,591

The income from commercial activities, included in items A.4 - Income from commercial activity - for the sale of goods and A.4 - Proceeds from commercial activity - rendering of services amounted to **2,486,088 euros**, with a slight increase of 39,974 euros compared to the previous year. It should be noted that Emergency registered for VAT in July 2009 to qualify as an (incidental) commercial activity for the sale of assets in support of its institutional purposes. By this we mean the sale of gadgets, solidarity wedding favours and other promotional items either through our website or through the organisation of local street markets, as well as income from sponsorships. This item is highlighted under the item fund-raising from institutional activity.

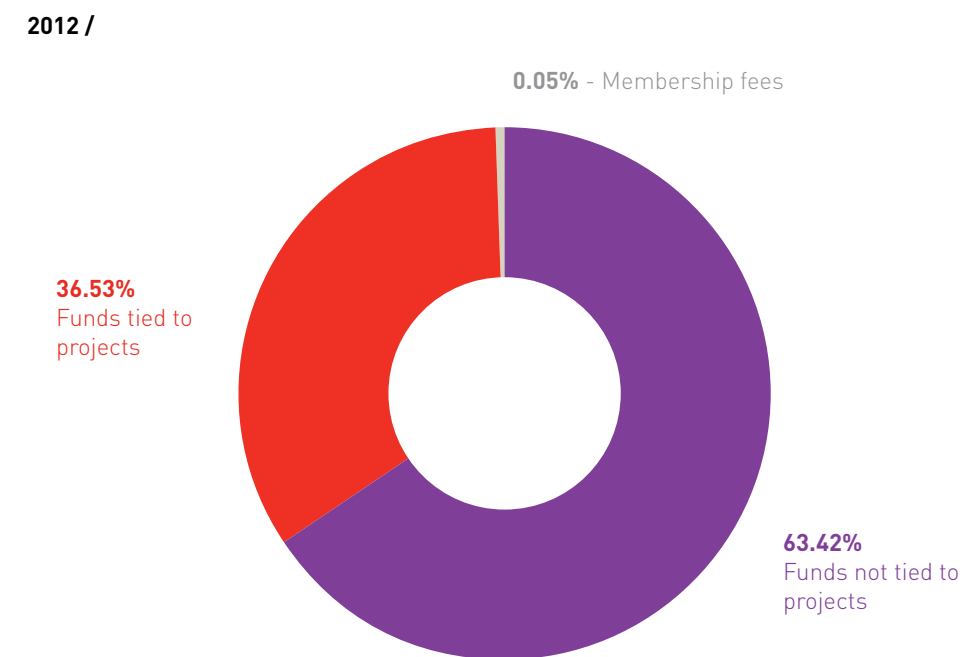
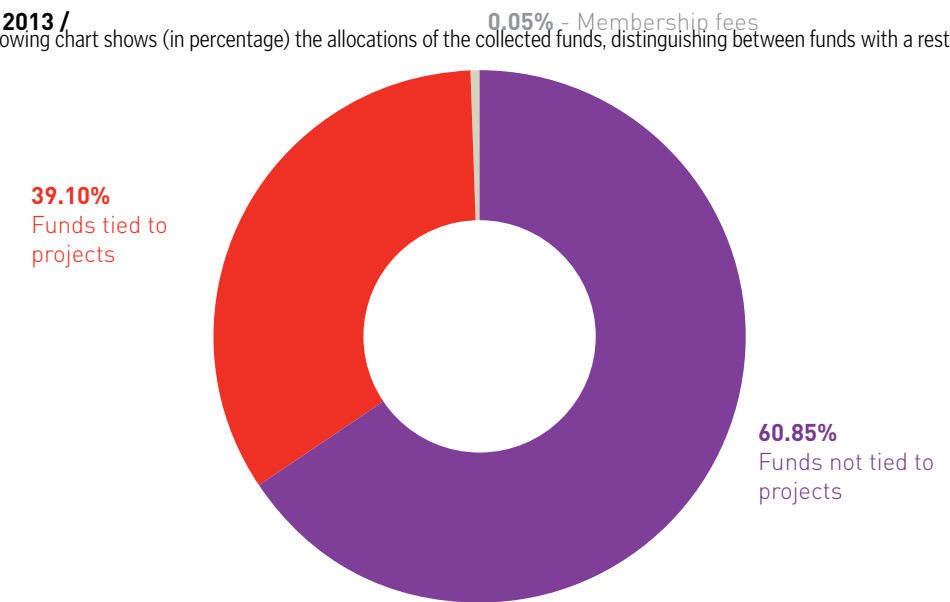
Details on the origin of the collected funds and the possible existence of a restriction are shown below:

