

Empowering people and communities



2019
REPORT



FINAL BALANCE SHEET

Approved by the Board of Directors in the meeting of 20/07/2020



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1. STATUTORY BODIES

at 30/06/2020



BOARD OF DIRECTORS

Chairperson: Stefano Aversa
General Manager: Laura Biancalani
Vice Chairperson: Veronica Berti
Director: Alberto Bocelli
Director: Amos Bocelli

BOARD OF AUDITORS

Chairperson: Franco Martinelli
Member of the Board: Fabio Gambini
Member of the Board: Stefano Monti

ADVISORY BOARD

Mohammed Abdul Latif Jameel
Antonio Danieli
Laura Giarrè
Eliana La Ferrara
Muhammad Yunus
Elena Pirondini

STRUCTURE OF THE FINANCIAL STATEMENTS FOR 2019

The Financial Statements consist of the Balance Sheet, Income Statement and Notes to the Financial Statements. They also include the directors' report which is divided into two sections:
a) Mission Report
b) Economic and Financial Report

Preliminarily we would like to remind you that art.35 of decree 18/2020 published in the Official Gazette no.70 of 17/03/2020, allows, by way of derogation from the law and the various statutory provisions, to approve the financial statements by 31 October 2020, instead of the previous 120 days.

2.

REPORT OF THE BOARD OF DIRECTORS

Prepared by the Board of Directors on 20/07/2020

The Board of Directors of the Andrea Bocelli Foundation is pleased to present the report of its activities and the financial statements for the year 2019.

The financial statements were prepared in accordance with the recommendations of the Commission for Non Profit Organisations of the National Council of Certified Chartered Accountants.

The financial statements were drawn up in accordance with the provisions of the Italian Civil Code for companies taking into account the Foundation's special features as well as the principle of transparency, which requires the Foundation to provide information on the procedures by which resources were acquired and used in the individual areas of activity in the year in question.

In relation to the accounting standards applied, please refer to the Notes section of the Financial Statements.





LETTER FROM THE FOUNDER

Dear friends,

Thanks to all of you, 2019 was an exhilarating year. ABF continued to grow, and day after day, the foundation continued broadening its action, undertaking more initiatives, increasing the number of people it touched and continues touching, in a virtuous and tangible manner.

To sum up a year marked by increasingly complex philanthropic actions – which you will find set out below in prospectuses, graphs and figures – the evidence of a strong calling comes to our aid, which the past twelve months brought into focus with great clarity, and which has been maintained and strengthened in the current year, despite the emergencies of the pandemic, at first unsuspected. It is, essentially, the fulfilment of our mission: empowering people and communities. It is our task to fill this slogan with sense and substance.

That is what we have pursued, by setting ourselves the primary aim of promoting access to quality education... Where it is carried out by respecting others and conveying positive values, education – including musical education, which for obvious reasons we have very much at heart – remains the most effective answer, the seed of a journey that can transform oneself and, in perspective, one's community. It is a deceptively simple formula, a linear yet powerful equation. And that is what the foundation bearing my name aimed at, with more and more meticulousness and steadfastness, in the many projects it either launched or continued in 2019.

Access to education in situations of poverty and social emergency, as in Haiti, where ABF continues guaranteeing education and food to many children, feeding stomachs as well as minds; access to education in situations of discomfort due to calamities, as in the central Italy towns hit by the earthquake, where we rebuilt schools and strengthened the faith of communities, in their far from easy but winning choice to remain, with trust and the will to react. Finally, access to education in conflict zones, in vulnerable and politically complex regions, as in the "Voices of the World" project in partnership with UNESCO, through strategic programmes and dependable and innovative methods.

The yearly commitment to be held to account, through sequences of figures that although apparently far from enticing are actually significant and indispensable, falls at a time when the world is shaken and convalescent.

A troubled and impoverished world following the pandemic tsunami which, in the surreal spring of the current year, threw into disarray habits and projects, limiting freedoms, distancing, stealing the joy of sociability, crippling production systems and instilling the toxin of fear.

In the first few months of 2020, the global storm of the virus imposed its own dramatic healthcare priorities, which ABF nevertheless responded to. A disaster which we hope will be soon confirmed to have been hemmed in, or better still, a closed chapter.

After summing the unprecedented crisis – in which ABF was in the front line since the very beginning of the emergency, having been forced to change course and take decisions rapidly to deal with the equally rapidly evolving events – it is even hard to consider 2019 as the most recent calendar year, covered, indeed, by our financial statements. Because only few months have elapsed, but time is an always relative and elastic value, for better or for worse. And distance, in this case, appears much greater, in view of the many and serious urgencies that occurred in the first quarter of 2020.

The course undertaken by ABF remains the same and unfolds in the current year while looking ahead into the future, permeating the new needs of a world that has survived the pandemic, through a project to enhance distance learning, offering tools, platforms and methods to students, families, teachers, to support the development of accessible digital education.

As is the case for all balance sheets, either corporate or existential, one studies the past to build the future, one analyses what one has produced and what happened to capitalise on the experiences and to draw from the roots the most effective nourishment for the new shoots.

The darkest hours enhance the glimpses of light: those that show the right direction and separate wheat from chaff. Each crisis – it is no coincidence that the etymology of the word points to the meaning of "separate, decide, judge" – can be experienced as a challenge and an opportunity, as well as a great responsibility.

These are the healthiest lenses through which to constructively analyse, understand and interpret the balance of a year's work – these are the sentiments that inspire and strengthen the ABF team. I am certain that the same sentiments inspire and strengthen you, my dear friends, who are the key players in that extraordinary, living laboratory that is the foundation.

Andrea Bocelli



2.1. Mission report

A.

IDENTITY, VALUES AND MISSION

The Andrea Bocelli Foundation was established through a notarial deed by Notary Sergio Napolitano in Pontedera on 12/07/2011, by the will of its sole Founder Andrea Bocelli. In accordance with the Articles of Association, the Foundation may use the English name "Andrea Bocelli Foundation" (ABF).

The Foundation was granted legal status by the Prefecture of Pisa, Italy, on 12/10/2011. Since that date, it has been registered in the Book of Legal Persons, Volume VI, no. 46, at the aforementioned Prefecture of Pisa.

The Andrea Bocelli Foundation was established to leverage the wealth of relationships, that exchange of emotions and bond of trust that Andrea has created over time. It was born of the desire to create a strong relationship with all those people, a circle of individuals who may join forces and resources so that other people, who are experiencing difficulties, are able to find their place beyond all social, cultural or personal limitations.

Over the years and by coming in contact with many national and international situations, Andrea has become aware of the value that a committed, focused activity can have, that does not exhaust resources but targets them to obtain results which, albeit small, are innovative, effective and long lasting.



Identity

“It is by faith in love and justice that we are called upon to build a better world than we found, called upon to give back to the world the good that we received, so that even the less fortunate or weaker are given the opportunity of a life full of chances and beauty, and those who deserve it can find true energy and occasions to give the best of themselves”

Andrea Bocelli



This is the belief that led to the creation of the Foundation; achieving a living laboratory, a pillar of strength made up of many small players, all connected by passion for music who, from every part of the globe, join to fight extreme poverty in developing countries and accept major challenges in the social field and in scientific research.

This statement represents the Founder's vision, which underlies the development of its mission and is backed by some values identified as essential by the Founder himself and by the Board of Directors.

Values

The **Courage** to believe in small and large changes that we can make to initiate something true; the courage to have and give trust.

Care or taking care of the people who are around us, notice their discomfort or their unexpressed strengths.

Concreteness, working to provide real, tangible, measurable solutions to the problems we deal with.

Competence, a fundamental element so that actions are carried out with responsibility and professionalism hence be useful and effective.

Cooperation means establishing positive relationships between donors, the Foundation and the beneficiaries, bringing together will and needs through philanthropic intermediation activities so that anyone, however big or small, can participate and contribute with human, material and financial resources.

The key value that summarises our 5Cs is **Trust**: trust which we inspire, which we ask for, which we give and which we experience



Mission

Empowering people and communities

The Andrea Bocelli Foundation's core mission is to help people in difficulty, as a result of illness, poverty or social exclusion, by promoting and supporting national and international projects that promote full self-expression and the breaking of barriers.

The Foundation is committed to ensuring every individual and community can express their full potential beyond their limits.

The Board of Directors has decided to carry out the mission through the creation of two Programmes:

The **Break the Barriers** programme aims to support and promote projects that specifically assist the populations of developing countries, and in any case those situations of poverty, illness, and complex social issues that stunt or reduce the quality of life.

The **Challenges programme** aims to bring together the best minds to find innovative solutions to help people cope with and overcome the limits imposed by their disability/discomfort. This programme will therefore support projects in the field of scientific/technological research and social innovation.



The Foundation – as a private legal person focusing on the pursuit of social utility purposes – plays a complex role, whose specific feature is to support the planning ability of Private Bodies or national and international Public Institutions, and to act as a catalyst of the existing players and resources through the trust accorded to the Founder by many individuals and institutions.

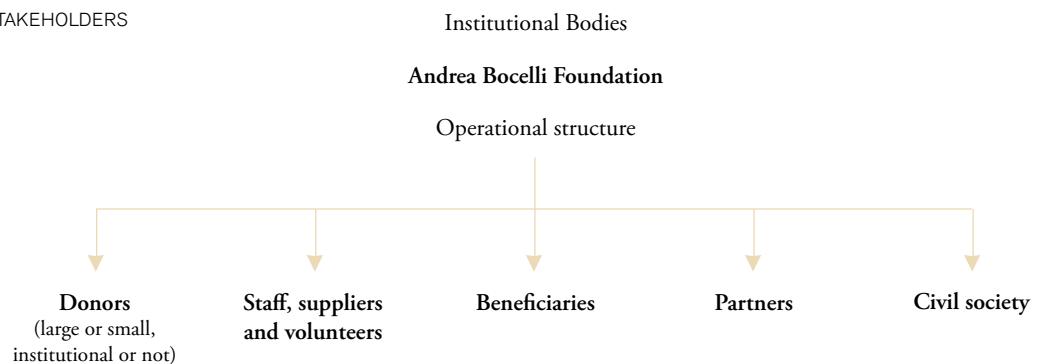
The Foundation's activities can be summarised as follows:



In addition to internal stakeholders (operational structure being established and statutory bodies), the Foundation identifies Third Sector organisations and national and international institutions as its preferential stakeholders, with whom it engages in constant exchange as to the choice of the projects to be funded as well as monitoring and assessing initiatives. However, the importance of the network of partners with whom the Foundation is already establishing relations and initiatives should not be neglected, especially in the start-up stage.

While setting up activities, we have prepared a comprehensive and complex map of stakeholders, consisting of crucial players for the achievement of the mission objectives.

MAP OF STAKEHOLDERS



B. INTERNAL ORGANIZATION

B1. Governance and activities of the Bodies

According to their respective functions as outlined in the Articles of Association, the Foundation's work is carried out by the following bodies: Board of Directors, Advisory Board and Board of Statutory Auditors.

The **Board of Directors** consists of 5 members, one of whom serves as Chairperson, and remains in office for three financial years. The first Board of Directors and its Chairperson were appointed at the time of incorporation directly by the Founder. Hence, the term of office of the appointed bodies will expire with the approval of these financial statements.

The powers of the Board pursuant to article 9 of the Articles of Association are as follows:

- define the foundation's general guidelines, within the objectives of the activity referred to in Article 2 of these Articles, and approve the action programmes prepared annually;
- approve the budget and final account;
- approve, where appropriate, the regulations concerning the Foundation's organisation and workings;
- establish membership criteria;
- have the power to deliberate on several categories of Members also in relation to the Foundation's projects, as well as the extent and duration of membership;
- approve, where appropriate, the Regulation for breakdown of members by category of activity and membership;
- appoint the Foundation's Chairperson through internal selection on the Founder's proposal;
- appoint the Vice Chairperson through internal selection;
- appoint Advisory Board members;
- appoint, as appropriate, the General Manager, from a selection of people with specific skills and expertise;
- appoint the members of the Board of Auditors;
- approve any changes to the Articles of Association;
- approve the sale and purchase of real estate, the acceptance of donations, either charitable or related to inheritance;
- vote on the proposal to the competent Authority for the dissolution of the Foundation and transfer of the assets. In the latter case, the quorum for deliberation

will in any case require qualified majority voting;

- delegate the executive functions of its decisions to the Chairperson or its members, for the purpose of more effective management;
- any other useful activity for the proper functioning and management of the Foundation.

The **Advisory Board** pursuant to art. 17 of the Articles of Association, is the Foundation's advisory and guarantee body and consists of a minimum of 3 members chosen by the Board among experts in the fields of the Foundation's activities.

In particular, the Advisory Board has the task of:

- designing, developing and assisting the Foundation's strategies and programmes;
- cooperate in defining the Foundation's guidelines and possible areas of development;
- support, in an advisory capacity, the Board of Directors in the Foundation's ordinary and extraordinary operations;
- prepare a periodical report on the Foundation's activity, to be submitted to all the Foundation's stakeholders.

It currently consists of 6 members linked to the Foundation's two programmes.

Prof. Yunus, Jameel Latif and Prof. La Ferrara are involved in the programme dealing with the fight against poverty.

- Prof. Yunus was awarded the Nobel Peace Prize in 2006 for the development of micro-credit with his Grameen Bank; in addition to this, for some time now, he has been spreading his concept of social business as a business model to fight poverty;
- Mohammed Abdul Latif Jameel, besides being a successful entrepreneur, has set up many important philanthropic initiatives around the world. In particular, he is a member of the MIT (Massachusetts Technical Institute) Board of Directors and founder of JPAL (Jameel Poverty Action Lab), a world famous institution for the impact assessment of the social policies of governments and international cooperation projects and in cooperation with which we set up a

workshop in Boston in 2013;

- Prof. Eliana La Ferrara is a Professor in Development Economics at Bocconi University. Furthermore, she cooperates with other foreign universities such as MIT and with the World Bank;
- The Challenges Programme, on the other hand, is covered by Prof. Laura Giarrè, who is an Electronic Engineering Professor at the University of Palermo. Prof. Giarrè is the scientific director of ABF's Fifth Sense Project;
- Antonio Danieli, an engineer, Director of the Marino Golinelli Foundation, and former director of the Nomisma Foundation is a member of the Advisory Board. A management engineer, he supports the development of the Foundation's organisation;
- Finally, the last member of the Advisory Board is Dr. Elena Pirondini, currently project coordinator at UNFPA, who is an expert in general coordination and project management.

The **Board of Auditors**, pursuant to art. 18 of the Articles of Association is the Foundation's management and organisation controlling body, and takes part, without voting rights, in all the meetings of its bodies. It is chaired by the Chairman of the Board of Auditors. It consists of three members chosen from among chartered accountants registered in the register of Auditors.

In 2019, the events involving the corporate bodies may be summarised as follows:

Meetings of the Board of Directors

• 25/02/2019	• 19/07/2019
• 30/03/2019	• 16/08/2019
• 29/04/2019	• 17/10/2019
• 10/06/2019	• 04/12/2019

During 2019, the Board of Directors met to activate and monitor the initiatives and projects put in place and to be implemented within the current year and in the medium term.

During the course of 2019, the Chairperson and General Manager operated according to their respective responsibilities, as established in order to separate the role and responsibility to steer and approve activities from the executive role

The Board of Directors consists of five members as set out in art. 13 of the Articles of Association.

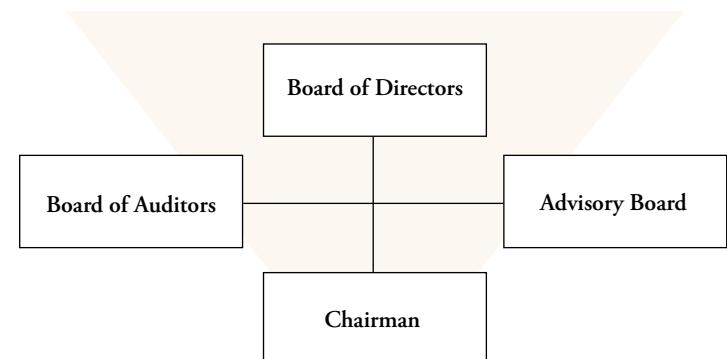
Furthermore, as of 1 January 2017, two Internal Committees have been set up by the Board of Directors:

- Human Resources Committee: deals with recruitment, employee performance appraisals, goal setting and reward system;
- Internal Audit Committee: performs auditing of organisational procedures and accounts.

The governance and organisation model implemented in 2019, reporting directly to the General Manager, features six posts to be filled by specific individuals (internally or in outsourcing mode):

- Fundraising
- Marketing & Communication
- Finance & Accounting
- Legal & Compliance
- "Break the Barriers" programme
- "Challenges" programme

The Board of Directors will meet at least 4 times a year to decide on: Final balance sheet, review and audit of the mission report and of the achievement of preset objectives, fundraising and investments, activity planning.



B.2 Operational structure

In 2016 it was decided to establish the positions of Chairperson and General Manager in order to separate the role and responsibility to steer and approve activities from the executive role, in order to distinguish the different responsibilities and avoid any potential conflict of interest.

The Chairperson has granted broad executive powers to the General Manager, by means of special power of attorney drawn up by the Notary Public Alberto Zetti.

The Foundation has acquired expertise that enables it to expand and consolidate its core activities. in 2019 the following positions were confirmed: 1 clerk in the communication/Fundraising area, 2 apprentices in the finance area and one personal assistant/office manager. In the second half of the year, a senior resource was acquired for 6 months in the core activity and projects department.

The appointed Advisory Board members provided major support in the identification of the development strategy as well as the individual activities and projects to endorse.

Many professionals and companies worked on a voluntary basis and offered their pro bono work in order to build the Foundation's organisation.

Collaboration continued with long-term partners such as Fondation St. Luc for the maintenance and development of projects in Haiti, other partnerships were formed and are being established for the development of core activities.

The rest of the operations were supported by a large group of volunteer staff manning the various positions on a regular basis.

With reference to communication, the material was produced by an external agency, and the press office work was also outsourced.

Legal advice is partly pro bono, partly provided by a law firm with which we have a well-established relationship in order to request opinions and to thoroughly manage the year's activities in terms of fund raising initiatives as well as international donations.

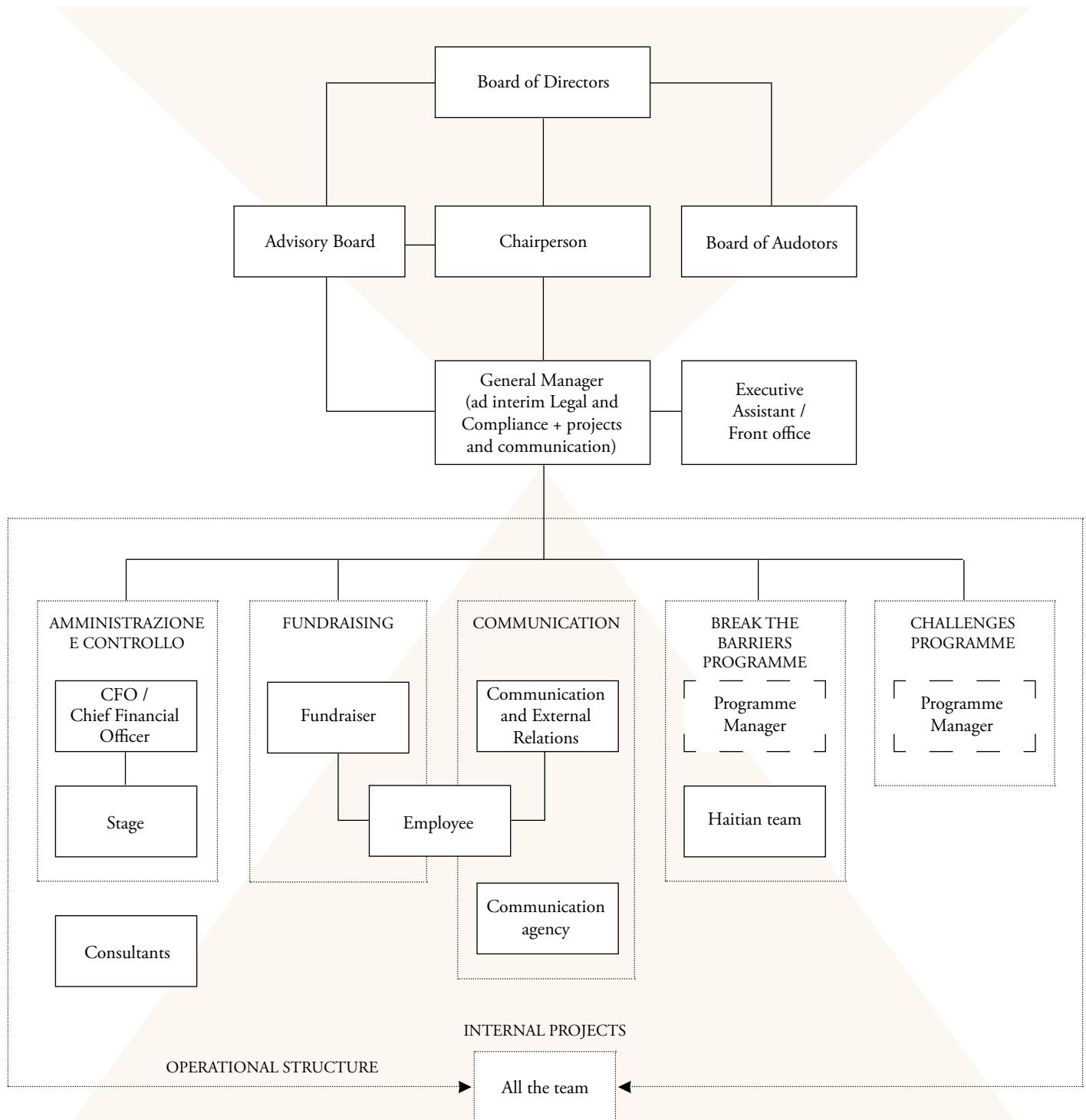
In addition to that, during 2019, the accounts department used the services of an external firm for tax fulfilments, tax consultancy and payroll.

