

REPORT ATTACHED TO 2018 FINANCIAL STATEMENT

Dear Members,

The Governing Council of the Friends of Adwa Association desires to present to you 2018 management through the final balance and a summary of the most important events related to association activities last year.

Association activities

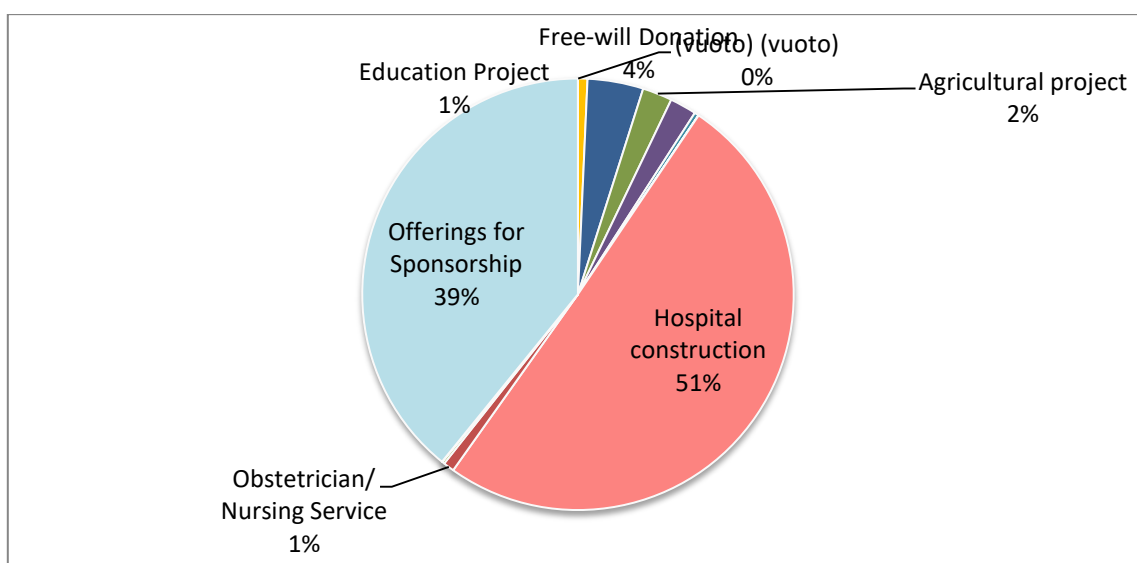
The events with members and supporters for 2018 was the usual friendly moments of the Dinner for sponsors, for whom we are attaching the summary, and the Volunteer's party, event specifically organized at the Parco dei Gorgi (Renazzo), dedicated to volunteers who for many years have made their time in Italy or at Adwa available to the Mission, a great moment to share and celebrate the twentieth anniversary from when the association was established.

Throughout the Summer, a Summer Camp was took place at Adwa where a group of 29 of young people from Cento, Finale Emilia, Bologna, Rimini, Padova and Rome, coordinated by Simona Frabetti from Cento, entertained the oratory.

Fund raising

Donations received by the association in 2018 were less than the previous year, but have however remained above average. There was no 1.25 million donation by the doctor entrepreneur Ercole Lucchini received in 2017, the association however has received bequests of 400,000 € and 191,544.68 (which was mentioned in the previous report), always supporting the hospital project. Here below a summary of donations received divided by project.

Donations		
	Year 2018	Year 2017
Child sponsorship project	536,682	527,713
Free-will Donations	57,356	47,749
Healthcare project	709,153	1,537,018
Education project	9,721	21,511
Agricultural project	30,508	12,838
Other	-	-
Total	1,343,420	2,146,929



The donations by **private donors** is the most important source, covering **97%** of total donations, followed by companies, associations, foundations and parochial groups.