Source	31/12/2012		31/12/2013	
	Free	Restricted	Free	Restricted
Revenues from solidarity wedding favours	0	657,915		610,417
Revenues from gadgets	609,331	50,627	565,881	9,894
Revenues from Christmas gadgets	0	104,427		111,232
Revenues from local street markets	0	714,792		855,307
Revenues from local street market gifts	0	276,264		297,428
Sponsorships	1,983	0	2,199	500
			7,711	
Copyrights	48	0	4,407	
Teaching activities	498	0	83	
Events/entertainment	26,181	0	13,803	
PROCEEDS FROM SALES	4,050	0	7,227	
TOTALS	642,091	1,804,025	601,311	1,884,778
TOTALS 2013 (Free + Restricted)				2,486,088

The analysis carried out based on the allocation of the collected funds shows the following situation:

Items	31/12/2012	%	31/12/2013	%
Membership fees	15,450	0.05%	15,600	0.05%
Funds tied to projects	10,544,009	36.53%	12,210,728	39.10%
Funds not tied to projects	18,306,779	63.42%	18,999,431	60.85%
TOTALS	28,866,239	100%	31,225,759	100%

2013 / The following chart shows (in percentage) the allocations of the collected funds, distinguishing between funds with a restriction and free donations.



Below is a list of the allocations specified by donors.

Projects	31/12/2012	31/12/2013
Iraq	20,023	24,127
Iraq – Contribution from Kurdish authorities	111,248	121,134
Afghanistan	1,476,510	1,421,053
Afghanistan financing	1,139,951	923,729
Cambodia	8,226	173
Sierra Leone - Goderich	2,361,153	631,518
Goderich financing	355,630	350,000
Sudan - Khartoum Heart Surgery Centre	2,032,623	2,378,837
Sudan – Mayo paediatric centre	242,008	252,163
Sudan – Nyala paediatric centre	34,781	4,608
Sudan – Contribution from Sudanese government	1,956,853	1,725,911
Sudan –Paediatric Centre in Port Sudan	150,840	129,480
Sudan Port Sudan – Sudanese government contribution	70,074	61,496
Central African Republic	344,029	697,541
Immigrants project - Outpatient Clinics	240,059	2,624,656
Italy Programme - Grant from Puglia Region	0	398,981
Italy Programme - EIF grant	0	72,627
Libya	0	1,217
Somalia	0	250
TOTALS	10,544,008	11,819,501

A review of the data reveals that, compared to the previous financial year, there are slight differences in the composition of the destination of projects.

B – INSTITUTIONAL ACTIVITY – FUND-RAISING COSTS

Items	Initial carrying amount	Final carrying amount	Variations
B.5 Costs for the organization of fundraising activities	581,338	1,036,255	454,917
B.6 Costs for commercial activity	1,160,329	1,419,488	259,159
B.7 Variations in inventories of materials for fund-raising operations	-24,140	-288,145	-264,005
TOTALS	1,717,527	2,167,598	450,071

Costs to organise fund-raising increased in the year by 450,071 euros, totalling 2,167,598 euros.

Costs incurred in the management of the commercial activity increased in the year by 259,159 euros and stood at 1,419,488 euros. These costs consist primarily of the purchase or production of gadgets and purchases for the local street markets during the Christmas holidays. These costs account for

57.10% of corresponding income, which is higher than the previous year's figure.

Overall, **expenses relating to fund-raising and to commercial activity showed an increase of 714,076 euros** compared to the previous year mainly due to higher costs of fund-raising operations.

C - Institutional activity - costs for operational missions

Items	Initial carrying amount	Final carrying amount	Variations
C.8 For medicines and medical equipment	3,112,794	4,433,691	1,320,897
C.9 For raw material for prostheses	130,085	123,866	-6,219
C.10 For food and general provisions	990,696	942,759	-47,937
C.11 For services	3,859,259	3,878,357	19,098
C.12 For the use of third-party assets	513,467	508,645	-4,822
C.13 For personnel engaged in operational missions	7,961,097	9,479,018	1,517,921
C.14 Other costs for operational missions	0	0	0
C.15 Amortisation, depreciation and write-downs	1,498,011	1,761,372	263,361
C.16 Variations in inventories	598,462	623,254	24,792
TOTALS	18,663,870	21,750,960	3,087,091

In 2013, the organization was engaged in Afghanistan, Sierra Leone, Iraq, Sudan, Central African Republic and Italy. The aims and methods for conducting the missions are summarised in the management report.