Further actions were undertaken to retain volunteers, so that they too may give continuity and support to the Foundation.

The information system acquired in 2014 to manage donations as well as for management of projects and contacts with stakeholders was used for carrying out and disseminating activities.

A goal that should continue being pursued, in 2020 as well, is setting up a team of employees, associates, external suppliers, volunteers all working together under the same banner: trust, transparency and teamwork.

A proposed organisational structure by positions that has been implemented to date is shown below, with dashed lines representing the vacancies to be filled in 2020.



C. ACTIVITIES: THE PROCESSES

The Andrea Bocelli Foundation has always operated and will continue to operate according to three lines of activity:

1. Support to projects submitted or designed with national and international Institutions or Bodies, which represents the Foundation's core activity;
2. Sundry philanthropic activities, in line with the Founder's vision and values;
3. Direct actions by the Founder;
4. Institutional relationships, opportunities for analysis and actions in partnership, in line with the Foundation's vision and mission.

The beneficiaries

The resources provided by the Foundation, apart from those used for actions of internal origin referred to in points 2 and 3, may only concern – as required by the Articles of Association – Non Profit Organisations and national and international Institutions, and the Foundation shall avoid as much as possible to provide resources directly to natural persons.

The work process: support to projects

Starting as far back as 2011, even before the establishment of the Foundation, research and analysis was performed on projects falling within the Foundation's programmes and in the Founder's intentions, together with those who were then appointed as members of the Advisory Board. In search of an organisational model that would take into account the impact and motivations of ABF members, since 2015 we have sought to strengthen existing partnerships, in particular with Fondation Saint Luc in Haiti. The partnerships then multiplied in view of the completion and progress of the various projects.

The will expressed by the bodies is to work in partnership with trusted entities who hold the same vision and goals as the Foundation. This will, at least in the medium-term, allow for knowledge of the needs and therefore a focus and results that may otherwise not be possible.

The multi-year forecast strategic document (DPP)

The DPP is a document that sets out the plan for the three-year period following approval. It is a medium-term strategic document that is used to draw up the DPA.

The annual forecast strategic document (DPA)

The DPA is a document planning activities with a special focus on costs, grants for projects and revenues. The Document is approved every year by 30/10.

The quarterly report

The report that is drawn up each quarter is a check of the activities scheduled in the DPA, of the costs and revenues. It updates the DPA situation.

The Foundation operates based on the guidelines dictated in the plan, in most cases updating the DPA to monitor the status of projects, revenues and costs.

The search for project models and replicability

The Foundation operates first and foremost by setting out strategies and projects conducive to implementing its mission. The projects are often internally developed, and on-site partners are then sought for implementation. One seeks to develop projects that are replicable although adjustments are required by each setting.

The grant-making activity

Sometimes, if the mission can be implemented by supporting third parties' activities, the Board may decide to support the activities of other entities without managing them directly.

Emergency response

For some years now, a small fund has been accrued within the Foundation, equal to 0.001 of the estimate of the resolution to mainly address the needs of natural persons in special cases. In one year, about twenty cases are dealt with, with two designated volunteers.



D. CORE ACTIVITIES: OVERALL VIEW



In 2019, the Foundation's work was carried out through three levels of operations:

- support to projects from national and international Agencies and Non Profit Organisations, which represents the Foundation's core activity;
- various philanthropic activities consistent with the Founder's philosophy;
- institutional relationships and partnership initiatives with an Institutional profile or for the promotion of individual projects;

These activities were carried out within the two programmes identified by the Board of Directors in accordance with the vision, mission and values of the Foundation's sole founder: Break the Barriers programme and Challenges programme.

Break the Barriers programme aims to support and promote projects, assisting, in particular, the populations of developing countries, where situations of poverty, illness, malnutrition and complex social issues impair or reduce life expectations.

The Foundation seeks to support actions to promote health, education and social integration, and wishes to do so directly measuring, where possible, the impact of its actions in order to continuously improve it. The projects supported in 2019 are listed below.

PARTNER	PROJECT	PROJECT DETAIL	AMOUNT APPROVED in euro	AMOUNT DISBURSED in euro
Fondation St. Luc Haiti	Development project	EDU project	-	-193,900
Fondation St. Luc Haiti	Development project	3.COM	-	-
Fondation St. Luc Haiti	Development project	UCLA project	-	-36,274
Fondation St. Luc Haiti	Running costs	Wheat project	1,890,551	-2,035,070
Fondation St. Luc Haiti	Development project	Empowering specialization	20,000	-19,983
Fondation St. Luc Haiti	Development project	Voices of Haiti	137,962	-98,753
Fondation St. Luc Haiti	Running costs	Water truck	-	-143,749
Fondation St. Luc Haiti	Running costs	Mobile clinic	138,852	-90,320
Fondation St. Luc Haiti	Running costs	HIV	-	-
Direct ABF and OTB	Development project	Sarnano school	-	-10,935
Direct ABF	Development project	Muccia school	1,000,000	-1,611,836
Direct ABF	Development project	Camerino Academy	1,757,576	-91,857
Direct ABF	Development project	Other emergencies	29,847	-14,167
Direct ABF	Development project	Lajatico 06	20,000	
Direct ABF and Klitcko Foundation	Development project	Klitcko	25,000	
TOTAL			5,019,788	-4,116,670

The amounts approved and allocated were recorded according to the exchange rates in force on the date on which they arose.



Challenges programme aims to bring together the best minds to find innovative solutions to help people cope with and overcome the limits imposed by their disability/discomfort.

The Foundation therefore supports scientific, technological research projects or innovative and original social actions that allow those who live in a situation of illness or social/economic difficulty to overcome or at least improve their conditions.

We continued the dialogue with MIT for continuation of the 5th Sense project, also in view of setting up a permanent laboratory to deal with assistive technologies in cooperation with some Italian universities. In this stage, the Foundation is working on designing and defining future activities with a series of partners.

Please find below the total disbursements as at 31/12/2019, broken down by action programmes.

PROGRAMME	AMOUNT APPROVED in euro	AMOUNT DISBURSED in euro
Break the Barriers	5,019,788	-4,116,670
Challenges	-	-
TOTAL	5,019,788	-4,116,670

The amounts approved and allocated were recorded according to the exchange rates in force on the date on which they arose.

ABF project and activities

in Italy and worldwide



Timeline



2013 / June

ABF kicks off the Wheat project to benefit 1,163 students of the 3 street schools of St. Augustin, Notre Dame du Rosaire, St. Philomene in Haiti.



2014 / April

After having stabilised the number of students, ABF kicked off the EDU project aimed at converting the 3 street schools of St. Augustin, Notre Dame du Rosaire, St. Philomene into functional and safe facilities for 1,750 students.



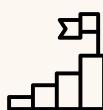
2015 / April

ABF inaugurates the first 3 schools, which immediately become the reference point and hub of development and assistance project activities for the Communities.



2016 / January

ABF continues working in the Communities with the construction of 2 new schools: Manitane and St. Raphael, located in the towns of Dame Marie and St. Raphael. The number of students reaches a total of 2,550.



2017

ABF continues its works in Haiti with intervention programmes in the 5 communities, continuing to offer access to education, treatment, water and basic necessities and integrating the projects with elements of medium-long term development.



2018

ABF starts implementing its work in Italy for the communities affected by the Central Italy earthquake, applying the model of the experience gained in Haiti, where the school becomes the hub of day-to-day life. A school open to citizens, of today and tomorrow. It also continues working in Haiti with projects that assure continued access to education, care, water and primary goods.



2019

ABF continues to work in Italy and abroad in order to ensure access to quality and fair education for all students. It designs and organises intervention programmes that are scalable and replicable in other countries. Thanks to the interdisciplinary team and to international partners, ABF looks into the future in an increasingly global way.

8 years of ABF in figures

Focus on the main activities

In 8 years of activity together we have collected over _____

33 million Euro.

Which has allowed us to implement, among many projects _____

8 schools in Italy and in Haiti.

To offer _____

3.000 students, access to education.

And to guarantee to over _____

8.000 people, basic health care in the poorest and remotest areas of Haiti.

And distribute to over _____

400.000 people, living in slums, drinking water every day.

And assist _____

800 families with the HIV programme.

And train _____

60 students in the “Voices of Haiti” project, born to introduce talent as an additional element to develop one’s potential and express oneself to the full.

D1. Break the Barriers programme



Break the Barriers

“Break the Barriers” aims to support and promote projects assisting weaker population groups in Italy and in developing countries, where situations of poverty, illness, malnutrition and complex social issues impair or reduce life expectations.

The Foundation seeks to promote actions to support health, education and social integration, and wishes to do so directly measuring, where possible, the impact of its actions in order to continuously improve them.

Within this programme, for the current year ABF mainly worked in Haiti and started significant work in Italy and Europe as well.





PROJECTS

EDUCATIONAL AREA

Investing in human capital:

- opportunity for access to free primary education in PVS, especially in the remotest areas of Haiti;
- higher education opportunities for future leaders who have proven their ability with merit.

EMPOWERING COMMUNITIES AREA

Offers the opportunity to express the potential for both individuals and Communities as a key to creating a virtuous, socio-economic

growth cycle which can lead to self-support long term.

HEALTH AREA

In its Health and Prevention programs ABF works to take health assistance to remote areas, not reached by local health services.

At the same time through seminars and home care ABF works to create new awareness of the

importance of taking care of one's body for the growth and development of new generations. With the HIV Program in the capital, it assists 800 families, also at home.

EMERGENCY AREA

ABF implements timely support actions to deal with humanitarian emergencies and natural persons facing particular difficulties.

PROJECT:

First Level Secondary School “G. Leopardi” of Sarnano - Central Italy Earthquake Reconstruction

Partner: Direct action project

Location: Sarnano (MC) - Italy



PROJECT

The Andrea Bocelli Foundation and Only The Brave Foundation, united by the desire to carry out concrete projects showing solidarity on an international scale, have set themselves the goal of restoring normality to the future of the many young people of Sarnano, a medieval village rich in history, located in the province of Macerata, whose artistic heritage was severely hit by the earthquake. The Andrea Bocelli Foundation and Only the Brave Foundation therefore decided to join forces for the reconstruction of the “Giacomo Leopardi” Middle School in Sarnano, made unusable by the earthquake that hit Central Italy last summer. The works were started in agreement with the Extraordinary Commissioner for Reconstruction and the building was gifted on a “turnkey” basis to the local administration on 2 May 2018, 150 days after the start of the works, completing the 1400 square metres of space.

The new facility, built with modern and anti-seismic construction techniques, serves for the 2019-2020 school year 108 middle school students and three Primary School classes while waiting for the new facility to be built.

In May 2019, it was officially recognised as a musical institution by the Ministry of Education.

DIRECT AND INDIRECT BENEFICIARIES

150

Students involved

3,268

Inhabitants of Sarnano





OBJECTIVES

- Build the new G. Leopardi middle school facility;
- Restore normal teaching activities;
- Return the facility to the Community of Sarnano and its young people.

CONTEXT

On 24 August 2016 at 3.36am Central Italy was hit by an earthquake with magnitude of 6.0, which affected the regions of Abruzzo, Lazio, Marche and Umbria. Thousands of people were involved in the event that caused 299 victims, numerous injuries and severe damage to the area.

On 26 and 30 October, new violent earthquakes hit central Italy, in particular the border between Umbria and Marche. The earthquake of 30 October, with its magnitude of 6.5 was the strongest in Italy in the last thirty years: the number of people left homeless – as well as damage – increased exponentially, but there were no victims.

ACTIONS

- School reconstruction project;
- Coordination of activities with the Extraordinary Commissioner for Reconstruction;
- Coordination with private and public project partners.



PROJECT:

ABF “Let’s play...Music together” Music Festival

Partner: Municipality of Sarnano and G. Leopardi Middle school
Location: Sarnano (MC) - Italy



PROJECT

The G. Leopardi Comprehensive Middle School in Sarnano and the Andrea Bocelli Foundation, one year after inaugurating the school that was restored to the community of Marche, featured on a special day that brought together 11 educational concerns of the area. Over 500 children, students coming from comprehensive music middle schools and from dance high schools in the Marche region, met at the educational building donated by ABF and by the “Only the Brave Foundation” (where the training building stood before being damaged by the 2016 earthquake) and then at the local sports hall, on Wednesday 29th, and they made music together by using the variety of instruments in the educational spaces dedicated to music and multimedia, which the school – thanks to the contribution of the SIAE – is equipped with. The schools that participated were honoured with a symbolic “Gold Record”.

DIRECT AND INDIRECT BENEFICIARIES

+500

Direct beneficiaries

50

Teachers

Municipalities
of Sarnano and
surrounding areas

Indirect beneficiaries





OBJECTIVES

- Giving continuity to the actions undertaken in the Sarnano community with the donation of the new school;
- Assisting the institute and the students in the process of training and enhancement;
- Generating opportunities for togetherness and attention to the place and the territory.

CONTEXT

On 24 August 2016 at 3.36am Central Italy was hit by an earthquake with magnitude of 6.0, which affected the regions of Abruzzo, Lazio, Marche and Umbria. Thousands of people were involved in the event that caused 299 victims, numerous injuries and severe damage to the area.

On 26 and 30 October, new violent earthquakes hit central Italy, in particular the border between Umbria and Marche. The 30 October earthquake – whose magnitude was 6.5 – was the strongest in Italy in the last thirty years. 95% of homes are now unusable.

ACTIONS

ABF organises and incurs the costs for implementing the initiative.

PROJECT:
**Primary and Nursery School
“E. De Amicis” - Muccia**

Partner: Direct action project
Location: Muccia (MC) - Italy



PROJECT

After building the ‘Giacomo Leopardi’ School of Sarnano, in the Macerata area, inaugurated last May, the Foundation undertook a new project in Muccia, in the Marche region, to rebuild the primary and nursery school “E. De Amicis” that had been destroyed by the earthquake swarm that hit Central Italy in 2016 and that has continued tormenting that land since then.

The project was developed with students and community according to a participatory procedure. The pre-existing structures were demolished in September-October 2018 thanks to cooperation with the Fire Brigade.

On 26th June 2019 the new school was donated “turnkey” to the local administration; this structure was also built in 150 days from the beginning of construction. To date, in the Municipality, almost all families live in modular residential complexes and children attended lessons in containers until May; the surface involved is close to 1000 square metres and it offers large common areas, to be used for informal lessons, for reading sessions or simply for socialising. Through a team of experts, ABF focused on the implementation of a place integrated with the community, with the local specific features, which would be able to meet the wishes of young students as well... From the space for growing aromatic herbs to the aquarium, to a canteen in the centre of an ideal “agorà” where there is a piano too, as a symbol of the school’s markedly musical aptitude.

The new “De Amicis” uses the “Platform Frame” technology with wooden frames, thus ensuring the highest degree of resistance against earthquakes and certifying the school in class of use IV among buildings “with significant public or strategic functions, also with reference to the management of the civil protection in case of a disaster”.

The construction through prefabricated wooden elements with high insulation thicknesses, combined with underfloor heating, photovoltaic system, heat recovery air units and heat pump systems, guarantees the highest standards of comfort and energy saving, thus allowing the structure to be classified among Near Zero Energy Buildings (NZEB).

DIRECT AND INDIRECT BENEFICIARIES

50

Students involved

1,000 c.a.

Inhabitants of Muccia





OBJECTIVES

- Building the new primary and nursery school of Muccia;
- Restore normal teaching activities;
- Return a facility for social life to the Community of Muccia and its young people.

CONTEXT

On 24 August 2016 at 3.36am Central Italy was hit by an earthquake with magnitude of 6.0, which affected the regions of Abruzzo, Lazio, Marche and Umbria. Thousands of people were involved in the event that caused 299 victims, numerous injuries and severe damage to the area.

On 26 and 30 October, new violent earthquakes hit central Italy, in particular the border between Umbria and Marche. The 30 October earthquake – whose magnitude was 6.5 – was the strongest in Italy in the last thirty years. 95% of homes are now unusable. People live in Emergency Housing Units.

ACTIONS

- School reconstruction project;
- Coordination of activities with the Extraordinary Commissioner for Reconstruction;
- Coordination with private and public project partners.

PROJECT:
ABF Summer Camp
“E. De Amicis” - Muccia

Partner: Municipality of Muccia
Location: Muccia (MC) - Italy



PROJECT

After inaugurating the new “E. De Amicis” school complex, the Andrea Bocelli Foundation opened the first ABF Summer Camp in the facility, in order to immediately make it a place for meeting, research and discovery, where children – but also adults, teachers and parents – were able to share the pleasure of learning as a time for mutual growth, opportunity for self-care, care for the other people and for what surrounds us.

From 1st to 13th July the premises came to life, enriched with the stories, emotions and thoughts of 50 children, 7 teachers from the Comprehensive Institute, 11 volunteers from the Foundation, 3 extraordinary experts (Pietro Dichiara, Laura Baldassarre, Bruno Spaccia).

The Summer Camp project was designed by the ABF professionals Team, which includes two pedagogues who worked alongside the teachers in order to encourage the use and approach with the instruments that are available to the school thanks to ABF.

DIRECT AND INDIRECT BENEFICIARIES

50 children

Direct beneficiaries

7

Teachers

**Municipalities
of Muccia and
surrounding areas**

Indirect beneficiaries

OBJECTIVES

- Offering an experience of child-students-families integration and experimentation with the new facility;
- Promoting the concept of school as an educational, cultural and social center of reference for the entire community, creating new and different contexts of meeting and sharing within the school, and offering strategies and tools to live in - exploiting all its potential - daily;
- Introducing boys and girls into the new school context;
- Promoting practices of self care, of the others and the environment that welcomes us;
- Supporting teachers in acquiring strategies to apply the available features and tools of the new facility and the different teaching methodological possibilities to be undertaken in support of teaching innovation.



CONTEXT

On 24 August 2016 at 3.36am Central Italy was hit by an earthquake with magnitude of 6.0, which affected the regions of Abruzzo, Lazio, Marche and Umbria. Thousands of people were involved in the event that caused 299 victims, numerous injuries and severe damage to the area.

On 26 and 30 October, new violent earthquakes hit central Italy, in particular the border between Umbria and Marche. The 30 October earthquake – whose magnitude was 6.5 – was the strongest in Italy in the last thirty years. 95% of homes are now unusable. People live in Emergency Housing Units.

In June 2019, ABF delivered to the Community a new functional and safe structure built in 150 days from the beginning of construction.

ACTIONS

ABF incurs:

- The costs for the implementation of the Summer Camp;
- Logistic organization;
- Pedagogical coordination of activities;
- Training of the staff employed;
- Conceptual design, documentation and monitoring actions, and evaluation of the activities undertaken.