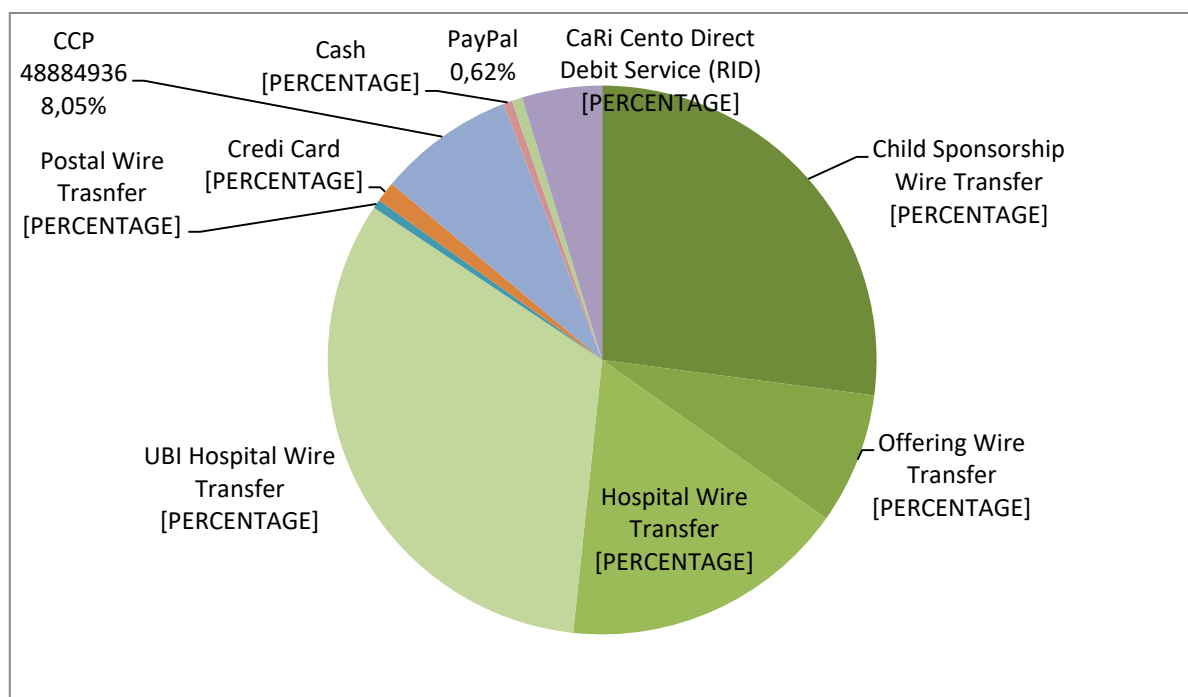
	Donations
Associations	€ 8,611.17
Company	€ 17,651.87
Religious organization	€ 1,640.00
Foundations	€ 6,000.00
Parochial groups	€ 5,055.50
Schools	€ 2,583.00
Professional Studios	€ 1,116.00
Private citizens	€ 1,328,408.40
Total	€ 1,371,065.94

Throughout the year **189 new donors** were added (slight decrease compared to 2017) and **49 new sponsors**; income for **child sponsorship** are increasing, despite the number of child sponsorships has decreased significantly to 1501, after checking payments and sending reminders to sponsor parents that have not paid their support quote for some time.

Also income from the allocation of **5x1000 IRPEF Income Tax** to support non-profit organizations **increased significantly (reaching an amount of € 57,658.63)**.

With regards to geographical distribution, most donations are from Emilia Romagna (excluding the 400 thousand grant from the Toscana Region), but other Italian regions (in order Lombardy Piedmont, Lazio, Veneto) contribute significantly thanks to contact with the missionaries, volunteers or active local groups.

As in the past, the wire transfer is the most used system, even in recurring mode. The on-line donation is still not used very much.



The association administration office

Throughout 2018 the association has once again confirmed collaboration with the photographer Carolina Paltrinieri and extended the employee contract for Lucia Cerritelli until June 2019.

In the spring, the association started the procedure for registration in the list of the International Cooperation Agency.

Throughout the summer, the association received a first denial on registration with the Agency, who requested the Charter to be adjusted and to increase direct management activities by the association for projects in Adwa. The Committee, having also heard the opinion of tax consultant Dr. Tiozzo Bon, has therefore decided to resubmit the application in the future, while at the same time consulted by Dr. Antonio Borrelli, project manager and expert in international cooperation who will activate a training program dedicated to the administrative office regarding grant planning and participation.

Specific consultation regarding *fund raising* has been confirmed, as mentioned in the previous report, activating a training program with the consultant Riccardo Friede, who followed communication and association fund raising for the second half of 2018 and in 2019 will continue the work carried out and supervision.

The administration office, in coordination with treasurer Giovanni Vancini and tax consultant Tiozzo Bon, has also started the procedure to update the association to the Volunteer Sector Reform (Law 106/16 with Legislative Decree n. 117, 3 July 2017), which will materialize throughout 2019 by modifying the Charter, activating a complete insurance policy for members and volunteers, and other initiatives that are evaluated from time to time by the Committee.