Costs for operational missions recognized in profit or loss amounted to 21,750,960 euros, with an increase of 3,087,091 euros compared to the previous year.

As for the international staff, on average, approximately 130 units were employed in operational missions each month.

The cost breakdown for the various operational mission in Italy and abroad is indicated in the tables attached to the Management Report.

The tables from page 21 to page 29 included report details of the total costs relating to the missions carried out in 2013, compared with 2012, including costs for the increase in assets.

D – INSTITUTIONAL ACTIVITY - COSTS FOR PUBLICATIONS, CULTURAL ACTIVITIES AND MANAGEMENT OF LOCAL GROUPS

Items	Initial carrying amount	Final carrying amount	Variations
D.19 For the purchase and production of material pertaining to informational and cultural activity	396,250	374,672	-21,578
D.20 For services	2,464,376	368,879	-2,095,497
D.22 For personnel	643,187	432,802	-210,385
TOTALS	3,503,813	1,176,353	-2,327,460

Item D.19 contains expenses incurred for performance of the cultural activity, which basically consists in the organisation of meetings and conferences. The latter were again organised in 2013 only thanks to volunteer work by speakers and owners of the premises where said meetings and conferences took place and, consequently, no costs were incurred.

Item D.20 also includes costs to support information activities.

This item also includes the charges associated with the management of local groups and television advertising.

Volunteers in Italy, organised into 166 local groups, amounted to over 3,000; about 2,500 of them are in possession of identification badges and are actively involved in the promotion of a culture of peace and in fund-raising to support the association.

In 2013, the Association had 118 salaried staff, of which 64 employees and 50 project workers, in addition to 4 freelance workers.

At the Milan offices, there were 57 salaried staff members, of which 44 employees, 9 project workers and 4 freelancers and at the Rome offices there were 9 staff members, of which 8 employees and 1 project worker. In addition to these, there were 1 employee and 3 project workers employed at the Italian Coordination Programme, 7 employees working at the Clinic in Palermo and two project workers, 7 project workers at the one in Marghera, 6 project workers at the one in Polistena and 21 project workers of the mobile clinics, and 4 employees and 1 project worker in humanitarian missions abroad. In addition to said personnel of the various offices, 130 international staff members (doctors, nurses, administrators and logisticians) were regularly employed at the hospitals abroad during the year.

The Milan offices was assisted on an ongoing basis by around 73 volunteers, while the Rome office has around 31 volunteers; About 70 volunteer physicians and nurses work at the clinic in Palermo, about 70 at the clinic in Marghera, 5 volunteers at the clinic in Polistena and 20 volunteers (non-clinical) at the help desk in Sassari; From 2 to 4 volunteer doctors and nurses are always present on board the mobile facilities when they are in operation.

Compared to the previous year, a decrease of 2,327,460 euros was recorded, with costs amounting to 1,176,353 euros.

E – MANAGEMENT AND GENERAL SUPPORT ACTIVITIES COSTS

Items	Initial carrying amount	Final carrying amount	Variations
E.28 For the purchase of advertising material and stationery	14,425	16,748	2,323
E.29 For services	485,255	526,942	41,687
E.30 For the use of third-party assets	563,212	485,529	-77,683
E.31 For personnel	868,546	1,234,279	365,733
E.32 Other costs for operational facility management	169,062	198,546	29,484
E.33 Amortisation, depreciation and write-downs	75,631	83,776	8,145
TOTALS	2,176,130	2,545,820	369,689

The cost for the operational facility was about 8.76% (in the 2012 financial year it was 8.02%) **of the funds raised** (net of the relevant charges).

The cost increase in 2013, compared to the previous year, was mainly due to an increase in charges for fund-raising.

The operational facility continues to be generally flexible, and it is based on working with employees, a limited number of project workers related to specific operating needs, to staff doing civil service or placements as allowed by law, as well as a considerable number of volunteers.