PROJECT: **Camerino Music Academy**

Partner: Direct action project

Location: Camerino (MC) - Italy



PROJECT

After the construction of the "Giacomo Leopardi" school in Sarnano, and after starting reconstruction of the nursery and primary school in Muccia in the province of Macerata, the Andrea Bocelli Foundation inaugurates a new project in Camerino, in the Marche Region, aimed at building the new Palazzo della Musica which was destroyed by the earthquake that hit Central Italy in 2016, which has been keeping on tormenting that land ever since. The project, for the benefit of over 160 students and thanks to an extant agreement with the Conservatory of Fermo, will allow the new facility to host not only the lessons for enrolled students, but also to serve as a branch office of the Conservatory, thus playing a role that is even more significant for the area. The project will involve the Municipality of Camerino, the Associations of the region, the University, the musical high schools and the Conservatory of Fermo, which has already exceptionally granted a long-term multiannual agreement.

ABF will not only take care of construction of the building but, together with the aforementioned institutions, it will take action to strengthen the music facility and to make it self-sustainable, if possible, adding it to the network of the other local and national experiences it deals with. The new facility, which will be built with modern and anti-seismic construction techniques, will host themed classrooms, common areas and an auditorium.

DIRECT AND INDIRECT BENEFICIARIES

160

Students involved

18

Teachers

73

Members of the wind Orchestra

6,850 c.a.

Inhabitants of Muccia



OBJECTIVES

- Maintaining continuity in the access to musical education;
- Offering a proper and final facility;
- Giving a tangible sign of restoring everyday life to the community;
- Offer a safe haven to the community;
- Consolidating the project activities of the region by creating an integrated project system.

CONTEXT

On 24 August 2016 at 3.36am Central Italy was hit by an earthquake with magnitude of 6.0, which affected the regions of Abruzzo, Lazio, Marche and Umbria. Thousands of people were involved in the event that caused 299 victims, numerous injuries and severe damage to the area.

On 26 and 30 October, new violent earthquakes hit central Italy, in particular the border between Umbria and Marche. The 30 October earthquake – whose magnitude was 6.5 – was the strongest in Italy in the last thirty years.

ACTIONS

- School reconstruction project;
- Coordination of activities with the Extraordinary Commissioner for Reconstruction;
- Coordination with private and public project partners.



PROJECT:
Voices of the World

Partner: UNESCO – Ministry of Culture of Saudi Arabia

Location: Due to social, cultural and economic marginalisation, these areas are among the most vulnerable



PROJECT

The programme aims at enhancing the psychosocial support of disadvantaged children who live in vulnerable regions. Through the creation of regional choirs and other educational activities, ABF aims at offering empowerment opportunities to participants and to their communities, by using music as a tool to strengthen their skills, to stimulate their creativity, to promote collaboration and to offer them more chances of success in life. As with all education projects carried out by the Andrea Bocelli Foundation, the effort is strategically aligned with objective no. 4 (Quality Education) for 2030 of the United Nations for sustainable development. The Andrea Bocelli Foundation and UNESCO also signed a memorandum of understanding with the aim of cooperating on musical education projects as an empowerment tool; these projects will be developed and made known in the upcoming months.

When ABF started to develop the program Voices of the World in 2014, the Foundation took action in order to add musical education within key projects in Italy as well as in Haiti.

In Haiti, in January 2016, the Foundation launched the pilot project Voices of Haiti and introduced musical education in 30 schools which were supported by the local partner, Fondation St Luc (including 5 schools ABF-Fondation St Luc). From a pool of 12,000 students enrolled in the schools, ABF then selected 60 among the most talented boys and girls to form the first "Voices of Haiti" choir (see project sheet page). However, In Italy ABF took action in order to introduce the best practices in musical education as part of the official curriculum for the schools built by the Foundation after the earthquake that hit central Italy in 2016 (Sarnano 2018, Muccia 2019, Camerino 2020). More recently, in November 2019, the Centrozerosei nursery school in Lajatico (Tuscany), which is Maestro Bocelli's birthplace, also adopted the same methodology.

The personal transformation experienced by children, and by the communities in which they live, and witnessed in recent years exceeded any expectations and led ABF to invest in this strategic approach more and more.

DIRECT AND INDIRECT BENEFICIARIES

60

Talented students

20

Members of the multidisciplinary team

10

Members of the local team



OBJECTIVES

- Helping students grow their talent;
- Improving team building skills;
- Developing leadership skills;
- Providing the instruments that are necessary to contribute to the empowerment of their communities;
- Creating opportunities for international attention for the Haitian situation and encourage international travel, to promote all-round growth of the young people involved.

CONTEXT

The programme Voices of the World was launched in 2014 and resulted from the work of a multidisciplinary team who designed an innovative methodology aimed at social inclusion and personal expression through musical education. All the students come from a vulnerable economic, social and political context. Through music, they are able to find a way to consolidate the logics of discipline, cooperation and manage to briefly free themselves of the grip of poverty. Music therefore becomes another way to support social and intellectual development not just of the individual but of the entire community. Through music and the beauty expressed by music, there is the will for international interest to focus again on the conditions in the Country.

ACTIONS

- Musical organisation and artistic direction of the project;
- Support for the expenses of local organisation and of the artists participating in the project;
- Organisation of national/international travel and organization of cultural exchanges and artistic performances.



PROJECT: **W.H.E.A.T project - Haiti**

Partner: Fondation St. Luc - Haiti

Location: Haiti



PROJECT

In a context such as Haiti, the role played by school becomes fundamental: safe places where children can “take refuge” from the dangers of rampant crime and benefit from an education which offers potential emancipation for them and the community itself.

Educating children and their families to the concept of school as a chance for emancipation for themselves and the community means engendering awareness that change must go through and for them. Education and respect for its value, reaffirms the dignity of individuals, making them capable to positively impact the choices for their future. Education also means the culture of self respect, respect of one's own body, in a more responsible approach to sexuality and to STDs. All schools of the ABF-Fondation St Luc system have the same status as state ones, and they are managed by duly authorised and qualified teachers and personnel. The curriculum is in line with that of public schools and is managed by a central committee, which is responsible for the implementation and monitoring its application in the schools of the various communities. A local committee at each school manages adaptation of the curriculum based on local characteristics and needs and on the level of the students concerned. The Central Committee is in constant dialogue with the local committees, communication which is not only conducive to addressing the specific needs related to education, but also the general conditions in which one operates. All teachers are included in a regular training programme that follows the national curriculum. The 5 schools of St. Augustin, St. Philomene, Notre Dame du Rosaire, St. Raphael and Manitane include equipped learning classrooms, direction offices, library, computer lab, kitchen, canteen, restrooms, playground. Some of the school facilities are equipped with electricity powered by a system of solar panels, solar-powered lamps, water towers that serve the Community as well, a system of water purification and distribution.

ABF schools host the ABF Mobile Clinic project, the 3.COM Project and meetings with educational committees and representatives of the Community.

DIRECT AND INDIRECT BENEFICIARIES / ACADEMIC YEAR 2018/2019

St. Augustin school

Inhabitants in the community: 50,000

Children involved: 997 (204 nursery, 501 primary, 292 secondary)

Employees: 19

Teachers: 40

Beneficiary families: 850

Indirect beneficiaries: 5,600

Manitane school

Inhabitants in the community: 35,000

Children involved: 309 (85 nursery, 185 primary, 39 secondary)

Employees: 13

Teachers: 23

Beneficiary families: 300

Indirect beneficiaries: 2,000

Notre Dame du Rosaire school	St. Philomene school	St. Raphael school
Inhabitants in the community: 70,000	Inhabitants in the community: 53,000	Inhabitants in the community: 50,000
Children involved: 407 (92 nursery, 214 primary, 101 secondary)	Children involved: 387 (76 nursery, 236 primary, 75 secondary)	Children involved: 401 (79 nursery, 239 primary, 83 secondary)
Employees: 14	Employees: 11	Employees: 10
Teachers: 23	Teachers: 22	Teachers: 24
Beneficiary families: 300	Beneficiary families: 400	Beneficiary families: 250
Indirect beneficiaries: 2,000	Indirect beneficiaries: 2,600	Indirect beneficiaries: 1,650

OBJECTIVES

- Maintain continuous access to education for the students living in the 5 communities;
- Ensure a salary to teachers;
- Offer a meal to students every day;
- Improve the level of education of the 5 communities;
- Offer a safe haven to the community

CONTEXT

During 2019 the Country was affected by significant economic and social blocks due to previous political unrest. Demonstrations and constant inter-clan fighting and struggles between social classes resulted in a significant stoppage of everyday activities such as access to education for many students.

The ABF-FSL schools remained closed for weeks and this resulted in discontinuous access to lessons by the students.

St. Augustin - Abricots

Abricots is a village located 2 hours by car from Jeremie. Agriculture and fishing are the main sources of livelihood for the families living there. These activities are carried out randomly and thus do not guarantee the appropriate sustenance. The St. Augustin School can enrol up to 950 students coming from nearby villages. On average, each student walks 3 km every morning to get to school. The current school facility was built by the Foundation and was inaugurated in June 2015. Hurricane Matthew of October 2016 severely damaged the building, which was completely restored in December 2017 after one year of works.

Notre Dame du Rosaire - Croix-des-Bouquets

The Notre Dame school is located in the Croix-des-Bouquets district, the artists' quarter of the city of Port-au-Prince. In this district, many families work in the production of items called "Fer Forge" made from recycled diesel drums. The school facility where the activity is carried out was built by the Foundation and inaugurated in April 2015. At present, the premises can cater for up to 400 students.

St. Philomene - Kenscoff

The St. Philomene school is located in Kenscoff, a mountain area approximately a 2 hour drive from Port-au-Prince. Here too, the meagre economic activities such as agriculture above all, are carried out at household level and for mere sustenance. The school facility was built by the Foundation and inaugurated in April 2015. It can cater for up to 400 students. Like the other ABF-Fondation St. Luc schools, the facility offers a computer lab, library, canteen, kitchen, administrative offices and outdoor spaces for games and recreation.

Manitane - Dame Marie

The school is located in the city of Dame Marie, Grand'Anse Department. Dame Marie is a very remote area, just like all the other areas of the province, where people's livelihood depends on farming, fishing and animal husbandry. The school where the activities are carried out was founded in 2014. To date, the Foundation is completing, with the EDU Project, a new facility for up to 400 students.

St. Raphael - Devarenne

The school is located in the area of Jacmel, in the southern part of Haiti. During the Foundation's first visit in June 2015, the distance from Port-au-Prince was measured as 3 hours by car and 2 1/2 hours of walking in a mountainous area. Devarenne is also an isolated region, just like all the other areas of the province, where farming and animal husbandry are the mainly activities. The school facility where activities are carried out was founded in 2014. The Foundation has inaugurated the new building designed for up to 400 students.

ACTIONS

- Coverage of annual structure costs for the 5 schools of St.Augustin in Abricots, Jeremie, St Philomene in Kenscoff, Notre Dame Du Rosaire in Croix des Bouquets, Manitane in Dame Marie and St. Raphael in Devarenne;
- Coverage of annual costs for teaching materials and for daily use such as uniforms, books, stationery, insurance, building maintenance, use of means of transport;
- Organisation and training for all teachers included in a training programme that follows the national calendar and standard.

PROJECT: **Voices of Haiti**

Partner: Fondation St. Luc - Haiti
Location: Port-au-Prince - Haiti



PROJECT

Music is the voice of the soul, its strength and beauty are able to open up people's minds and trigger the ability for deep thought. Art and culture are an integral part of human rights. Based on this belief and consistently with these principles, the Andrea Bocelli Foundation with its local partner in Haiti Fondation Saint Luc developed the "Voices of Haiti" project.

The choir consists of 60 Haitian children aged between 9 and 15, from the most vulnerable areas of Port-au-Prince who, thanks to music, are able to escape from violence and poverty, working hard on their potential. Through this experience, conceived from the beginning as a stable and firmly structured educational endeavour, the choristers have the opportunity to increase their talent, while taking advantage of a wealth of opportunities – educational, cultural, existential – potentially valuable for their future. In addition to offering a real opportunity for growth and talent development, a choir is an extraordinary example of teamwork and dialogue in itself. The project involves 60 students selected from among the over 12,500 of the school system, the artistic direction by Maestro Malcolm Merriweather, 2 music teachers of Haitian nationality and 6 supervisors.

Practice is every Saturday from 8am to 3pm; time includes a vocal warm-up, singing lesson, stage presence and action and lunch.

The choir performs for important celebratory moments, from Easter till the end of school both in Haiti and internationally. Its repertoire is a mixture of Haitian and international folk music. The choir wears blue and red, the Haitian colours. In 2019, 3 years after the start of the pilot project, the first 60 choristers of "Voices of Haiti" will receive a diploma jointly with a scholarship.

DIRECT AND INDIRECT BENEFICIARIES

70

Direct beneficiaries

12,500

Indirect beneficiaries



OBJECTIVES

- Enable free access to artistic activities;
- Promote the expression of talent;
- Work on team building and leadership;
- Introduce music as a school subject in the long term;
- Creating opportunities for international attention for the Haitian situation and encourage international travel, to promote all-round growth of the young people involved.

CONTEXT

During 2019 the Country was affected by significant economic and social blocks due to previous political unrest. Demonstrations and constant inter-clan fighting and struggles between social classes resulted in a significant stoppage of everyday activities such as access to education for many students.

The ABF-FSL schools remained closed for weeks and this resulted in discontinuous access to lessons by the students. The choir's activities were suspended as well, due to safety issues for young people and also for the staff, and travelling were limited as much as possible. Rehearsals were carried on discontinuously throughout the year. Graduation Day for 18 among the young choristers, has been postponed to a date to be announced, hopefully within 2020.

All the students come from a disadvantaged economic and social context and, through music, they are able to find a way to consolidate the logics of discipline, cooperation and manage to briefly free themselves of the grip of poverty. Music therefore becomes another way to support social and intellectual development not just of the individual but of the entire community. Through music and the beauty expressed by music, there is the will for international interest to focus again on the conditions in Haiti, celebrating the strength of its colours and people.

ACTIONS

- Musical organisation and artistic direction of the project;
- Support for the expenses of local organisation and of the artists participating in the project;
- Organisation of national/international travel and organization of cultural exchanges and artistic performances.

PROJECT:

EDU project / Guest House in Haiti St. Raphael, Manitane and St. Augustin

Partner: Fondation St. Luc - Haiti
Location: Haiti



PROJECT

Through the EDU project, the Andrea Bocelli foundation has achieved the construction of 3 Guest Houses to host staff, volunteers and supporters of the ABF and Fondation St. Luc team during missions and stays on location. The facility in St Raphael houses on a stable basis also some school teachers in order to support their attendance in view of its geographical position, thus decreasing turnover due to logistics difficulties.

DIRECT AND INDIRECT BENEFICIARIES

Devarenne, Dame Marie and Jeremie community

OBJECTIVES

Offer a suitable facility to welcome and host people such as teachers, volunteers, donors, staff members, visitors.

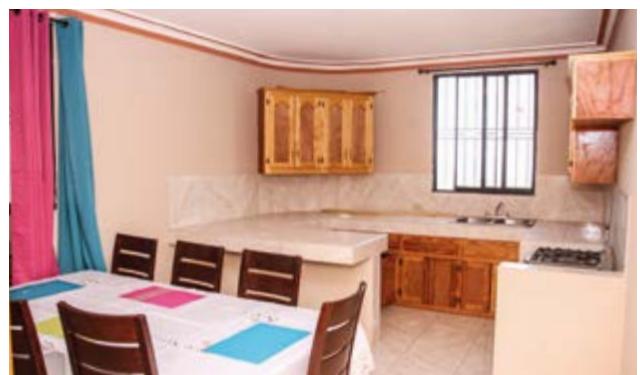
CONTEXT

The schools of St. Raphael, Manitane e St. Augustin are located in communities that are several hours of travel from the capital of PAP. This is the reason why the implementation of spaces that can regularly house not only teams and volunteers, but also local staff, such as the staff of the Mobile Clinic project, is important.

Before the construction of these facilities, dormitory rooms were arranged in the schools' classrooms.

ACTIONS

To date, after the construction of the facilities, the maintenance costs are borne by ABF.



PROJECT:

EDU project / Vocational Centre ABF – Fondation St.Luc in Cité Soleil

Partner: Fondation St. Luc - Haiti
Location: Cité Soleil - Haiti



PROJECT

ABF has covered the costs of recovery and renovation of a building located in Soleil 17, one of the largest slums in Port-au-Prince, in order to provide free basic literacy, catechesis, art and civics, to all those who do not have access to education and vocational training in this community. This centre, delivered to Fondation St Luc in February 2018, will welcome a minimum of 500 children and adults per year, and will support skills training, so that they have better chances to provide for themselves.

DIRECT AND INDIRECT BENEFICIARIES

500

Direct beneficiaries

400,000

Indirect beneficiaries

OBJECTIVES

- Provide free access to basic literacy;
- Provide free access to professional training;
- Improve health-sanitation conditions;
- Contribute to cultivating art and talent as additional elements for self expression;
- Return to the community a place that offers a safe haven.





CONTEXT

SLocated just outside the Haitian capital of Port-au-Prince, Cité Soleil is one of the poorest and most densely populated areas in the country. In the slum there are few school facilities, and only a few medical clinics. Shops and businesses are also rare. The conditions of life and sanitation are precarious, especially after the earthquake of 2010 that destroyed the few pipelines, as well as many of the wells that are still dry.

ACTIONS

- Renovation works of the identified building;
- Furnishing and organisation of the spaces of the new facility;
- Coverage of start-up costs for the first 3 months of the centre's operation.

There have been no resolutions or disbursements for the project in the current year.
The sheet reports the results achieved.

PROJECT: Water truck

Partner: Fondation St. Luc - Haiti
Location: Cité Soleil - Haiti



PROJECT

Since 2013, the Andrea Bocelli Foundation has been supporting distribution of drinking water in the slums of Cité Soleil every day, 3 times a day, 6 days a week with 2 tanker trucks.

More specifically, not only does ABF incur the water purchase and distribution costs, but also those of the personnel involved, equipment maintenance (one 6 wheel and one 10 wheel truck) and insurance of the same.

DIRECT AND INDIRECT BENEFICIARIES

500,000

Direct beneficiaries

24,000 gallons/day

Water distributed

11

Personnel involved

During the blocking period, ABF and the Fondation St Luc implemented the project and distributed up to 30,000 gallons per day in additional communities

OBJECTIVES

- Assure free access to water for the families living in the Cité Soleil slums;
- Improve health-sanitation conditions;
- Reduce the transmission of infective diseases;
- Reduce mortality as a result of dehydration in infants and the elderly.





CONTEXT

During 2019 the Country was affected by significant economic and social blocks due to previous political unrest. Demonstrations and constant inter-clan fighting and struggles between social classes resulted in a significant stoppage of everyday activities such as access to education for many students.

The ABF-FSL schools remained closed for weeks and this resulted in discontinuous access to lessons by the students. Access to water became even more difficult, not only for the communities that were already supported by the Water Truck project, but also for other communities that were isolated for days. In this connection, ABF and Fondation St. Luc decided to temporarily expand the project in order to distribute water in these communities as well.

Over 9 million people in Haiti live without access to water. In the capital of Port-au-Prince, many of the main water pipes were destroyed in the 2010 earthquake, as well as many of the wells, which are still dry. Having clean drinking water every day, to be used for cooking and for personal hygiene is essential for survival but also to prevent the spread of diseases, most notably cholera and epidemics related to poor hygiene or lack thereof

ACTIONS

- Distribution of drinking water in the slums by 6-wheel tanker truck, 6 days a week, 3 times a day;
- Distribution of drinking water in the slums by 10-wheel tanker truck, 6 days a week, 3 times a day;
- Coverage of the annual maintenance costs of the 2 trucks;
- Purchase of water and fuel;
- Annual coverage of wages for employees.

PROJECT: **3.com**

Partner: Fondation St. Luc - Haiti
Location: Abricots, Croix-des-Bouquets, Kenscoff - Haiti



PROJECT

Starting with the schools, the intention is to carry out projects that go beyond the school walls to reach the community's most marginalised and needy families.