A Hospital for Adwa project

During 2018, thanks to an important grant from CEI, the construction work on the hospital has restarted with energy and the first wing of the new Adwa hospital was completed with doors and windows, systems and interior finishing.

Political changes in Ethiopia have found a level of equilibrium such that it has been possible to obtain the necessary permits to start healthcare activities. In the month of November 2018, the Ethiopian government finally recognized hospital activities, accreditation has been left as **HEALTH CENTER** for clinic visits, emergency room, delivery room and hospitalization with 27 beds.

A decision was made to postpone inauguration of the first hospital wing in order to give priority to equipping and organizing the facility and starting hospital activities.

The first months of 2019 have in fact seen the start of **healthcare campaigns and small procedures**, divided based on medical specialty, thanks to the professional services of Italian volunteer doctors (among them ASPOS and AMOA) who took turns in order to guarantee continual support and training of local personnel.

Always in the month of November a group of members, volunteers and employees have gone to Adwa to carryout monitoring activities for started and managed projects. The in situ presence is very important to verify the child sponsorship situation, participating in delivering assistance and updating Italian supporters.

Sister Laura and Alfonso Fossà, Healthcare Director, have proposed hiring two healthcare operators for the hospital project. It is Sara, obstetrician, and Pietro, nurse, a duo who has been given the task of starting the obstetrical nursing department for the new hospital starting with classroom training for Ethiopian nurses and then setting up the first hospital rooms and designing personnel organization.

The 5x1000 amount received in 2018 (related to financial year 2016) will be used to cover the costs of hiring these Italian collaborators, along with this it has been necessary to start specific

fund raising during the Christmas period, dedicated to the **nursing/obstetrician service start-up project**. The campaign has had great results with a total collection of 23,266 € (including donations received in the first months of 2019).

The collaboration contract has an initial duration of 1 year and unfortunately has ended after barely 3 months in January 2019, after the Medical Director Alfonso Fossà withdraw. The association is evaluating hiring another nurse to continue this started project.

Always within the hospital project, at the end of 2018 Dr. Anna Carobene, a laboratory biologist from the San Raffaele of Milan, left for Adwa, with the task of starting the blood test analysis laboratory for the new hospital. For this reason, the association has purchased material and equipment, with a total of almost 14 thousand € in order to allow Dr. Carobene to complete her activities already beginning in the first days of 2019.

The Nutrition and Agriculture project

At the end of 2018 Giovanni Marchetti, manager of the agricultural project at the Adwa mission, returned to Italy to find support and donations from friends and acquaintances. Thanks to his contagious enthusiasm and his tenacity, in less than two months he has organized meetings and appointments, which allowed the association to raise approximately 17 thousand €, in addition to 13 thousand € raised throughout the year, with a total of 30 thousand €.

The association has therefore provided to purchase agricultural equipment and material necessary to cultivate the reclaimed and terraced areas (among them, in particular, a motor hoe, a lawn mower, a brush cutter, a straw chopper) for slightly more than 9 thousand €.

Main Financial statement items

Against the donations received, total funds equal to 1,122 thousand € have been sent, of which 480 thousand for child sponsorships (having sent an advance of the February payment in December 2017) and more than 640 thousand for the other projects. In addition materials (healthcare and various) were purchased and sent for 34 thousand €.

The total **costs for the facility and personnel** of the Adwa Friends association total 84 thousand € in 2018 (against the 70 thousand n 2017), equal to **6.2%** of funds raised, considering the fact that the association has hired two healthcare operators with a collaboration contract.

The fund raising costs, including those incurred by sister Laura Giroto, total 34 thousand €, in significant increase due to professional consulting throughout the year and further communication towards supporters (invite to the Volunteer's party and pre-Christmas fund raising campaign).

Other charges for **implementing projects** (19 thousand € - 1.4% of funds raised) include insurance costs for Ethiopian patients, consulting by Carolina Paltrinieri for the Hospital Project and travel expenses and visas for members, volunteers and nurses.

The 2018 Financial statement therefore closes with a **surplus of € 95,196.45** with **total income** equal to **€ 1,411,313.55** and **expenses of € 1,316,117.10**.

Attached to the following report:

- Summary of funds raised 05/12/2018

Dear Members, based on what has been explained and attached, we request approval of this Final Balance for 2018, the Budget for 2019 and the following report regarding management of 2018.

Cento, 27 April 2019

Friends of Adwa Onlus

*The President
Carlo Farnè*

A handwritten signature in black ink, appearing to read 'C. Farnè', is written over a horizontal line.