The items that weigh on this category are represented by personnel costs, rental costs for the office in Milan, the offices in Rome and relative security deposits, as well as the costs for services, represented mainly by telephone costs, due in part to international communications with the operational missions and in part to contacts in Italy for fund-raising and support operations.

No fees were paid or planned for the members of the Management board. Some members of the Board receive fees for the activities they carry out within the Association, or as employees or project workers and, occasionally, they are reimbursed only for the transportation costs they had to incur directly in order to perform their tasks.

Fees to statutory auditors in 2013 were estimated to amount to 12,481 euros for auditing.

These fees are included in the professional fees set by the Order of Chartered Accountants in relation to the Association's equity.

F – FINANCIAL INCOME AND EXPENSES

Items	Initial carrying amount	Final carrying amount	Variations
F.38 Other financial income – interest receivable	1,443	891	-552
F.38 Other financial income - gains from foreign currency transactions for transfer of funds	35,847	0	-35,847
F.39 Interests and other financial expenses - interests paid on short-term loans	170,305	4,718	-165,587
F.39 Interests and other financial expenses – losses on foreign currency transactions for transfer funds	148,821	150,570	1,749
TOTALS	-281,837	-154,397	-127,439

The interest receivable from bank accounts and from fixed income securities, net of the withholding tax, on bank deposits, amounted to 891 euros.

Exchange differences connected with different currencies the Association works with generated a negative balance of 150,570 euros.

All income and expenses deriving from financial management derive from the ordinary management of the activity and not from speculative financial transactions or investments.

G – EXTRAORDINARY INCOME AND EXPENSES

Items	Initial carrying amount	Final carrying amount	Variations
G.40 Income - other	143,590	252,207	108,617
G.41 Expenses	190,485	217,393	26,908
TOTALS	-46,895	34,813	81,709

The other amounts included in the contingent assets mainly include write-offs on supplies of medical equipment approved by suppliers in 2013 but referred to previous years, and, to a much lesser extent, to the realignment of cash balances at operational missions.

Expenses mainly refer to contingent liabilities for the same amount, related to previous years.

The (positive) difference between extraordinary income and expenses amounted to 34,813 euros.

Income tax – tax reliefs

As commercial activities have been carried out since 2009, in a fully incidental fashion, the taxable amount for Emergency is determined by the taxable amount related to the performed institutional activity.

The IRAP tax (Italian regional tax on production activities) for the year 2013 amounted to 16,605 euros, and is calculated by considering the revenue generated by the Association as the taxable amount. Specifically, it is calculated on wages and retributions for project workers, as well as on payments to occasional freelance workers for the activities carried out on the Italian territory. In addition, the I.R.A.P. tax for commercial activity must be calculated by deducting from the relevant revenues a portion of costs calculated by comparing commercial proceeds with the total revenues generated. The tax reliefs pertaining to the I.R.A.P. tax have already been highlighted in the specific paragraph in the introduction of these explanatory notes.

Total I.Re.S. tax (tax on corporate income) payable for the year 2013 is equal to 20,851 euros. This tax is due for revenues on land owned by the Association, for accrued revenues on copyrights, and for interest receivable accrued on the current accounts opened at foreign banks.

Additional information on the cost of labour

In order to provide more complete information about the cost of labour incurred by the Association, the table below summarises the total overall costs that, in these financial statements, were recorded in different categories:

Items	Initial carrying amount	Final carrying amount	Variations
Salaries to employees	1,334,517	1,581,467	246,950
Remunerations to non-employees	232,464	216,446	-16,018
Compensation Italy projects and expatriate personnel	3,300,370	4,784,467	1,484,097
Compensation local staff	3,444,753	3,495,232	50,479
Social security and welfare contributions	852,688	935,070	82,382
Insurance premiums	318,545	218,119	-100,426
Employees' termination benefits	131,553	138,116	6,563
Other personnel costs	115,137	126,821	11,684
TOTALS	9,730,028	11,495,740	1,765,713

Overall the cost of labour incurred in 2013 increased by 1,765,713 euros compared to the previous year.

Some employees have chosen to pay into additional welfare schemes, so the portion of post-employment benefits indicated in items C.I.8 and C.II.6 of the balance sheet is recorded net of these amounts.

Events that occurred after the closing of the financial year

At the closing of the financial year, the Revenue Office had yet to publish the list bearing the amount of allocations of the 5 per thousand funds on individual tax returns for the 2011 financial year - tax returns filed in 2012.