The objective of the project is to begin building an actual village for the community – a village where everyone has the opportunity to live a dignified life.

The ABF-Fondation St. Luc schools built with the EDU project become a real meeting place for the community, a place where there is access to electricity, drinking water, internet connection. In addition, all the students' families benefit from the organised distribution of solar powered lamps which make it possible to study after dark and to lengthen family life.

Moreover, the development programme includes implementing farming activities with training and coaching so that they can be a growing source of income for the community.

The project's objective is to give all families a dignified life and for many that also means having suitable housing. For this, further activities concerned the families of the most disadvantaged students of the community of Laserengue in Abricots and new homes were built.

DIRECT AND INDIRECT BENEFICIARIES

329,031
Inhabitants in the community

800
Families involved

OBJECTIVES

- Empowering each community for their own development and their own well-being;
- Turn schools into a safe haven for the whole community, a kind of public square in which to meet and get essential services;
- Bring water and lighting to the three communities;
- Start a path of economic development of the areas;
- Giving decent housing to the neediest people.



CONTEXT

Abricots is a village located 2 hours by car from Jeremie, approximately 9 from the capital. Reaching these places is very difficult because of the total lack of infrastructure and roads. Agriculture and fishing are the main sources of livelihood for the families living there. These activities are carried out randomly and thus do not guarantee the appropriate sustenance.

Kenscoff is located in a mountainous area approximately a 2-hour drive from Port-au-Prince. Here too, the meagre economic activities such as agriculture above all, are carried out at household level and for mere sustenance.

The district of Croix-des-Bouquets is the artists' quarter of the city of Port-au-Prince. In this district, many families work in the production of items called "Fer Forge" made from recycled diesel drums.

ACTIONS

Thanks to the 3.COM project the schools and related community can benefit from:

- Wells and/or water tanks and filtration systems capable of providing drinking water to 10,000 people per day;
- Solar panels for the production of electricity and light at night to consolidate the school as a safe centre for the community;
- 2 solar lights for the 800 families of students to enable them to study at home at night;
- 2 supplies of fertiliser to households and the improvement, through training, of their ability to farm, with the aim of increasing their income and resources;
- Construction of 32 family homes in the Abricots community, Laserengue, for the neediest families;
- Computer labs with internet connection.

There have been no resolutions or disbursements for the project in the current year.
The sheet reports the results achieved.

PROJECT:

Empowering Health-Care professions Programme for specialised training of Haitian doctors in Italy

Partner: Fondation St. Luc - Haiti, University of Genoa, University of Florence, Gaslini Hospital of Genoa, Meyer Paediatric Hospital of Florence

Location: Italy



PROJECT

With this project, the Andrea Bocelli Foundation decided to support Haitian doctors in the path to access the specialisation course for surgeons offered by Italian and European universities. In this regard it is necessary to apply with the Ministry of Health for equivalence and recognition of the qualification as doctor together with documentation relating to the authenticated, translated and legalised degrees. The Foundation guarantees, thanks to the involvement of the Ministry of International Cooperation and Foreign Affairs, coverage of all the costs required for the specialisation scholarship. Currently, the first Haitian doctor benefiting from this project is regularly enrolled and attends the second year of specialisation in paediatric surgery at the Meyer Paediatric Hospital.

DIRECT AND INDIRECT BENEFICIARIES

1

Direct beneficiaries

2,347

Children in ABF's 5 schools

400,000

Inhabitants in the Cité Soleil slums

258,000

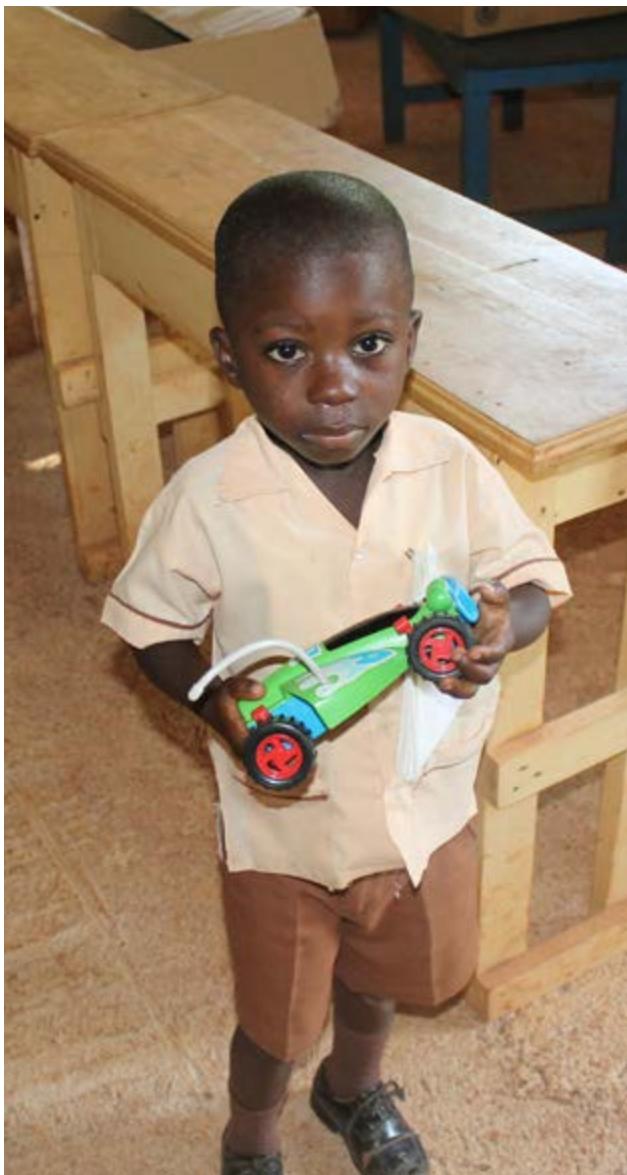
Inhabitants in the 5 ABF communities

9,993,247

Inhabitants in Haiti

OBJECTIVES

- Obtain recognition of degrees in the European Union;
- Offer free access to specialised education;
- Contribute to improving the personnel's skills.



CONTEXT

During 2019 the Country was affected by significant economic and social blocks due to previous political unrest. Demonstrations and constant inter-clan fighting and struggles between social classes resulted in a significant stoppage of everyday activities such as access to education for many students. The ABF-FSL schools remained closed for weeks and this resulted in discontinuous access to lessons by the students. The schedule of visits for the project Mobile Clinic was continuously revised and many visits were cancelled. During 2019, with a planned number of activities equal to 20 visits, activities closed with a total of 10 visits between May and December. In Haiti, even after obtaining a degree, it is very difficult to access surgical specialisation courses, so much so that the number of actual surgeons is in no way sufficient to meet the demands of such a large and needy population. The surgeons/population ratio may be estimated to be around 1/2,000,000.

ACTIONS

- Cover the scholarship costs as surrogate of the Ministry of Foreign Affairs;
- Cover the travel, board and lodging costs of the direct beneficiary.

PROJECT: Mobile clinic

Partner: Fondation St. Luc - Haiti

Location: Abricots, Croix-des-Bouquets, Kenscoff, Dame Marie, Devarenne - Haiti



PROJECT

Launched in March 2016, the project is aimed at guaranteeing a screening and healthcare service, on a quarterly basis, by a staff of 3 nurses and 2 doctors at the St. Philomene, St. Augustin, Notre Dame du Rosaire, Manitane schools and since 2017 also St. Raphael. The staff examine all students in the 5 schools, their parents and community members requesting it, screening everyone free of charge for the most common diseases such as hernia, malaria, skin diseases. All children are administered anti-parasitic medicine and vitamins. In addition to the outpatient's clinics, a pharmacy is also set up at the school, where medicines are distributed for the prescribed cure.

If during the screening serious diseases are discovered, there is the possibility of immediate transfer to the St. Damien Children's Hospital and/or St. Luc Hospital (for adults), located in Tabarre, Port-au-Prince. The medical staff also conducts training activities with workshops on hygiene, nutrition, sex education to students and their families.

DIRECT AND INDIRECT BENEFICIARIES

258,000

Inhabitants in the areas

2,347

Children involved

8

Staff

20

Visits





OBJECTIVES

Provide medical assistance and care in the schools of the Abricots, Kenscoff, Croix-des-Bouquets, Dame Marie and Devarenne communities.

CONTEXT

In the communities where the ABF - Fondation St. Luc schools are located, access to primary goods, education, health care and services is made difficult by the almost total absence of adequate infrastructure. And even when they are present, access to them is hindered due to the impossibility for families to bear the fees requested by the state.

ACTIONS

- Cover doctor and nurse staffing costs;
- Supply of medicines;
- Workshops on hygiene, nutrition, sex education for students and their families;
- Any transport to Saint Damien Children's Hospital and/or St. Luc Hospital.





Challenges

“Challenges” operates within the area of scientific and technological research and social innovation, tackling major challenges in terms of both investments and results to be achieved with the aim of allowing anyone experiencing financial or social difficulties to express themselves. The programme aims to bring together the best minds to find innovative solutions to help people cope with and overcome the limits imposed by their disability or discomfort to achieve better quality of life.



Core activities



Presentation “The house of art, culture and solidarity”

Florence - 10th April 2019

In the desire to consolidate and expand the connection of ABF with the city of Florence, exchanges with the institutions and with the Municipality gave rise to the idea of establishing the new headquarters of the Foundation on the second floor of the complex, which therefore becomes a house for Organisations that bear witness to and pursue the worship of beauty, of art, of doing good, of culture.

ABF will allocate a part of the premises to setting up its operating offices and another part to the creation of steady and/or temporary laboratories for the benefit of citizens, local young people and students but also people coming from other regions and Countries.

In the famous Baroque structure, formerly the seat of the Court of Firenze, there are not only offices taking shape, but also exhibition and multifunctional spaces open to the community, especially to young people, intended for the implementation of a specific cultural project which is free of charge and mainly addressed to children and young residents of the City of Firenze, consistently with the mission of ABF (Empowering people and communities).

The connection between the city and the foundation, established in 2011 by the most famous Italian tenor in the world, has been growing over the years, through significant events such as the Celebrity Fight Night in Italy which, thanks to Maestro Bocelli, brought guests of excellence to Firenze (from Queen Rania of Jordan to George Clooney), bringing the city into the international spotlight on several occasions.

In 2017, the Tuscan singer and philanthropist, together with “Voices of Haiti”, a choir born of a project carried out by ABF, inaugurated the Franco Zeffirelli International Centre for the Performing Arts, the other tenant of the San Firenze complex located in the square with the same name.

In collaboration with the Municipality and in full respect of the historic importance of the places that have been assigned to it on a free loan for 29 years, the foundation will deal with ordinary and extraordinary maintenance with the aim of restoring them to the historic beauty and value. Since the intention is not only that of opening the doors to the community but that of returning significant spaces to the community by giving them a new lease of life, by providing for activities based on initiatives addressed to young people and aiming at overcoming the limits imposed by social and economic hardship and at supporting young people in terms of vocational training and/or professional guidance. Furthermore, a space is provided for free access of young people who, therefore, will be able to play instruments and give life to the headquarters of the San Firenze complex, all by ensuring the development and coordination of activities within the building.

The concept of “live laboratory”, which is dear to ABF, will take shape through the implementation of actual spaces that are intended for meeting, exchanging and training.



Inauguration of the “E. De Amicis” nursery and primary school

Muccia - 26 June 2019

The “E. De Amicis” nursery and primary school was inaugurated on Wednesday 26th June in Muccia, one of the towns in the Marche Region that was most affected by the earthquake in 2016. The ceremony saw the participation of the whole town, especially of children, who celebrated the event together with the founder Andrea Bocelli, the ABF team and many other guests. Also in this case, as was the case not far, in Sarnano, where last year ABF led a twin philanthropic project, the time frames stated at the beginning of the construction works were respected: only one hundred and fifty days to build the school complex that will welcome the pupils of the nursery and primary school.

Through a team of experts, ABF focused on the creation of a place integrated with the community and with local specific features, a place able to meet the wishes of young students as well... From the space for growing aromatic herbs to the aquarium, to a canteen in the centre of an ideal “agorà” where there is a piano too, as a symbol of the school's markedly musical aptitude.

During the ceremony on the stage, the two mayors of Sarnano and Muccia passed the baton to the mayor of Camerino, the town concerned by ABF's new reconstruction project after the 2016 earthquake.



ABF with the Marche Foundation for the “Ecapital 2019” project

Muccia - 26 June 2019

ABF sponsored the “Ecapital 19” project of Marche Foundation, which promotes cultural integration in terms of innovative design for start-ups among Countries on the Adriatic Sea.

In order to finalise the patronage, a vocational meeting was organised with the President of the Marche Foundation, the founder of ABF, the General Manager Laura Biancalani and the 30 students of the Ecapital Culture School. At the meeting, there were many prominent entrepreneurs from the Marche Region in the audience, who support the project to promote entrepreneurship by young people.



Occasional Fundraising Teatro del Silenzio

Lajatico - 2019

Again in 2019 ABF took part in the events of Teatro del Silenzio in Lajatico, birthplace of the founder Maestro Andrea Bocelli. It was an important opportunity for the team and the volunteers from many parts of Italy to share the Foundation's activities and aims with many friends and donors.

Through the funds raised for this edition, the Foundation was able to start the third reconstruction project after the 2016 earthquake aimed at the construction of the new Music Academy.



CFN in Italy 2019 and Solidarity SMS campaign

July 2019

Since 2014, the Andrea Bocelli Foundation, along with the Muhammed Ali Parkinson Center, has been a recipient of the Italian edition of Celebrity Fight Night.

The event brings over one hundred millionaires from all over the world to Italy.

In the 2019 edition, the charity travel reached Lajatico, the founder Andrea Bocelli's birthplace and, particularly, the evening events dedicated to the concert Teatro del Silenzio - an annual event with Maestro Bocelli among the hills of Valdera.

The sum collected thanks to the many donors taking part in the event, net of expenses, is allocated to activities supporting people in need through the Andrea Bocelli Foundation and the Muhammad Ali Parkinson Center.

In particular, the Andrea Bocelli Foundation dedicated the result of the 2019 edition of the event to the support of the projects aimed at education carried out by the foundation in Italy and Haiti.

As part of the event, the Foundation organised a Fundraising Campaign through solidarity SMS, linked to the ABF project "Educating to grow - With you for Camerino" which this year supports the reconstruction of the Camerino Music Academy, in the Marche region, a municipality located on the edge of the second ruinous 2016 seismic swarm.

The campaign peaked during "Ali di Libertà - Andrea Bocelli", in which the ABF founder, Maestro Andrea Bocelli, along with many Italian and international friends from the world of music, cinema, entertainment and sports created a show of music and solidarity inside the natural amphitheatre of Teatro del Silenzio, which was broadcast in prime time on Rai Uno on 13 September.



Voices of the World programme

Paris - 13 November 2019

The Foundation presented the Voices of the World programme to the international press in Paris in the presence of the founder and the top management of the foundation. The representatives of project partners also attended the meeting: Unesco and the Ministry of Culture of Saudi Arabia. During the meeting, the Foundation shared the programme's purposes, the structure, its scalability and the first results of the pilot project that ABF has been carrying out in Haiti since 2016.

The programme aims at enhancing the psychosocial support of disadvantaged children who live in vulnerable regions. Through the creation of regional choirs and other educational activities, ABF aims at offering empowerment opportunities to participants and to their communities, by using music as a tool to strengthen their skills, to stimulate their creativity, to promote collaboration and to offer them more chances of success in life. As with all education projects carried out by the Andrea Bocelli Foundation, the effort is strategically aligned with objective no.4 (Quality Education) for 2030 of the United Nations for sustainable development.



ABF and UNESCO

Symphony 2030: to promote art education in support of disadvantaged children

Paris - 13 November

On the sidelines of the 40th General Conference of the United Nations Agency, held at the UNESCO headquarters in Paris, ideally in front of the global community of its 195 Member States, a round table with the title "Symphony 2030: creative art education for inclusion" was held last 13th November.

The event, whose key topic focused on the importance of art education for inclusion and social cohesion, was organised by the Andrea Bocelli Foundation in cooperation with the UN agency for education, science and culture, on a day which was full of significant moments for both institutions.

At the same time, in fact, ABF and UNESCO signed a memorandum of understanding, with the aim of collaborating on musical education projects as a tool for empowerment.

These projects will be announced in the upcoming months, starting from Mali. The initiatives will be based on UNESCO's experience in leading education projects which are aimed at supporting Countries affected by disasters and conflicts from a psychosocial point of view, in line with the Seoul agenda on art education.

In the presence of our founder, who was interviewed for the occasion by the Deputy General Manager of the Education sector of UNESCO (formerly Minister of education) Ms. Stefania Giannini, "Symphony 2030" – further enhanced by the speeches of ABF Chairman Stefano Aversa and by the General Manager Laura Biancalani – one sought to show, through the voices of artists, educators and experts, how culture and art education are able to unlock the students' potential and allow them to gain confidence, understand the world and embrace values of peace, dialogue and solidarity.





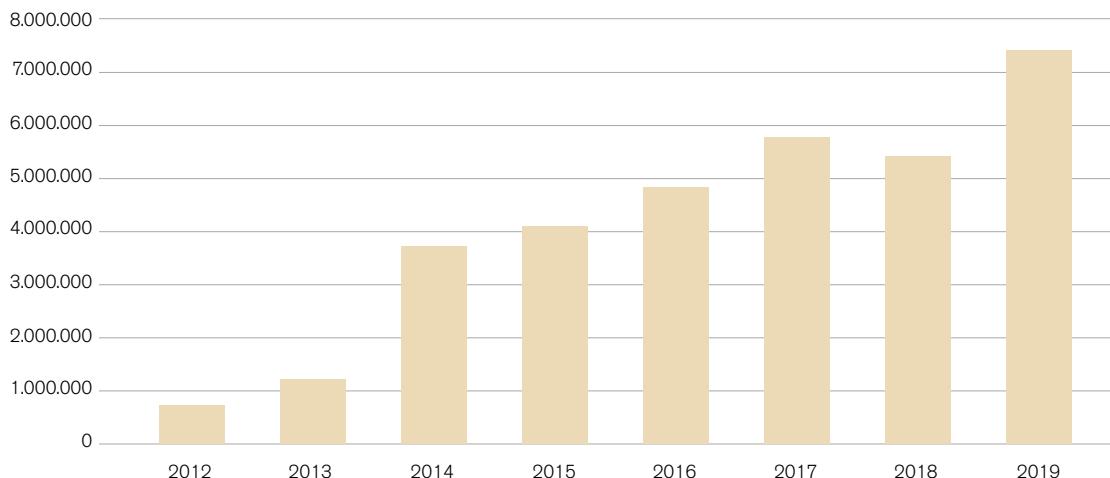


E. THE RESOURCES FOR CORE ACTIVITIES

In 2019, the Foundation received the funds to support and develop its projects from fundraising activities, either direct or mainly organised by third parties and volunteers, as well as from charitable donations by private or corporate donors. The Foundation operates in the utmost transparency, with published financial statements, available on the internet and certified by the auditing firm KPMG. Since its inception in 2011 the Foundation has collected over 30 million Euro. On the side is a table showing the accounting data for fundraising since the foundation's inception

YEAR	REVENUES FROM FUNDRAISING in euro
2012	826,970
2013	1,204,984
2014	3,882,311
2015	4,138,003
2016	4,918,117
2017	5,893,877
2018	5,374,699
2019	7,330,306
TOTAL	33,569,267

DONATIONS BY YEAR
in euro



The data for the compound revenues for the year are shown below.