From the list published on 10/04/2014, the Association will receive funds of 10,360,132.05 euros of which 9,389,529.38 euros expressly indicated by taxpayers, and 970,602.67 euros from the distribution of remaining funds. Based on this allocation, a bank granted us an advance on the amount through the opening of a credit line.

The need to resort to this advance is due to the uncertainty concerning the timing of the actual payment of the funds owed to the Association, in the continued absence of a legal provision establishing the amount.

The legal proceedings are continuing which were brought against newspapers or individual reporters in order to protect the name and reputation of the Association against episodes of libel.

The Association was also called into certain new successions of significant amounts for which inventory procedures are underway in order to define the estate or the eligible heirs. A few sales transactions of non-capital assets already recorded in the Association's equity were also concluded, some of which were not settled during 2013 due to delays in probate proceedings.

The Chairman of the Management Board

Cecilia Strada



BOARD OF STATUTORY AUDITORS / AUDITORS' REPORT ON THE FINANCIAL STATEMENTS AT 31 DECEMBER 2013

Dear Members, the final financial statements, which were submitted by the Board of Directors, show a summary of the following values:

Balance sheet		
Total ASSETS	Euro 21,170,606	Euro 18,561,448
Total LIABILITIES	Euro 10,714,720	Euro 10,757,758
Net equity	Euro 10,455,866	Euro 7,803,690
Total liabilities + Net equity	Euro 21,170,606	Euro 18,561,448
Income statement		
Value of production	Euro 31,225,759	Euro 28,866,239
Costs of production	Euro - 27,640,731	Euro - 26,061,340
Difference between value and costs of production	Euro 3,585,028	Euro 2,804,899
Extraordinary management	Euro -119,584	Euro -328,732
EBIT	Euro 3,465,444	Euro 2,476,167
Taxes	Euro -37,456	Euro -30,846
Operating result	2013 - Euro 3,427,988	2012 - Euro 2,445,321

Given that your Association, pursuant to Article 2477, paragraph 4, has assigned the Board of Statutory Auditors both the administrative supervision and the functions of statutory auditor, we hereby provide an account of our work for the financial year ended on 31 December 2013.

The financial statements were prepared in compliance with the principles of economic pertinence, accrual-based accounting and applicable laws, as well as with the accounting principles and recommendations set forth by the National Board of Certified Accountants and Bookkeepers. Exceptions were outlined by the directors in the explanatory notes, which, as already indicated in the reports on the financial statements for previous financial years, meet with our consent.

The Board of Statutory Auditors hereby confirms that the Association, despite the difficulties of strategic planning due to the uncertainty of the law on the management of funds from the 5/1000 on individual tax returns, was able, through careful control of costs, to achieve a profit of 3,427,988 euros, while ensuring the continuity of its operations.

The Board of Auditors has acknowledged that the Association has continued its work while maintaining its usual high level of performance.

We acknowledge that the Association, again for the 2013 financial year, received almost all its resources from private sources, and the Management Board has continued its efforts aimed at improving the analysis of the sources of the contributions received.

In particular:

WITH REFERENCE TO THE STATUTORY AUDITING OF ACCOUNTS

The Board of Auditors has carried out the statutory audit of the Association's financial statements at 31 December 2013. The responsibility for preparing the financial statements falls on the management body, while the Board of Statutory Auditors is responsible for the professional opinion based on a statutory audit of the accounts.

The audit was conducted in accordance with the established principles of statutory auditing of accounts. In compliance with those principles, the audit was planned and carried out in order to obtain all the information needed to determine whether the financial statements are free of material misstatement and are, as a whole, reliable. An audit includes the examination, on a test basis, of evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the Directors. We believe that our audit provides a reasonable basis for our opinion.

The balance sheet and income statement show, for purposes of comparison, the values pertaining to the previous financial year, and the summary management report was also prepared with contrasting sections.

Based on the checks carried out and the evaluations performed, also through the circularisation of certain balance sheet items, we hereby confirm the regular book keeping and note that the financial statements submitted for your approval correspond to the accounting records and that, as regards their form and content, that they were prepared in compliance with current statutory regulations, by applying the criteria set out in the Explanatory Notes.

The valuation of each balance sheet item was carried out on a prudent and going concern basis, also taking into account the economic function of the assets and liabilities in question.

Revenues and expenses were charged to the income statement on an accrual basis.

Intangible assets are recognised based on the costs incurred and amortised over their estimated useful life, and in any case within the time limits provided for by Article 2426 of the Italian Civil Code.

The values of intangible assets are shown net of amortisation for capital assets having a limited duration.

No additional adjustments were made other than those established in the amortisation schedules. There is no evidence, in fact, of the need to make write-downs as per Article 2426 no. 3 of the Italian Civil Code in addition to those provided for by the established amortisation schedule.

The net equity is derived from the allocation of operating surpluses of previous years. The net equity items are individually detailed as required by Article 2427 no. 7-bis of the Italian Civil Code.

The Management Board has updated the amounts recognised under the Mission Provisions, calculated on a prudent basis for possible future liabilities for activities already underway or to be started and the total residual provision is 6,062,500 euros, which is consistent with the commitments undertaken.

Other payables are recognised at their nominal value, which corresponds to their expected discharge value.

The proper calculation of accruals and deferrals was verified.

Ultimately, in our opinion, the financial statements correspond to the entries in the accounting books and records and, as a whole, they correctly represent the Association's financial and equity position and its operating performance for the financial year ending on 31 December 2013. We therefore issue a favourable opinion for the approval of the financial statements as prepared by the Management Board, including the allocation of the surplus.

WITH REFERENCE TO LEGAL CONTROL

We have monitored compliance with the law and with the Association's by-laws and observance of the principles of proper administration.

We were informed in due time of the decisions of the Management Board which took place in compliance with the by-laws rules and the laws governing its functioning and for which we can reasonably warrant that the actions resolved were compliant with the law and with the Association's by-laws, and were not imprudent, careless, reckless, in potential conflict of interest or could not in any way compromise the integrity of the Association's equity.

During our periodic verifications, the Directors gave us all information on the general operating performance and the outlook of operations, as well as on the most significant transactions in terms of size or nature, made by the Association. We can therefore reasonably guarantee that the actions taken comply with the law and with the Association's by-laws and are not imprudent, reckless, in potential conflict of interest or in contrast with the resolutions approved by the Members Meeting or could in any way compromise the integrity of the Association's assets.

We have examined and monitored the adequacy of the Association's organisational structure, including through the gathering of information from department managers, and in this regard we have no findings to report.

We have evaluated and supervised the adequacy of the administrative and accounting procedures and their reliability in correctly representing the operational events, by obtaining information from the department managers and through the examination of the Association's documents. In this regard we have no observations to report.

We have verified the correspondence between the financial statements and the facts and information we know of in carrying out our duties, and we have no observations to report in this regard.

The financial statements presented to us were prepared in accordance with the formats provided for by Articles 2424 and 2425 of the Italian Civil Code, and the instructions provided in Article 2427. The financial statements are also consistent with the rules laid down in the Articles 2423 and 2423-bis, and also take into account the provisions of Articles 2424-bis and 2425 referring to the treatment of the individual balance-sheet items and the recognition of revenues, income, costs and expenses in profit or loss.

As a result of the checks that we have carried out on the financial statements, we can also state that:

- the items in the balance sheet have been valued prudently and on the assumption of the Association as a going concern;
- the criteria used for the measurement of the items in the financial statements comply with the provisions of Article 2426 of the Italian Civil Code and are also consistent with those used for the previous year;
- the costs were included in the financial statements on an accrual basis;
- the operating surpluses are shown in the financial statements only if actually realised at the close of the financial year;
- in determining the results, all losses were taken into account, including when these became known after the closing of the financial year;
- the explanatory notes, prepared by the Management Board, were prepared in accordance with Articles 2423 and following of the Italian Civil Code and, in particular, Article 2427. The notes contain additional information considered necessary for completeness of disclosure, including of a financial nature.

No complaints were received pursuant to Article 2408 of the Italian Civil Code.

In the course of monitoring, as described above, no additional material facts came to light that require mention in this report.

To our knowledge, the Directors, in preparing the financial statements, complied with the law pursuant to Article 2423, paragraph 4, of the Italian Civil Code.

We have verified the correspondence between the financial statements and the facts and information we have come to learn of in carrying out our duties, and we have no observations to report in this regard.

Given that the documents we examined did not show structural problems that may affect the result for the year, we express our favourable opinion concerning the approval of the financial statements and the proposed allocation of profits.

Milan, 11 June 2014

Flavia Corradi
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Mario Moiso



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