REVENUES	2019	2018	CHANGES in euro	CHANGES %
Other revenues from core activities	1,117	571,518	-570,401	-100%
Revenues from core activity and fundraising	7,329,189	5,374,699	1,954,490	36%
Revenues from other activities	-	161	-161	-100%
TOTAL	7,330,306	5,946,378	3,338,419	23%

Trend of donations 2013-2019

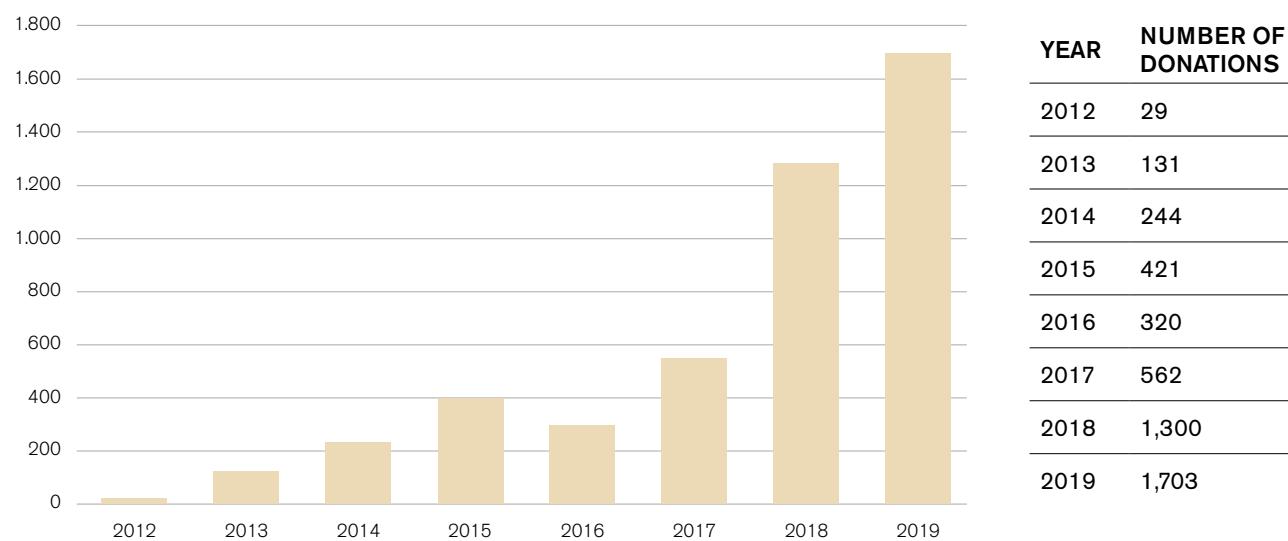
The graph below analyses the trend of donations 2013-2019. These figures are important to understand the dynamic of resource development and analyse the work carried out for the Foundation's future sustainability. The number of donations increased progressively during the year, while the average donation decreased.

This means:

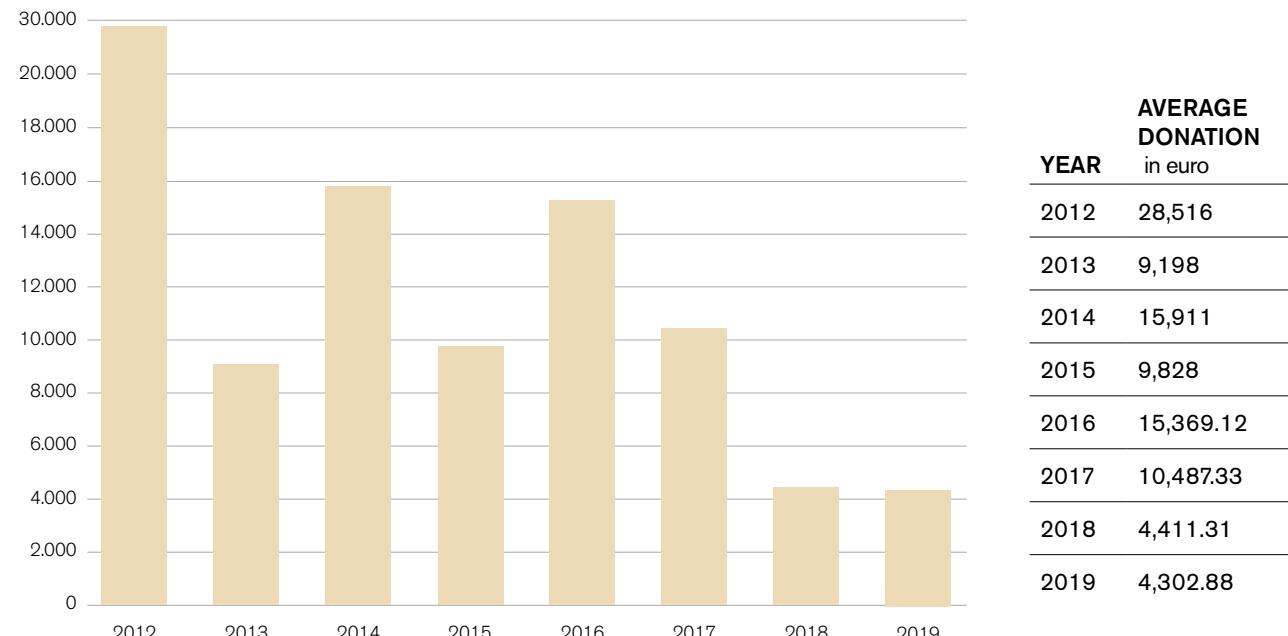
- growth of the absolute number of donors;
- growth of the donors' turnover rate;
- decrease of the average donation and broadening base of the donors' pyramid.

DONATIONS in euro	2012	2013	2014	2015	2016	2017	2018	2019
Amount	826,970	1,204,984	3,882,311	4,138,003	4,918,117	5,893,877	5,734,699	7,330,306
Number of donation	29	131	244	421	320	562	1,300	1,703
Average donation	28,516	9,198	15,911	9,828	15,369,12	10,487,33	4,411,31	4,302,88

NUMBER OF DONATIONS BY YEAR



AVERAGE DONATION
in euro



Below is the breakdown by geographical area in 2019 and the 2018/2017 comparison.

Since 2017 one can notice a significant broadening of Italy donations corresponding to Italian projects.



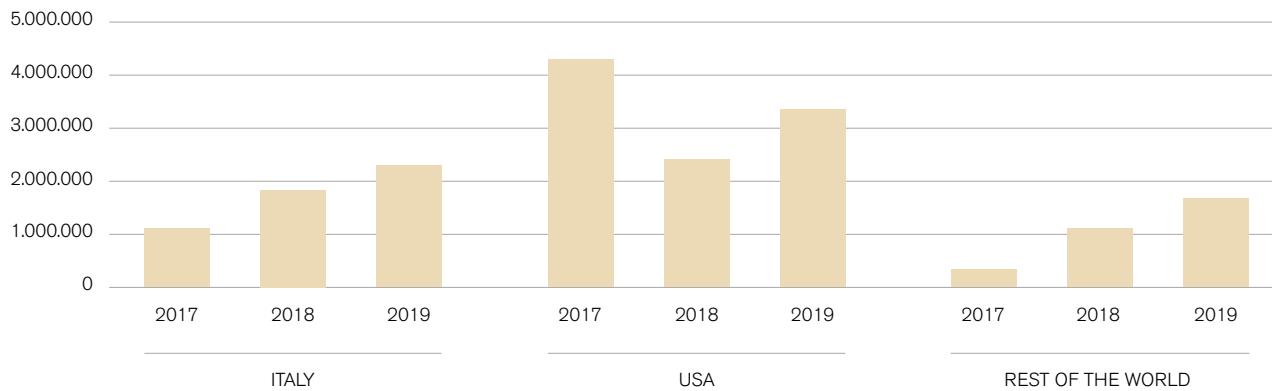
GEOGRAPHICAL AREA

AREA	2017 in euro	% over total	2018 in euro	% over total	2019 in euro	% over total
Italy	1,128,195	20%	1,911,077.77	36%	2,225,750.73	33%
USA	4,284,963.42	76%	2,321,969.08	43%	3,314,459.48	45%
Rest of the World	232,705.58	4%	1,141,652.15	21%	1,787,586.50	25%

DONOR COUNTRIES

DONATION in euro

Italy	2,225,750.73
USA	3,314,459.48
Mexico	432,348.51
Canada	275,642.88
Rest of the World	1,079,595.50



A. Assets

The Foundation's capital is still the amount provided by the Founder at the time of its establishment: € 100,000.

B. Revenues from charitable donations and fundraising

Total revenues for 2019 were € 6,008,481, allocated as follows.

The following table shows the allocation of donations received in 2019 by donors and the fund raising channel from which the aforementioned contributions were generated. In fact, they may choose to tie their donations to one of the Foundation's projects or programmes.

PROCEEDS from core activities by allocation

	2019	INCIDENCE %	2018	INCIDENCE %
Challenges	-	0%	1,643	0%
EDU project Haiti	1,744,376	24%	-	0%
Wheat project	433,989	6%	1,765,916	33%
Voices of Haiti	148,824	2%	368,790	7%
Water truck	125,590	2%	75,628	1%
Mobile clinic	130,583	2%	132,618	2%
HIV	-	0%	-	0%
Reconstruction of school - Post hurricane Matthew	-	0%	-	0%
Hurricane Matthew emergency	-	0%	37,000	1%
ABF core activities	1,872,229	26%	888,965	17%
Break the Barriers	20,600	0,3%	6,132	0%
EDU project Italy	905,171	12%	-	0%
Sarnano school - Central Italy heartquake	630	0,01%	1,005,152	19%
Muccia school - Central Italy heartquake	1,132,720	15%	1,092,854	20%
Camerino Academy Central Italy heartquake	813,477	11%	-	0%
Music Lab - Centro Zerosei "A. Bocelli"	1,000	0%	-	0%
Break the Barriers	7,329,189	100%	5,373,056	100%
TOTAL	7,329,189	100%	5,374,699	100%

The proceeds of the year by collection channel of the funds of origin are set out below.

PROCEEDS from core activities by collection channel	2019	INCIDENCE %	2018	INCIDENCE %
ABF events	228,412	3%	405,222	8%
ABF auction	1,123,338	17%	795,392	15%
Events - Third parties	1,173,295	18%	926,539	18%
5x1000	75,545	1%	37,178	1%
Solidarity SMS	262,022	4%	252,631	5%
Spontaneous donation	881,074	13%	585,486	11%
Campaigns	2,795,157	43%	2,140,195	42%
Donation from Founder	-	-	-	-
TOTAL	6,538,842	100%	5,142,644	100%
Donation in Kind	193,346	24%	232,055	100%
Donations of assets charity auction	88,500	11%	-	-
Donations from immoveable good	508,500	64%	-	-
TOTAL	790,346	100%	232,055	100%

B.1. Donations received from Charity Aid Foundation (CAF America)

The Andrea Bocelli Foundation, following due diligence carried out by the CAF America's Eligibility Committee, has been deemed eligible to receive donations from CAF America for a further two years, organisation that allocates donations worldwide, thus helping organisations, companies and individuals to donate without borders.

In 2019 the Foundation renewed its membership including the FRIEND FUND that makes it possible to chip in on large and small amounts (including online). In 2019, ABF received the following contributions from CAF, which were paid quarterly:

DATES	AMOUNT in euro	AMOUNT in USD
07/03/19	700,045.34	789,021
19/04/19	424,846.08	477,739
25/07/19	156,973	174,476
26/09/19	615,088	672,784
18/10/19	104,402	116,346
27/12/19	423,153.41	471,943
TOTAL	2,424,507.83	2,702,309.81

B.2. Raccolte fondi occasionali

Again in 2019, the Foundation carried out occasional fundraising during the Teatro del Silenzio event; net funds collected amounted to Euro 215,175.00.

For further details concerning the operations, please refer to the reports pursuant to Article 20 of Italian Presidential Decree 600/1973, as amended by Article 8 of Legislative Decree 460/1997 annexed to these Financial Statements (Annex no.1).



B.3. Solidarity SMS

In 2016, for the first time, the Foundation decided to initiate a communication and fundraising campaign through the solidarity SMS tool. The period was between 24/07 and 3/08, and from 9 to 22 of September. It coincided with the CFN Italy event, promoted by Rai Sociale, Trenitalia, national and international media.

The service providers of the solidarity number 45580 were the following:

PROVIDER	AMOUNT COMMUNICATED in euro	AMOUNT COLLECTED by 31/12/2019 in euro	AMOUNT COLLECTED 2020 in euro	ACCRUAL OF THE REVENUE	AMOUNT TO COLLECT in euro	ACCRUAL OF THE REVENUE
TIM	157,636	26,335	125,051	2019	-	2019
Vodafone	25,934	30,769	-	2019	-	2019
Wind-Tre	32,752	28,216	4,362	2019	-	2019
Iliad	2,254	2,234	-	2019	-	2019
Tiscali	1,499	-	1,538	2019	-	2019
Postemobile	4,807	89	8,310	2019	-	2019
CoopVoce	4,102	4,102	-	2019	-	2019
TWT	125	125	-	2019	-	2019
Convergenze	85	90	-	2019	-	2019
Fastweb	11,440	45	11,405	2019	-	2019
Telephonic 2018	21,387.99	21,387.99	-	2018	-	2018
TOTAL	262,022	92,005	150,666		-	

B.4. Donations in kind

Starting from these financial statements, the Foundation has decided to account for contributions in kind (donations in kind) received and that for 2019 are worth a total of 193 thousand Euro.

These contributions refer in particular to the projects for “Reconstruction of the De Amicis School of Muccia”.

DONATION DATE	AMOUNT in euro	DONATION	NOTES	PROJECT
20/03/19	81,072.80	Future Tech Enterprise INC		Ricostruiamo Insieme Muccia school / Educational Project 2019
19/04/19	2,799	Fonderia Del Chiaro		ABF core activities
15/05/19	3,037.88	ABB		Ricostruiamo Insieme Muccia school
29/05/19	14,500	Tecno Iti SRL		Ricostruiamo Insieme Muccia school
31/05/19	5,890	Faeber Lightining System		Ricostruiamo Insieme- Muccia school
18/07/19	42,700	Salotti Del gusto		ABF core activities
10/09/19	24,400	Pisa Sporting Club	Solidarity SMS 2019	ABF core activities
27/09/19	16,383.60	Associazione Sportiva Dilettantistica		Ricostruiamo Insieme Muccia school
21/11/19	2,563.01	Eko Music		ABF core activities

C. Expenses

C.1. Expenses from core operations

The following table sums up the expenses for setting up and managing the Foundation's projects broken down by the two intervention programmes:

PROGRAMME	AMOUNT APPROVED in euro	AMOUNT DISBURSED in euro
Break the Barries / Projects	5,019,788	4,116,670
Challenges	-	-
TOTAL	5,019,788	4,116,670

The amounts approved and allocated were recorded according to the exchange rates in force on the date on which they arose.







C.2. Charges for the performance of the activity

A) General expenses

The general expenses for the performance of the Foundation's activities amounted to Euro 720,998, with an incidence of costs over revenues of 9,8%.

GENERAL EXPENSES	AMOUNT in euro	INCIDENCE COSTS/REVENUES %
General support expenses	720,998	9,8%
Costs for corporate bodies	-	0%
TOTAL REVENUES	7,330,306	-

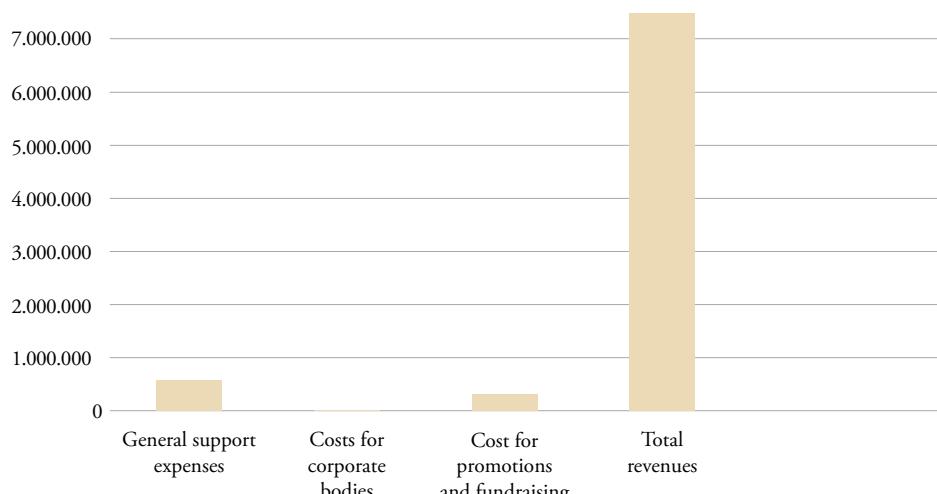
B) Expenses from promotion and fundraising

The general expenses for performance of the Foundation's activities amounted to Euro 339,604, with an incidence of costs over revenues of 4,6%.

EXPENSES FOR PROMOTIONS AND FUNDRAISING	AMOUNT in euro	INCIDENCE COSTS/REVENUES %
Promotional and fundraising costs	339,604	4,6%
TOTAL REVENUES	7,330,306	-

	AMOUNT in euro	INCIDENCE COSTS/REVENUES %
A) Expenses for the performance of activities	1,060,602	14,5%
General support expenses	720,998	9,8%
Costs for corporate bodies	-	0%
Cost for promotions and fundraising	339,604	4,6%
TOTAL REVENUES	7,330,306	-

EXPENSES VS REVENUES FROM CORE ACTIVITIES



Annex no.1

OCCASIONAL FUNDRAISING STATEMENT

Teatro del Silenzio 2019 |
 Supported project: Camerino Music Academy

REVENUES	AMOUNT in euro
Cash donations	17,998
Donations by payments to bank account 2019	206,856
Donations by cheque, credit or debit card	47,845
Donations through assets acquired free of charge	-
Collection from sale of assets purchased against payment	-
Collection from services provided	-
TOTAL REVENUES	272,699

EXPENDITURE	AMOUNT in euro
Purchase of assets distributed during the collection event	-10,566
Stand rental expenses	-2,420
Reimbursement of expenses to volunteers	-1,726
Promotional expenses for the collection (advertising, events)	-3,904
Printing and postal expenses	-
Utility expenses	-2,617
Expenses for other fundraising services	-9,008
Fees for performances	-27,284
TOTAL COSTS	-57,524

NET RESULT OF THE COLLECTION	215,175
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3. FINANCIAL STATEMENTS

Ended 31/12/2019

Approved by the Board of Directors on 29 May 2020

BALANCE SHEET

(data in euro)

ASSETS	2019	2018
A) Receivables from shareholders for payments still due	-	-
B) Fixed assets	218,293	44,636
I. Intangible fixed assets	7,911	1,198
1) Licences	68	-
2) Trademarks and Patents	7,843	-
3) Other multi-year expenses	0	1,198
4) Other	-	-
II. Tangible fixed assets	208,182	41,238
1) General installations	-	976
2) Machinery and equipment	-	560
3) Furniture	7,017	24,590
4) Electronic machinery	15,440	15,112
5) Buildings	185,725	-
6) Other	-	-
III. Financial fixed assets	2,200	2,200
1) Security deposits	2,200	2,200
C) Current assets	8,650,798	7,827,166
I. Inventories	-	-
1) Inventories	-	-
II. Receivables	167,298	21,922
1) Receivables due within 12 months	167,298	21,922
2) Receivables due after 12 months	-	-
III. Financial assets	100,000	100,281
1) Other securities	100,000	100,281
IV. Cash and cash equivalents	8,383,500	7,704,963
D) Prepaid expenses and accrued income	5,557	4,066
E) Assets intended for disposal	407,000	-
1) Buildings intended for disposal	318,500	-
2) Other tangible assets intended for disposal	88,500	-
TOTAL ASSETS	9,281,648	7,875,868

LIABILITIES	2019	2018
A) Net assets	8,270,850	7,247,463
I. Free capital	4,164,442	3,824,001
1) Endowment fund	100,000	100,000
2) Other reserves	-	-
3) Free funds and retained earnings	3,664,160	3,580,384
4) Surplus (deficit) from current operations	400,282	143,617
II. Tied capital	4,106,408	3,423,462
EDU project fund	87,241	193,955
UCLA project fund	-	36,274
3.COM fund - Support of the Haiti communities	-	87,185
Wheat fund	1,793,401	1,937,921
Empowering specialisation fund	109	91
Voices of Haiti fund	46,659	7,450
Water truck fund	105	143,854
Mobile clinic fund	50,691	2,158
HIV fund	550	550
Lajatico 0-6 fund	20,000	-
Santo Domingo fund	10,000	-
Klitcko project fund	25,000	-
Sarnano school fund	73,679	84,614
Other emergencies fund	24,126	8,446
Muccia school fund	309,128	920,964
Camerino school fund	1,665,719	-
B) Provisions for risks and future charges	600,000	-
C) Employee severance indemnity provision	41,726	39,828
1) Employee severance indemnity	41,726	39,828
D) Payables	369,072	588,578
1) Payables due within 12 months	369,072	588,578
2) Payables due after 12 months	-	-
E) Accrued liabilities and deferred income	-	-
TOTAL LIABILITIES AND NET ASSETS	9,281,648	7,875,868

DIRECTORS' REPORT

(data in euro)

	2019	2018
A) Revenues		
I. Revenues from core operations	7,330,306	5,946,378
1) Revenues from members and associates	7,329,189	5,374,699
2) Contributions and monetary donations	6,201,276	4,852,834
3) 5x1000 pre-tax donation	75,545	37,178
4) Other contributions	262,022	252,631
5) Contributions and donations in kind	790,346	232,055
II. Other revenues	1,117	571,679
1) Other revenues from other core activities and fundraising	1,117	571,518
2) Revenues from other activities	-	161
B) Expenses		
1) Expenses for core operations	6,314,476	5,831,509
I. Challenges programme	5,253,873	4,974,182
II. Break the Barriers programme	4,969,941	4,693,166
EDU Project	-	57,952
UCLA Project	-	-
3.COM - Support of the Haiti communities	-	-
Wheat	1,890,551	1,851,019
Empowering specialisation	-	-
Voices of Haiti	137,962	302,932
Water Truck	-	142,047
Mobile Clinic	138,852	-
HIV	-	205,217
Lajatico 0-6	20,000	-
Santo Domingo	-	-
Klitcko project	25,000	-
Sarnano school	-	900,000
Other emergencies	-	-
Muccia school	1,000,000	1,234,000
Camerino school	1,757,576	-
III. Mission expenses	9,409	-
IV. Purchases intended for projects	193,346	232,055
Expenses relating to donations in kind	193,346	232,055
V. Services intended for projects	81,177	48,961
2) Expenses for promotions and fundraising	339,604	234,549
3) General support expenses	720,999	622,777
1) Purchases	7,711	13,249
2) Services	188,802	174,061
3) Personnel	463,825	389,506
4) Leases and rentals	35,511	29,280
5) Depreciation and write-downs	24,946	16,575
6) Miscellaneous operating costs	204	106
C) Provisions		
1) Provision for future charges	600,000	-
	600,000	-

	2019	2018
D) Net financial revenues and expenses	(3,334)	30,923
1) Interest income from bank accounts	18,814	-
2) Revenues from bank deposits	368	893
3) Other financial revenues	-	-
4) Interest payable	-	-
5) Other financial charges	(425)	-
6) Net effect of exchange gains (losses)	(22,091)	30,030
E) Extraordinary income and charges	129	7,809
1) Contingent assets	2,438	18,627
2) Contingent liabilities	(2,309)	(10,818)
Earnings before tax	412,625	153,601
Taxes for the period	12,343	9,984
SURPLUS (DEFICIT) FROM OPERATIONS	400,282	143,617

**CASH FLOW STATEMENT OF THE ANDREA BOCELLI FOUNDATION
AS AT 31 DECEMBER 2019**

(data in euro)	2019	2018
Surplus for the period	400,282	143,617
Taxes for the period	12,343	9,984
Net financial and bank expenses	(18,757)	(893)
Depreciation	24,946	16,575
+/- other extraordinary expenses	(129)	(7,809)
Increase/(decrease) in funds	601,898	14,136
Decrease/(increase) in accrued income and deferred expenses (pertaining to operations)	(1,491)	627
Increase/(decrease) in accrued charges and deferred income (pertaining to operations)	-	-
Decrease/(increase) in operating receivables	(138,825)	195,826
Increase/(decrease) in operating payables	(219,506)	356,599
A) Cash generated (absorbed) by operations for the financial year	660,762	728,662
Use of earmarked funds	(4,406,691)	(6,351,335)
Provision for earmarked funds	4,969,941	6,328,947
Change in earmarked funds	-	-
Other equity changes	59,847	(1,386,834)
Other non-monetary changes	-	-
B) Cash absorbed (generated) due to changes in free or tied capital funds	623,097	(1,409,222)
Decrease/(increase) in tangible and intangible fixed assets	(8,602)	(5,107)
Decrease/(increase) in financial fixed assets	-	-
Decrease/(increase) in current financial instruments	-	-
Decrease/(increase) in financing receivables	281	(281)
Decrease/(increase) in accrued income and deferred expenses (pertaining to cash flow management)	-	-
Increase/(decrease) in financing payables	-	-
Increase/(decrease) in accrued charges and deferred income (pertaining to cash flow management)	-	-
Decrease/(increase) in financing receivables	-	-
Donations of goods in kind	(597,000)	-
C) Cash generated (absorbed) by the change in equity elements	(605,321)	(5,388)
D) Cash generated (absorbed) by operations (A+B+C)	678,538	(685,948)
E) Cash and cash equivalents as at 1/1	7,704,963	8,390,911
Cash and cash equivalents as at 31/12 (D+E)	8,383,500	7,704,963

REPORT ON OPERATIONS AND NOTES

To the Financial Statements for the year ended at 31/12/2019

Approved by the Board of Directors on 29th May 2020

The financial year 2019 of the Andrea Bocelli Foundation ended with a very positive trend, confirming the growth trends of the last few years.

During 2019 the institutional and planning activity of the Foundation was further consolidated.

Large donors and partnerships with Institutions, Foundations and Companies of high international profile are still crucial for the Foundations' growth and this contributes to ensuring high visibility to consolidated projects as well as to the new ones launched and developed in 2019. A great boost was given to the communication sector, both offline and online, in the attempt of changing the way of communicating of the Foundation from local, that is limited to the smaller Italian context, to international, that is addressed to the wide public of ABF all over the world.

In this regard, in 2019 there was a significant investment in new tools, including digital ones, aimed at supporting the structure in this evolution.

The total revenues in 2019 reached Euro 7.3 million, with an increase of 1.4 million on 2018. It is a result of a much more intense collection of donations and contributions, for a total of 6.3 million euro deriving from cash contributions and for over 1 million euro deriving from other contributions.

Expenses for core operations amounted to Euro 5.3 million, with an impact of over 72% on total revenues from core operations; the use of resources received for purely project-based purposes and therefore linked to the Foundation's core activity is still predominant, although the percentage is lower due to the growth in revenues.

The 2018 trend as regards expenses from core operations is also confirmed; in fact core projects linked to education in the Haiti area were confirmed, but the activity in Italy was consolidated at the same time, with the success of the project to rebuild the school in Muccia (inaugurated in June 2019) and the launch of the reconstruction project of the Camerino Music Academy, confirming the Foundation's will to

continue driving the revitalisation and reconstruction effort of the Italian areas hit by the 2016 earthquake. This latter project entails a commitment for 2019 of Euro 1.8 million.

As outlined above, charges for promotions and fundraising significantly increased compared to 2018 (Euro 100 thousand approximately, that is +45%) reaching Euro 340 thousand, due to an increasingly intensive boost in fundraising and communication.

General support expenses also increased compared to 2018, reaching 0.7 million euros, mainly due to higher investments in human resources.

Furthermore, it should be noted that a provision for future charges to support the development of the Foundation was established during the year. The provision derives from the express will of the Board to strengthen the structure, to increase the Foundation's project skills.

On the basis of what already outlined in the annual planning document for 2020, but with even greater strength and intensity, the Foundation intends to implement a series of actions over the next few years aimed at supporting its structural and institutional growth; for these actions the Foundation estimated, and consequently set aside, an amount of 600 thousand euros.

With regard to financial revenues and charges, there was a negative net effect equal to Euro 3 thousand, due to exchange rate differences of approximately Euro 22 thousand deriving from the USD dollar's negative performance during the year.

The operating surplus is therefore equal to Euro 400 thousand, higher than the previous year following the foregoing events.



4.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended at 31/12/2019

Introduction

The Andrea Bocelli Foundation was established in 2011 to help people experiencing difficulties as a result of illness, poverty or social exclusion, by promoting and supporting projects in Italy and in Developing Countries, in particular Haiti, to help break those barriers and encourage the full expression of a person's potential.

The Mission Report is the social report of non-profit organisations, communicating how and to what extent the organisations have achieved their mission, proving their legitimacy and allowing them to gain consensus. The Mission Report of the Andrea Bocelli Foundation presents the Foundation from a strictly corporate point of view as well as being an invaluable communication tool, for third parties interested in taking part in programmes and projects related to the Foundation's specific mission.

The Mission Report also certifies that the Foundation pursued its corporate purpose, operating in compliance with the constraints set by the Articles of Association and laws in force.

The Mission Report is divided into two clearly identifiable, distinct sections:

1) Mission Report. Includes all "social" reporting related to activities and their effectiveness, identifying the topics and social issues the Foundation deals with. It presents programmes and projects and relevant results achieved in the year, as well as those planned for the next year.

2) Financial Statements for the Year. Presents income and financial results for the accounting period of reference, from 1 January to 31 December of each calendar year. Also detail the main account items, to present the economic and financial effects of what is qualitatively presented in the Mission Report.

Financial Statements is also submitted to legal audit by the board of internal auditors and to voluntary accounting audit by KPMG SpA".



Drafting criteria

The financial statements for the year ended as at 31 December 2019 are inspired by the indications of accounting standard 1 for non profit entities and takes into account the recommendations issued by the Italian National Board of Chartered Accountants Non Profit Companies Commission and the Italian civil code. The Financial Statements for the year include the Directors' Report, Balance Sheet, Financial Report and these Notes.

All figures are expressed in Euros, as required by art. 2423, paragraph 5 of the Italian Civil Code.

Directors' Report

The Directors' Report sets out items by type, as it is considered the form that provides the most significant information.

It was prepared in separate sections, suitably adapted to the specific features of the Foundation, to present a clear picture of activities performed and results achieved.

Balance Sheet

The Balance Sheet is presented through a clear distinction between assets and liabilities and, for each assets and liabilities item, the amounts expected to be settled or recovered within or after 12 months from the balance sheet reference date.

Financial Statement

Cash flows were recognised through the indirect method and reconcile the balance of cash and cash equivalents at the beginning and at the end of the year.



Criteria applied in the valuation of financial statement items

The valuation of financial statements items, in compliance with the contents of accounting standard 1 for non-profit organisations and taking into account the recommendations made by the Italian National Council of Chartered Public Accountant Non-profit Commission, was based on general criteria of prudence and accrual, taking into consideration the economic function of the asset and liability items.

Application of the principle of prudence involved the individual valuation of the components of the individual entries or items of assets and liabilities, to avoid offsetting losses that should have been recognised and profits not to be recognised since unrealised.

In accordance with the accrual principle, the effect of transactions and other events was accounted for and allocated to the year which such transactions and events refer to, and not to the year in which the associated cash flows (receipts and payments) are finalised.

The continuity of application of the aforementioned valuation criteria over time is a necessary element to compare the Foundation's financial statements in the various financial periods: the principles used in the previous financial year have been complied with and applied in the preparation of this document.

The financial statements have been prepared on the going concern basis of the Foundation's activities.

Conversion of foreign currency items

Transactions in foreign currencies are converted at the exchange rate in force on the date of the transaction. Monetary items in foreign currency at the balance sheet date are converted into Euro using the closing exchange rate. The exchange rate differences deriving from the conversion are recorded in the income statement and any net profit deriving from the exchange rate adjustment of monetary items in foreign currency is recorded in a special equity reserve, specifically created for separating the exchange effect deriving from the currency transactions made by the Foundation.



Intangible fixed assets

These are stated at historical purchase cost and adjusted by the accumulated depreciation.

They are costs for fees for corporate and notary consultancy services borne by the company during 2011 for incorporation and subsequent amendments to the Articles of Association and the costs of setting up and implementing the websites and the domains belonging to the Foundation, for the development of project and core activities. In accordance with the Board of Auditors, these expenses were considered "Expansion costs" and depreciated using the direct method over a period of five years.

In 2019 the Foundation registered the Voices of the World trademark in Europe, USA and the United Arab Emirates.



Tangible fixed assets

Tangible assets in use are entered at historical cost, inclusive of directly attributable additional costs and needed to use the asset for the purpose it was purchased for, and costs borne to use the asset, reduced by trade discounts and cash discounts for a significant amount. If the Foundation is likely to benefit in the future from the cost borne to replace a part of a building, plant and equipment elements and the cost of the element can be reliably calculated, that cost is entered as an increase in the book value of the item it refers to. All other costs are entered in the income statement in the year in which they are borne.

Tangible assets are entered net of relevant accumulated depreciation and any reductions in value, calculated as described below. Depreciation is calculated as constant percentages based on the asset's estimated useful life. This is reviewed every year and any changes are reflected in the statements.

At 31 December 2019 no permanent value losses were entered. Depreciation percentages of the main tangible fixed assets are:

ANNUAL RATE	
General installations	20%
Equipment	25%
Furniture and furnishings	15%
Electronic equipment and data processing machines	25%

Receivables

These are entered at their presumable collection value which, being referred to non commercial and tax receivables, is their nominal value.

Cash and cash equivalents

Cash and cash equivalents include the cash flow figures, that is those figures that meet the requirements of availability on demand or very short-term availability, success or absence of collection costs. They are valued at their nominal value and their use is not subject to restrictions.

Assets intended for disposal

Assets intended for disposal consist of immovable and movable assets for which disposal is expected within 12 months after closing the financial statements.

The categories recognised in the financial statements are buildings and other assets. Buildings are recognised at the presumed realizable value, which is the market value inferred from a land valuation report prepared by an independent expert. The other assets are recognised at the real value, that is the value declared by the original donor in the notarial deed of donation through which the asset was transferred to the Foundation.

Accruals and deferrals

They were determined on the basis of the accrual period.

For multi-year accruals and deferrals the conditions that led to the original entry were verified, and where necessary, appropriate modifications were carried out.

Net assets

These are set out based on the availability criterion and the ties its components are subject to.

Net assets were entered at the original nominal value, net of any use.

It consists of:

- Endowment Fund
- Free Capital, represents the Foundation's "available" capital, to be used based on future indications by Board of Directors;
- Tied Capital, earmarked for the Foundation's core activities, programmes, projects and emergencies, in compliance with specific Board of Directors' resolutions.

Related to that portion of Equity, the financial resources might already have been found (cash or bank) or might still have to be collected through fundraising activities.

Tied Capital Funds are used or changed following a Board of Directors' resolution: they increase following the Board's project authorisation resolution and are offset by posting under expenses from core activities; they decrease when the money is allocated against cash or bank amounts being reduced.

Provisions for risks and charges

Provisions for risks and charges are liabilities having an established nature, certain or likely, the date of occurrence or amount of which cannot be determined. In particular, the provisions for risks represent liabilities of a determined nature and likely existence, the values of which are estimated, while the provisions for future charges represent liabilities of a determined nature and certain existence, estimated amount or date of occurrence, connected to commitments already undertaken or however determined at the balance sheet date, with the expenditure actually occurring in subsequent financial years.

As at 31 December 2019, the Foundation recognised 600 thousand euros of future charges set aside in a dedicated fund, for liabilities aimed at supporting the structural and institutional growth of the Foundation.

Employee Severance Indemnity

This represents the actual amount due to employees in accordance with the law and the collective labour agreements, considering all forms of ongoing remuneration.

The employment severance indemnity provision is the total of the individual indemnities due to employees accrued at the financial statements date, net of advances paid, and is equal to what should be paid to employees in case of employment termination on that date.

Payables

Payables are entered at their nominal value, considered representative of their settlement, adjusted for returns or billing corrections.

Income taxes

Taxes are allocated according to the accrual principle; therefore, they represent the provisions for taxes to be paid for the year, determined in accordance with current rates and regulations.

Please note that when performing its core activities with the aim of social solidarity, the Andrea Bocelli Foundation does not perform any commercial activities. Therefore, the proceeds resulting from directly connected activities do not form taxable income.

Recognition of Proceeds

Proceeds from contributions are recognised at the time when they are obtained with certainty, normally identified when the sums of money are transferred or with the formal resolution of the Disbursing Body. However, these proceeds are not accounted for until the Board of Directors has formally accepted the amounts, by an authorisation resolution.

All proceeds from contributions are entered gross of bank charges withheld by the crediting banks, so the kind of item is presented correctly and clear evidence is given of the amounts actually transferred by each donor.

With regard to proceeds not directly deriving from contributions and donations but relating to contractual relationships, specifically the contributions deriving from the solidarity SMS campaigns, the revenue is recorded according to the ordinary accounting accrual criterion, with the recognition of any receivables for amounts established but not yet paid if necessary. Donations in kind received in the year are entered, proceeds and implicit expenses related to free purchases and services provided free of charge by third parties are recorded at the same time.

The amount at which the donation and the relevant expenses are entered correspond to the normal value plus VAT declared by the individual donor in the valuation sheet, which accompanies the donation declaration letter, as per the internal procedure.

Proceeds of a financial nature are recognised on an accruals basis, entering the relevant accruals and deferrals if necessary.

Recognition of Expenses and Charges

Expenses and charges are entered in the financial statements on an accruals basis, also considering those for the year, even if recognised after it has ended. In particular, please note that the Directors' Report is divided into three cost sections including respectively:

- **Expenses from Core Operations**

The following are detailed for each programme and project:

- 1) Money disbursements authorised by the Board of Directors related to projects relating to the period, for which the relevant financial expenditure might have occurred in full or only partially during the year. That item includes expenses arising from amounts intended for projects whose financial disbursement will take place after the financial year. The item results in a counter-item by the increase in the net tied capital funds;
- 2) The costs incurred for missions supporting projects resolved in the period and the purchase of goods, consumables and services used to implement those projects;
- 3) The implicit expenses linked to donations in-kind that impact at an expense level offsetting the related revenue.

- **Charges for promotions and fundraising**

The section includes all costs incurred as part of communication efforts to promote Foundation activities and projects decided in the year, as well as all costs related to first contact activities and updating of all private donors, including individuals, companies and foundations.

- **General support expenses**

The section includes all the Foundation's general costs, incurred by General Management, personnel costs, all branch management costs, for information systems and any other connected activity.

Use of estimates and valuations

Drafting the financial statements and relevant notes requires management to make estimates and assumptions that have an effect on the value of potential assets and liabilities at the date of the financial statements. Final results might differ from said estimates. Estimates may be used to record provisions for risks on receivables, write-downs of assets, depreciation, taxes and other provisions to risk funds. Estimates and relevant assumptions are based on prior experience and on assumptions considered reasonable when the estimates are made. Estimates and assumptions are reviewed periodically. Should the resulting *a posteriori* values differ from the original estimates, the effects are entered in the income statement when the estimate is amended.

Management of the exchange rate and liquidity risks

When performing its activities the Foundation is exposed to several market risks, in particular exchange rate fluctuation and liquidity risks.

The fluctuation in exchange rates risk is connected to the collection and disbursement of sums in currencies other than the Euro.

As a matter of fact, the Foundation receives 40% of its funds and disburses 60% of its sums in US dollars although it keeps its accounts in Euro only.

To minimise the exchange risk arising from those flows, the Foundation has had a current account in USD as of 2014, designated for receiving contributions in American dollars and disbursements in the same currency.

The liquidity risk is the risk that the Foundation takes on when the Board of Directors resolves to implement a project for which the funds have not yet been fully or partially collected.

In fact, at that moment the Board undertakes to organise, manage and conduct fund raising to cover and implement the individual project resolved.

The Foundation covers that risk thanks to careful, precise planning of fund raising events and opportunities, often connected to the artistic activities of its Founder Maestro, for which a collection budget is set up and approved in advance.

For the recognition of foreign currency items, reference should be made to the above paragraph "Conversion of foreign currency items".



As known, the reform of the Third Sector has not been fully defined yet, pursuant to Legislative Decree no. 117/17 aimed at harmonising the regulations applicable to non-profit organisations. It will be entirely effective after the enactment of the implementing decrees and after the establishment of the Third Sector National Single Register, presumably expected during 2020. With the registration, which is optional, in this Register, the Foundation will acquire the status of ETS (Third Sector Body - Ente del Terzo Settore) and will have to comply with the provisions envisaged by the reference legislation which will also introduce changes in terms of financial statements and taxation; said changes will be dealt with later herein.

Significant events occurred after the end of the year

The main significant events that occurred after the end of the financial year 2019 are related to the effects that the COVID 19 pandemic had on the financial assets and on the work organisation of personnel, as well as on how meetings of the bodies can be held.

Since mid-March 2020, the meetings of the Board of Directors have been held via audio/video connection, in order to analyse urgent events and to take extraordinary and mandatory resolutions.

The accounting estimates as at 31 December 2019 were carried out on the basis of a series of macroeconomic and financial indicators expected on that date.

The epidemic of the new coronavirus (Covid-19) spread at the beginning of January 2020 throughout Mainland China and, subsequently, also in other countries including Italy, and it caused the local slowdown or the interruption of certain economic and commercial activities.

The Foundation deems this epidemic to be an event that occurred after the financial statements date, which means that no adjustment to the balances of the 2019 financial statements is needed.

Considering that the situation is in flux and that it is rapidly evolving, it is not possible to provide a quantitative estimate of the potential impact that this event will have on the economic situation; such impact will be assessed during 2020.

The measures adopted by the government, with the aim of containing the epidemic, are not believed to affect operations and the business continuity at present, although a decrease in donations and contributions may be hypothesised for the first half of 2020.

Business Outlook

The year 2020 will be a complex year for the Foundation, since the emergency triggered by the COVID 19 pandemic has completely destabilised the plans of the organized fundraising events.

The most significant element to state a forecast for future activity is the uncertainty about proceeds and donations.

The changes needed in order to face this emergency will be structural ones and they will concern every area. Therefore, the year 2020 will necessarily be a year of significant review of the strategic and tactical structure, but it will also be a year in which the Foundation will be “urgently” required to respond to strong challenges from the community.

While waiting for effective definition of the new collection strategies for the second half of the year, the Foundation started to work on the adaptation of the Articles of Association and on its alignment with the new and most recent legislation concerning the Third Sector, assuming the transition to Third Sector Body (ETS - Ente del Terzo Settore) within 31 October, as envisaged by the legislation in force.



BALANCE SHEET INFORMATION

Intangible Fixed Assets

Net intangible fixed assets amount to 7,911 euro in total, with an increase of 6.7 thousand Euro compared to 31 December 2018, after the net effect between increases for 8 thousand Euro and amortisation for 2 thousand Euro.

Increases mainly relate to the registration, nationally and internationally, of the Voices of the World trademark, in support of the project inaugurated by the Foundation in November 2019. The item Licences includes the residual costs for the creation and implementation of the websites and domains belonging to the Foundation, for the development of project and core activities.

INTANGIBLE FIXED ASSETS (data in euro)

Description	Gross value as at 31/12/2018	Accumulated depreciation as at 31/12/2018	Reclassifications	Increases for the period	Decreases for the period	Depreciation for the period	Balance as at 31/12/2019
Licences	10,687	-10,687	0	102	0	-34	68
Trademarks and patents	1,815	-1,815	0	8,143	0	-300	7,843
Other multi-year expenses	5,990	-4,792	0	0	0	-1,198	0
Other	0	0					0
TOTAL	18,492	-17,294	0	8,245	0	-1,532	7,911



Tangible Fixed Assets

Tangible fixed assets amount to a total of 208,182 thousand euro, up by 166,943 thousand euro compared to 31 December 2018.

The increase for 185,725 euros derives from the fair value valuation of two of the four properties received as a donation in December 2019 following a testamentary bequest, referring to 4 properties with 2 attached garages, located in the cities of Pisa and Grosseto. It should be noted that only the two buildings covered

by a lease agreement were recognised under fixed assets, that is to say those for which the sale cannot be guaranteed within the next 12 months. The other two buildings were appropriately recognised under the item "Other assets held for sale", since they can be liquidated within the next financial year. The book value is the fair value, inferred following a land valuation report performed by independent experts appointed by the Foundation after the acceptance of the testamentary bequest. There were no write-downs of tangible fixed assets in 2019.

TANGIBLE FIXED ASSETS

(data in euro)

Descrizione	Gross value as 31/12/2018	Accumulated depreciation as at 31/12/2018	Reclassifications	Increases for the period	Decreases for the period	Depreciation for the period	Balance as at 31/12/2019
General installations	3,904	-2,928	0	0	0	-976	0
Machinery and equipment	3,200	-2,640	0	0	0	-560	0
Furniture	42,162	-17,573	0	0	0	-17,572	7,017
Buildings	0	0		190,000	0	-4,275	185,725
Electronic machinery	37,985	-22,872	0	357	0	-30	15,440
Other	0	0	0	0	0	0	0
TOTAL	87,251	-46,013	0	190,357	0	-23,413	208,182

Financial Fixed Assets

Financial fixed assets include active security deposits, which did not change in comparison with 2018.

Receivables

Receivables are entered at their nominal value corresponding to the presumable collection value. The details for the item are set out below:

RECEIVABLES

(data in euro)

Description	Within 12 months	After 12 months	After 5 years	Total as at 31.12.2019	Balance as at 31.12.2018	Changes
For tax receivables	5,589	-	-	5,589	269	5,319
Advances to suppliers	13,080	-	-	13,080	0	13,080
From others	148,629	-	-	148,629	21,653	126,976
TOTAL	167,298	-	-	167,298	21,922	145,375

The item increased by over Euro 145 thousand, mainly due to the increase in receivable from telephone companies in relation to the Solidarity SMS campaign for the year 2019. Unlike the previous year, in fact, this year many collections from telephone companies for the 2019 campaign were postponed to the first quarter of 2020.

In this regard, it should be noted that two solidarity SMS telephone campaigns were activated in 2019: the first one was active from 24th July to 3rd August, in conjunction with the Teatro del Silenzio show; the second one from 9th to 22nd September in conjunction with the airing of the TV show. The campaign raised a total of about Euro 261 thousand, of which:

- 113 thousand collected in 2019 and therefore recorded among the revenues pertaining thereto;
- Euro 148 thousand collected in the first quarter of 2020 and therefore entered as certain income and receivable on the 2019 financial year.



Cash and Cash Equivalents

Cash and cash equivalents amount to Euro 8.4 million, increased by Euro 0.7 million on the previous year. Please note that the item mainly consists of the liquidity held on the Foundation's 5 current accounts, one more than the previous year, due to opening of the new current account in Euro intended for the reconstruction project of the Camerino Music Academy.

The increase in the overall volume is due to a total increase in revenues during 2019.

Please note that as at 31 December 2019 the Foundation has 5 current accounts:

- 1) Current account in Euro: used for donations collected in Euro and to pay suppliers, employees and the tax administration. As at 31 December 2019, liquid assets in the current account amounted to Euro 6,847,958.
- 2) Current account in USD: used for donations collected in USD, for project disbursements to foreign partners (of which the Saint Luc Foundation represents over 95%) and current payments to foreign suppliers, mainly American, that the Foundation uses when organising missions in Haiti and corporate or fund raising events on American soil. As at 31 December 2019, liquid assets in the current account amount to USD 1,002,680, that is Euro 892,541.
- 3) Current account in Euro intended for the Central Italy Earthquake Emergency, reconstruction of the Sarnano School: intended for the management of the reconstruction project of the "Giacomo Leopardi" junior high school in the municipality of Sarnano,

project which was concluded in May 2018. As at 31 December 2019 cash on the current account was Euro 5,064, residual required for activities to be carried out in the areas related to the project.

4) Current account in Euro intended for the Central Italy Earthquake Emergency, rebuilding of the Muccia School, project which was concluded in June 2019.

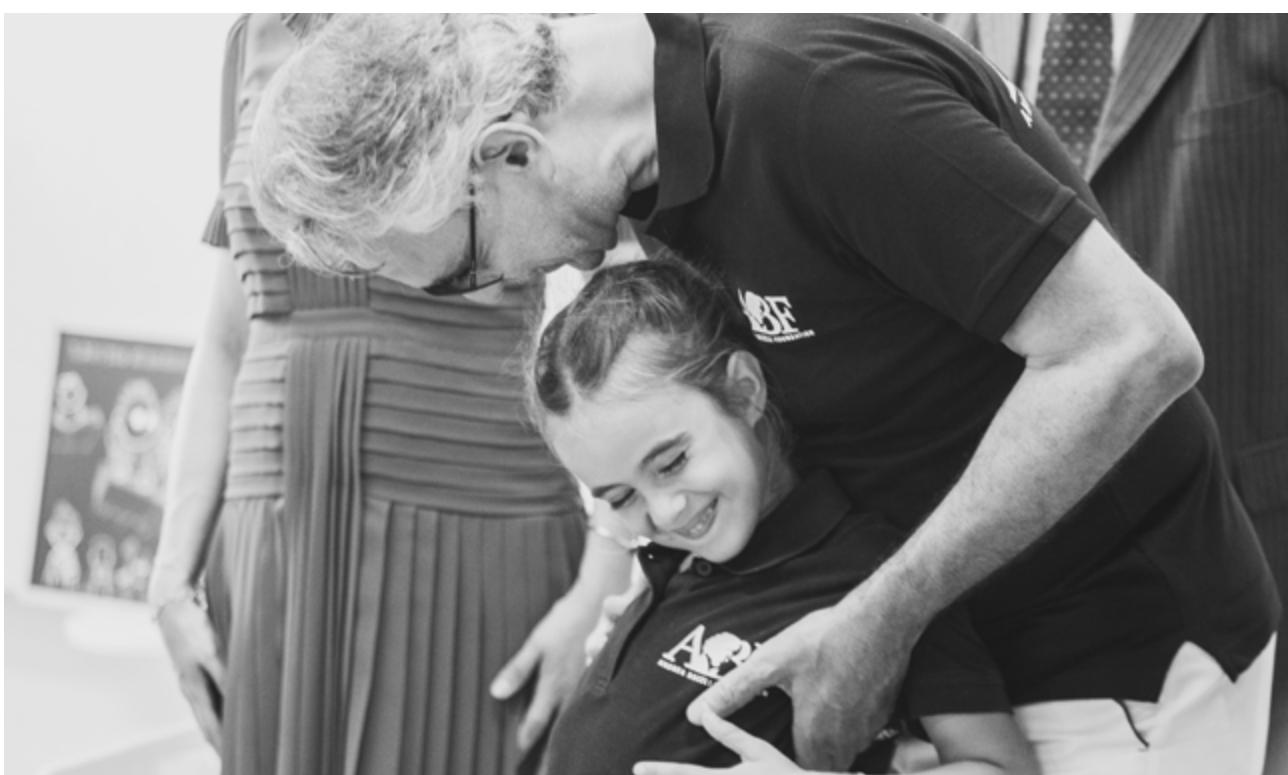
As at 31 December 2019 cash on the current account was Euro 94,637, residual required to complete the payment of some supplies relating to the project.

5) Current account in Euro intended for the Central Italy Earthquake Emergency, rebuilding of the Camerino school: the current account was opened in July 2019 in order to collect donations and make disbursements pertaining to the reconstruction project of the School. As at 31 December 2019, liquid assets in the current account amount to Euro 541,041.

CASH AND CASH EQUIVALENTS

(data in euro)

Description	Balance as at 31.12.2019	Balance as at 31/12/2018	Changes
Bank and postal deposits	8,381.242	7,700,724	680,518
Balance on pre-paid credit cards	1,844	3,192	-1,348
Cash on hand and other cash equivalents	414	1,046	-632
TOTAL	8,383,500	7,704,963	678,537



Assets intended for disposal

The item, newly-created in 2019, includes movable and immovable assets owned by the Foundation and intended to be monetised within 12 months from the end of the year.

In particular, the item includes the valuation of:

- The buildings located in Pisa, in Lungarno Buozzi no. 20, and in Grosseto, in Via Ticino no. 31/33, made available to the Foundation after a real estate bequest, of which the Foundation benefited in December 2019 without any restrictions nor lease contracts and for which, therefore, it is possible to proceed with sale immediately.

Recognition in the financial statements was at fair value, which is determined on the basis of the values expressed by a land valuation report performed by independent experts.

The total entry value is equal to Euro 319 thousand, of which Euro 150 thousand relating to the property located in Pisa and Euro 169 thousand relating to the

property located in Grosseto.

They were recognised under assets and, as offset, the proceeds were entered in the income statement under the item donations in kind, since these are donated assets, the proceeds of which, after their sale, will be used for the purposes of the core activities of the Foundation.

- Some movable assets that were made available to the Foundation after donations formalised with a notarial deed in 2019, intended for charity auctions organised by the Foundation for the purposes of fundraising activities.

The assets are entered at their real value, that is the value stated directly by the donor in the notarial deed of donation.

Specifically, a sculpture, a painting and two items of jewellery, for a total value of Euro 89 thousand.



Net Assets

The Foundation's Net Assets amount to a total of Euro 8.3 million, with an increase of Euro 1 million compared to 31 December 2018 due to a combination of the following events:

- Positive operating result for a total of Euro 400 thousand;
- Change to the free funds item for a total of Euro 83 thousand, mainly due to allocation of the positive result for 2018, partially offset by the use of some funds for certain minor projects;
- An increase of Euro 0.7 million in tied assets, due to the higher provisions for projects approved during the year, with particular reference to those projects developed in the area of the earthquake in Italy.

NET ASSETS (data in euro)

Description	Opening balance	Increases	Utilisation	Other changes	Reclassifications	Closing balance
Free capital	3,680,384	143,616	-	-	-59,841	3,764,158
Endowment fund	100,000	-	-	-	-	100,000
Other reserves	-	-	-	-	-	-
Retained earnings	1,045,462	143,617	-	-	-	1,189,079
Free funds	2,534,922	-	-	-	-59,841	2,475,075
Tied capital	3,423,463	4,969,941	-4,346,837	-	59,841	4,106,408
NET ASSETS BEFORE THE OPERATING RESULT	7,103,847	5,113,562	-4,346,837	-	-	7,870,565

With regard to Tied Capital as already reported in the section concerning the accounting standards used to prepare the financial statements, it is intended for the Foundations' core activities, programmes, projects and emergencies, as per specific Board of Directors' resolutions, and consists of financial resources that:

- might have already been obtained (money in cash or bank)
- or
- might still have to be collected through fundraising activities.

Tied Capital Funds are used or changed on a formal Board of Directors' resolution: they increase following the Board's resolution for project authorisation and are offset by posting under expenses from core activities; they decrease when the money is disbursed against cash or bank amounts being reduced.

NET ASSETS
(data in euro)

Description	Opening balance	Uses for disbursements	Increases for resolutions	Other changes	Reclassifications	Closing balance
EDU project fund	193,955	-193,900	-	-	87,185	87,241
UCLA project fund	36,274	-36,274	-	-	-	-
3.COM fund - Project in support of the Haiti community	87,185	-	-	-	-87,185	-
Wheat fund	1,937,921	-2,035,070	1,890,551	-	-	1,793,401
Empowering specialisation fund	91	-19,983	-	20,000	-	109
Voices of Haiti fund	7,450	-98,753	137,962	-	-	46,659
Water Truck fund	143,854	-143,749	-	-	-	105
Mobile Clinic fund	2,158	-90,320	138,852	-	-	50,691
HIV fund	550	-	-	-	-	550
Lajatico 0-6 fund	-	-	20,000	-	-	20,000
Santo Domingo fund	-	-	-	10,000	-	10,000
Project Klitcko fund	-	-	25,000	-	-	25,000
Sarnano school fund	84,614	-10,935	-	-	-	73,679
Other emergencies fund	8,446	-14,167	-	29,847	-	24,126
Muccia school fund	920,964	-1,611,836	1,000,000	-	-	309,128
Camerino school fund	-	-91,857	1,757,576	-	-	1,665,719
TOTAL TIED CAPITAL FUNDS	3,423,462	-4,346,844	4,969,941	59,847	-	4,106,408

This shows Euro 5.0 million increases resolved by the Board of Directors and Euro 4.3 million in designated disbursements.

It should also be noted that at the beginning of February 2020, the multi-year agreement was renewed with the project partner Foundation St. Luc, in order to continue with the ongoing projects for the 2020 and 2021 financial years.

In particular, for 2020 the Foundation has decided to focus on projects related to education and development of communities around the school system, leaving aside non-mission and emergency-related projects.

In the 2019 financial year, the funds relating to the Wheat project (running costs of the 5 schools in Haiti) were fully allocated, the annuity and collection of which partially impacted on 2019 and on the following financial year, whilst the funds relating to other projects will be subject to allocation during the 2020 financial year, the collection and implementation of which was initiated following the renewal of the multi-year agreement, that is from February 2020. As regards the funds intended for the Italian projects, one should note the almost total depletion of the fund intended for the reconstruction project of the Muccia School, inaugurated in June 2019, and the establishment of the new fund for the reconstruction project of the Camerino Music School, always in the area hit by the 2016 Italian earthquake.

Funds

The item includes the employee severance fund for a total of Euro 42 thousand and the provision for future charges allocated in 2019.

The establishment of the Future Charges Fund, aimed at supporting the development of the Foundation, derived from the express will of the Board of Directors to strengthen the structure, increasing the Foundation's project abilities and growth.

In this historic moment of great uncertainty as far as markets are concerned, which calls for prudence and containment of the investment activities, the Board of Directors, the Family and the Founder reaffirm their desire to strengthen the Foundation, by continuing with the growth and development trend of the last three years. On the basis of what was already outlined in the annual planning document for 2020, but with even greater strength and intensity, a series of actions aimed at supporting the structural and institutional growth of the Foundation will be implemented, for a total of Euro 600 thousand.

As far as the main areas of development and investment outlined by the Board are concerned, some detailed considerations are provided below:

- Investments for the development of the new headquarters: at the beginning of 2019, the Foundation expressed its desire to establish new operating headquarters for the performance of the Foundation's activities, which would not only be part of the operating structure's growth but which would also represent an investment in the image and would give institutional prestige to ABF. In line with this desire, in the first half of 2019 a concession contract free of charge with the Municipality of Firenze was signed for over 300 square metres located in the historic complex of San Firenze, which was the former Court of the Tuscan capital.

According to the agreements with the Municipality of Firenze, the Foundation is responsible for restructuring the premises and for necessary work in order to adapt them for office use. The Future Charges Fund will not include any restructuring and adjustment costs, but it aims at covering any additional promotion and investment costs on the new structure. The Board, in fact, intends to significantly invest in the new headquarters, in order to turn it into a place of planning impetus for ABF, within the scope of the city as well as at international level. In addition to the operational offices, in fact, the Board intends to invest in the implementation of some laboratory rooms, in which educational and social projects with leading national and international partners can be realised. The implementation of a museum room dedicated to Maestro Bocelli is also planned. Here, some of his musical instruments will be exhibited and various interactive systems will be activated in order to support the social and educational activities carried out by the

Foundation. In 2021, The Foundation will presumably invest in an event, of an institutional and international nature, aimed at promoting the upcoming project activities developed right in the premises of San Firenze.

- Investment for the upgrade of the information system: Within a strong growth in size and image, it is essential to be equipped with proper information tools, also suitable for the new project development of the Foundation. In this context, the Board deemed proper to allocate some resources to the coverage of the implementation costs of new modules of the existing management system, and to the purchase of any new platforms to be added to those already present, if required by the new planning needs.
- Investment for the upgrade of the operating structure: Faced with the significant growth of the last 2 financial years, the Board assessed the need to further integrate and strengthen the operating structure, by selecting, on the one hand, 2 new senior figures in support of the General Manager in routine operations and, on the other, by significantly investing in training and in the construction of an incentive and rewarding system. The intention, in fact, is that of investing also internally, towards its own resources and within an empowering project, which would completely enhance the organizational, managerial, planning and operational skills of the Foundation.
- Investment for the establishment of friends of USA: The Board restates its intention to increase ABF's potential on the American market, by focusing on the establishment of "Friends of". The idea is that of a body external to ABF, which would be established, developed and promoted by third parties who, nonetheless, are historical friends of ABF, donors or ambassadors. The establishment of Friends of and the structural costs would be borne by them, while the Foundation would support them by providing legal and fiscal consultancy and other kinds of advice in order to align the activities of friends of (mainly fundraising) to ABF's activities and projects as much as possible.
- Investment in consultancy for the organization and development of the Foundation: Also with a view to significantly enhancing the Foundation's image, its project ability and its internationalisation, the Board deems it necessary to invest in targeted and high-level consultancy activities, aimed at increasing ABF's operational and strategic skills, as well as at enhancing and improving relationships with private, public, national and international stakeholders.

Description	Balance as at 31/12/2019	Balance as at 31/12/2018	Changes
Provisions for future risks and charges	600,000	-	600,000
Employee Severance Indemnity fund	41,726	39,828	1,898
TOTAL	641,726	39,828	601,898

Payables

They are recorded at their nominal value, considered representative of their discharge value.

Please find the amount of the item below:

PAYABLES (data in euro)

Description	Within 12 months	After 12 months	After 5 years	Total	Balance at 31/12/2018	Changes
Trade payables	163,469			163,469	437,522	-274,053
Invoices to be received	57,907			57,907	27,725	30,183
Tax liabilities	18,608			18,608	17,856	752
Payables due to employees	64,777			64,777	58,305	6,472
Payables to social security and welfare agencies	54,621			54,621	38,204	16,417
Other accounts payable	9,689			9,689	8,967	723
TOTAL	369,072	-	-	369,072	588,578	-219,506

Compared to the previous year, the item decreased by Euro 0.2 thousand mainly due to the decrease in trade payables.

Trade payables, amounting to Euro 163 thousand, and invoices to be received, amounting to Euro 58 thousand, include approximately Euro 90 thousand of payables to the contractor for rebuilding the Camerino Music Academy and to some professionals working on communication strategies.

Furthermore, it should be noted that the overall increase in the item payables to employees and payables to other social security institutions, for Euro 23 thousand more than in 2018 approximately, is mainly attributable to the higher number of employees in service as at 31 December 2019, in comparison with the previous year.



INFORMATION ON THE DIRECTORS' REPORT

Revenues

In the financial year 2019, a significant increase in income was recorded, compared to 2018, for Euro 1.4 million (+ 23%).

REVENUES (data in euro)

Revenues	2019	2018	Changes	Changes %
Other revenues from core activities	1,117	571,518	-570,401	-100%
Revenues from core activity and fundraising	7,329,189	5,374,699	1,954,490	36%
Revenues from members and associates	-	-	-	0%
Contributions and donations	6,201,275	4,852,834	1,348,441	28%
5%o Pre-tax donation	75,545	37,178	38,367	103%
Donations in assets	790,346	232,055	558,291	240%
Other contributions	262,022	252,631	9,391	4%
Revenues from other activities	161	-161	-100%	
TOTAL	7,330,306	5,946,378	1,383,928	23%

The aforementioned trend stems from a combined effect of the following events:

1. Decrease in other revenues from core operations for Euro 0.6 million. The reversal of project funds allocated previously was included in this item in 2018, following recognition of the surplus of these funds.

Project funds were not reversed in 2019

2. Increases in Revenues from Core Activity and fundraising for Euro 2 million.

In particular, the item Contributions and donations increased by Euro 1.3 million and the item Donations of Assets by Euro 0.6 million euros, which includes donations in kind (Euro 38 thousand less than the previous year), donation of assets following charity auctions organised by the Foundation (for Euro 88 thousand), and the valuation as a donation of the real estate received through a testamentary bequest, for a total value of Euro 0.5 million.

The item derives from the valuation at fair value, based on a land valuation report performed by independent experts in the real estate sector.

The properties deriving from the bequest were offset, as a counterpart of the recognition under revenues, by the entry under the item "fixed assets" concerning the 2 rented properties and under the item "assets intended for disposal" for the 2 vacant properties, for which the disposal can be immediate.

For further details regarding the type of donations in kind received in the period, see the section of the mission financial statements concerning revenues from core operations.

These 2 new lines of income were not highlighted in previous years, given that there were no assets of such nature among the Foundation's assets at the end of the previous year.

Below is a breakdown of revenues from core activities (contributions and donations) by collection channel and intended project, based on specific indications by each donor and subsequently accepted by the Board of Directors.

In this connection, please note that, as already stated in the section concerning the accounting principles used to prepare the financial statements, revenues from charitable donations are recognised when they are definitely obtained, normally identified with the transfer of sums or the formal resolution of the Allocating Body.

PROCEEDS FROM CORE ACTIVITIES BY COLLECTION CHANNEL
(data in euro)

Description	2019	2018	Changes
ABF events	228,412	405,222	-176,811
ABF auctions	1,123,338	795,392	327,946
Third Parties events	1,173,295	926,539	246,757
5x1000	75,545	37,178	38,367
Solidarity SMS	262,022	252,631	9,391
Spontaneous donation	881,074	585,486	295,588
Campaigns	2,795,157	2,140,195	654,962
TOTAL	6,538,842	5,142,644	1,396,199
Donations in Kind	193,346	232,055	-38,709
Donations of assets charity auction	88,500	-	88,500
Donation of immovable property	508,500	-	508,500
TOTAL	790,346	232,055	558,291
TOTAL	7,329,189	5,374,699	1,954,490

PROCEEDS FROM CORE ACTIVITIES BY INTENDED USE
(data in euro)

Description	2019	2018	Changes
Challenges	-	1,643	-1,643
Educational project in Italy	905,171	-	905,171
Educational project in Haiti	1,744,376	-	-
Wheat	433,989	1,765,916	-1,331,928
Voices of Haiti	148,824	368,790	-219,966
Water truck	125,590	75,628	49,962
Mobile clinic	130,583	132,618	-2,035
Hurricane Matthew Emergency	-	37,000	-37,000
ABF core activities	1,872,229	888,965	983,264
Break the Barriers	20,600	6,132	14,468
Scuola school - Central Italy Earthquake	630	1,005,152	-1,004,522
Muccia school - Central Italy Earthquake	1,132,720	1,092,854	39,866
Music Lab - Centro Zerosei "A. Bocelli"	1,000	-	1,000
Rebuilding of Camerino Music Academy	813,477	-	813,477
Break the Barriers	7,329,189	5,373,056	1,956,133
TOTAL	7,329,189	5,374,699	1,954,490

Expenses

As widely described in the section concerning the accounting principles, expenses reported in the Directors' Report are broken down into:

- Expenses from Core Operations

For each programme and project they include:

- 1) Amounts resolved by the Board of Directors in reference to projects approved in the year. The item results in a counter-item by the increase in the net tied capital funds.
- 2) The costs incurred for missions supporting projects resolved in the period and the purchase of goods, consumables and services used to implement those projects;
- 3) The implicit expenses linked to donations in kind that impact at an expense level offsetting what has been recorded as revenues in kind.

- Charges for promotions and fundraising.

The section includes all costs incurred as part of communication efforts to promote Foundation activities and projects decided in the year, as well as all costs related to first contact activities and updating of all private donors, including individuals, companies and foundations.

- General support expenses

The section includes all the Foundation's general costs, incurred by General Management, personnel costs, all branch management costs, for information systems and any other connected activity.

Below are the expenses from core activities linked to projects and those for general support.

EXPENSES FROM CORE ACTIVITIES LINKED TO PROJECTS
(data in euro)

Destination	2019	2018	Changes
Challenges programme	-	-	-
Break the Barriers programme	4,969,941	4,693,166	276,775
EDU Project	-	57,952	-57,952
Wheat	1,890,551	1,851,019	39,532
Empowering specialisation	-	-	-
Voices of Haiti	137,962	302,932	-164,970
Water truck	-	142,047	-142,047
Mobile clinic	138,852	-	138,852
HIV	-	205,217	-205,217
Lajatico 0-6	20,000	-	20,000
Klitcko project	25,000	-	25,000
Sarnano school	-	900,000	-900,000
Other emergencies	-	-	-
Muccia school	1,000,000	1,234,000	-234,000
Camerino school	1,757,576	-	1,757,576
Mission expenses	9,409	-	9,409
Purchases intended for projects	193,346	232,055	-38,709
Services intended for projects	81,177	48,961	32,216
TOTAL	5,253,873	4,974,182	279,691

The total of charges from core activities equal to Euro 5.3 million records an increase of 5.6% on Euro 5.0 million of the previous year (+ 279 thousand Euro). The projects and commitments in Haiti are confirmed, however, projects on Italian soil are also simultaneously strengthened, by concluding the project pertaining to the reconstruction of the E._De Amicis school in Muccia with the inauguration in June 2019 and undertaking a new reconstruction project in the area of the earthquake for the reconstruction of the Camerino Music Academy. Specialisation and support projects to small forms of emergency, sustained by the use of free funds acquired in previous years, are also confirmed and active.

As far as the new project of the music academy is concerned, the reconstruction of a building severely hit by the earthquake of August 2016, in the municipality of Camerino, is planned.

Expenses for promotions and fundraising amount to a total of Euro 339 thousand, about Euro 100 thousand more than the year 2018.

This increase arises from the following main activities, started and sustained during the 2019 financial year:

1. Investment in consultancy expenses for new communication strategies;
2. Expenses for the organisation and preparation of occasional fundraising at the Teatro del Silenzio in July 2019.
3. Logistic expenses relating to the charity auction organised in July 2019, as part of the third-party Celebrity Fight Night in Italy event 2019, auction which raised a total of Euro 1 million.
4. Promotional costs pertaining to the two solidarity SMS campaigns held in 2019: the first campaign from 24th July to 3rd August 2019, in conjunction with the event at Teatro del Silenzio, and the second campaign from 9th to 22nd September 2019, which led to the collection of about Euro 262 thousand
5. Costs for consultancy aimed at giving great impetus to the communication sector, both offline and online, in the attempt to transform the Foundation's way of communicating from local, that is to say addressed to the limited Italian context, to international, that is to say addressed to the vast public of ABF all around the world.

Significant investment was therefore made in new instruments, including digital ones, aimed at supporting the structure in this evolution.

General support costs reach Euro 721 thousand, with an increase of Euro 98 thousand euros (+16%) compared to 2018; in this regard, there is mainly an increase in costs for employees in service as at 31 December 2019 (at the end of the year there were 8 resources in service compared to 7 in 2018), due to a consolidation in the organisational structure, particularly in the project area, and to higher costs incurred in consultancy services aimed at satisfying a structure that is becoming increasingly large and complex.

Taxes

Taking into account the legislation in force, the current payable for IRAP for the year was recognised.

Other information

There is no other significant information to report during the year.

CHARGES FOR PROMOTIONS AND FUNDRAISING (data in euro)

Description	2019	2018	Changes
Purchases	98,837	81,638	17,199
Services	169,868	95,859	74,009
Other general costs	70,900	57,053	13,847
TOTAL	339,604	234,549	105,055

GENERAL SUPPORT EXPENSES (data in euro)

Description	2019	2018	Changes
Purchases	7,711	13,249	-5,538
Services	188,802	174,061	14,741
Personnel	463,825	389,506	74,319
Leases and rentals	35,511	29,280	6,231
Depreciation and write-downs	24,946	16,575	8,371
Miscellaneous operating costs	202	106	96
TOTAL	720,998	622,777	98,221



5.

REPORT OF THE BOARD OF AUDITORS

ANDREA BOCELLI FOUNDATION

Registered office in Via Volterrana, 49 – 56030 Lajatico (PI) – Italy
Endowment Fund Euro 100,000.00 fully paid.

JOINT REPORT OF THE BOARD OF STATUTORY AUDITORS

To the Members of the Board

Background

The Board of Statutory Auditors, for the financial year ended December 31, 2019, performed both the duties required under Articles 2403 and et. seq. of the Italian Civil Code, as well as those set forth by Art. 2409-bis of the Italian Civil Code.

This joint report contains:

- in section A) the "Independent Auditor's Report pursuant to Art. 14 of Legislative Decree no. 39 of January 27, 2010 "
- in section B) the "Report pursuant to Art. 2429, paragraph 2, of the Italian Civil Code".

The financial statements submitted for your approval can be summarized as follows:

ASSETS

B)	FIXED ASSETS	218,293.00
C)	CURRENT ASSETS	8,650,798.00
D)	ACCRUED INCOME AND DEFERRED EXPENSES	5,557.00
E)	ASSETS FOR DISPOSAL	407,000.00
	Total assets	9,281,648.00

LIABILITIES

A1)	SOCIAL FUND	100,000.00
A2)	FREE CAPITAL	4,064,442.00
A2)	RESTRICTED CAPITAL ASSETS	4,106,408.00
B)	LIABILITIES AND CHARGES RESERVE	600,000.00
C)	EMPLOYEE SEVERANCE FUND	41,726.00
D)	DEBTS	369,072.00
	Total Liabilities	9,281,648.00

INCOME STATEMENT

A)	REVENUES	7,330,306.00	100.00%
B1	REVENUES FROM CORE OPERATIONS	-5,253,873.00	71.70%
B2	EXPENSES FROM PROMOTIONS AND FUNDRAISING	-339,604.00	4.60%
B3	GENERAL SUPPORT EXPENSES	-720,999.00	9.80%
C	PROVISIONS FOR FUTURE CHARGES	-600,000.00	8.20%
D)	NET FINANCIAL INCOME AND CHARGES	-3,334.00	0.00%
E)	EXTRAORDINARY INCOME AND CHARGES	129	0.00%
	Earnings before tax	412,625.00	
	Tax for the financial year	-12,343.00	0.20%
	SURPLUS FROM CURRENT OPERATIONS	400,282.00	5.50%

Auditor's Report Pursuant to Art. 14 of Legislative Decree no. 39, January 27, 2010

Auditor's report of the financial statements

Opinion

We conducted the financial audit of the attached financial statements, consisting of the balance sheet as at 31 December 2019, in accordance with the income statement, the financial statements for the financial year ending on that date and with the notes to the financial statements.

In our opinion, the accompanying financial statements present a true and correct representation of the financial position of the Foundation, as at 31st December 2017, and of its financial performance and its cash flows for the year that ended on that date in accordance with Italian Financial Reporting Standards, including the provisions of Art. 7 of Legislative Decree April 8, 2020 n. 23.

Basis for Opinion

We conducted our audit in accordance with the International Standards on Auditing (ISA) for Italy.

Our responsibilities pursuant to these standards are further described in the section Auditor's Responsibility for Auditing the Financial Statements of this report. We are independent from the Foundation, in compliance with regulations and principles concerning ethics and independence that apply within the Italian legal system for the auditing of financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Information request

We would like to draw your attention to what is described in the "Basis of preparation" section of the notes to the financial statements with reference to the criteria used to draft the financial statements of the Andrea Bocelli Foundation for the year ended 12/31/2019.

Information request – Application of Art. 7 of Legislative Decree No. 23 of April 8, 2020 and material uncertainty regarding the going concern assumption

We would like to draw your attention to the following sections in the Notes to the Financial Statements: "Significant events after the end of the financial year" and "Operational Outlook" with reference to "Principle of Going Concern".

In the Notes to the Financial Statements, the Directors report that, despite the affect the COVID-19 health emergency has had on the Foundation's activities, they prepared the financial statements on a going concern basis.

In the aforementioned sections, the Directors have provided updated information at the date of preparation of the financial statements regarding the assessment made of the existence of the going concern assumption, indicating the risk factors and material uncertainty identified, as well as future business plans to deal with these risks and uncertainties, as well as the effects produced by the COVID-19 health emergency at the beginning of the 2020 financial year.

Our opinion is not expressed with findings in regard to this aspect.

Other aspects

As indicated in the previous paragraph, "Information request", in order to assess eligibility for exemption pursuant to Art.7 of Legislative Decree no. 23/2020, in the financial statements the Directors have reported that they deem the going concern assumption to exist as at December 31, 2019, without accounting for subsequent events after that date, as provided for in the aforementioned OIC Interpretative Document 6. Given these circumstances, we have not taken these subsequent events into account when applying the principle of "Going Concern" of the International Standards on Auditing (ISA) for Italy.

Our responsibilities pursuant to these standards are further described in the section Auditor's Responsibility for Auditing the Financial Statements of this report. We are independent from the Foundation, in compliance with regulations and principles concerning ethics and independence that apply within the Italian legal system for the auditing of financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of the Directors and Board of Statutory Auditors for the Financial Statements

Directors are responsible for preparing financial statements that present a true and fair representation that complies with the Italian regulations that govern the preparation criteria and, in compliance with the law, for the internal control of the same, which is considered necessary for preparing financial statements that are free from significant errors due to fraud or unintentional conduct or events.

Directors are responsible for evaluating the ability of the Foundation to continue to operate as a going concern and, when preparing the financial statements, for the appropriateness of the use of the going concern assumption, as well as adequate information concerning the matter. Directors use the going concern assumption when preparing the financial statements unless they have assessed that the conditions for the liquidation of the Foundation or for the interruption of its activities exist or they have no realistic alternatives to these choices.

The Board of Statutory Auditors are responsible for supervising, within the terms established by law, the process of preparing the Foundation's financial reporting.

Auditor's Responsibility for Auditing the Financial Statements.

We aim to acquire reasonable assurance that the financial statements as a whole do not contain significant errors, due to fraud or unintentional conduct or events, and issue an audit report that includes our opinion. Reasonable assurance means a high level of assurance, however, this does not guarantee that a financial audit conducted in compliance with the International Standards on Auditing (ISA) for Italy always identify a significant error, if such error does exist. Errors can arise from fraud or unintentional conduct or events and are considered to be significant when they can reasonably be expected to, either individually or as a whole, influence the economic decisions taken by users on the basis of the financial statements.

Within the framework of the financial audit conducted in compliance with the International Standards on Auditing (ISA) for Italy, we have exercised our professional judgement and maintained professional skepticism for the whole auditing period.

Furthermore:

- we have identified and assessed the risks of significant errors in the financial statements, due to fraud or unintentional conduct or events; we have defined and carried out audit processes in response to these risks; we have acquired sufficient and appropriate audit evidence on which to base our opinion. The risk of failing to identify a significant error due to fraud is greater than the risk of failing to identify a significant error due to unintentional conduct or events, as fraud can imply the existence of collusion, falsification, intentional omissions, misrepresentation or forcible actions of internal control;
- we have acquired an understanding of the relevant internal control procedures for the financial audit

to define audit processes that are appropriate to the circumstances and not to express an opinion on the efficiency of the Foundation's internal control procedures;

- we have assessed the appropriateness of the accounting standards used, as well as the reasonableness of the accounting estimates made by the directors, including the relative disclosures;

- we came to a conclusion on the appropriateness of the use by the directors of the going concern assumption and, based on the audit evidence acquired, whether significant uncertainty about events or circumstances exists that could give rise to significant doubts concerning the Foundation's ability to

continue to operate as a going concern. In the event of significant uncertainty, we are required to highlight this within the audit report in the relative financial disclosure, or, whenever this disclosure is inadequate, to reflect this circumstance in formulating our opinion. Our conclusions are based on the audit evidence acquired up until the date of this report. However, subsequent events or circumstances may lead the Foundation to cease to operate as a going concern;

- we have assessed the presentation, structure and content of the financial statements in their entirety, including the disclosure, and whether the financial statements represent the underlying transactions and events in such a way as to present a correct representation;

- we have communicated to those responsible for governance, identified at an appropriate level pursuant to the ISA for Italy, among other aspects, the planned timing and scope of the financial audit and the significant results which emerged, including any significant shortcomings within internal control procedures identified during the audit.

**A) Supervision activity report
pursuant to Art. 2429, paragraph 2, of the Italian Civil Code**

During the financial year ended December 31, 2019, our activities were inspired by the legal provisions and Rules of Conduct for the Board of Statutory Auditors issued by the Italian Association of National Accountants, in compliance with which we carried out a self-assessment, with positive outcome, for every component of the Board of Statutory Auditors.

B1) Supervision Activities pursuant to Art. 2403 and et seq. of the Italian Civil Code

We supervised compliance with the law and articles of association and respect for the principles of sound administration.

We took part in Board meetings during which, on the basis of the information available, no breaches of the law and the articles of association were found, nor transactions that were manifestly risky, hazardous, in potential conflict of interest or that might undermine the integrity of corporate equity.

During the meetings held, we acquired information from President and the Administrative Director on general operating performance and its outlook, with particular regard for risk factors and material uncertainty related to the going concern assumption produced by the COVID-19 health emergency at the beginning of the 2020 financial year, as well as on the most significant transactions, by size or characteristics, carried out by the Foundation and, based on the information acquired, we have no specific observations to make.

We have acquired knowledge and supervised, within the scope of our responsibilities, the adequacy and operation of the foundation's organizational structure, also by obtaining information from the department heads, and have no specific comments to make in this connection.

We have acquired knowledge and supervised, within the scope of our responsibilities, the adequacy and operation of the administrative-accounting system, also with regard to the impacts of the COVID-19 health emergency on IT and telecommunication systems and on the latter's reliability to present management facts correctly, by obtaining information from department heads and examining company documents, and have no specific comments to make in this regard.

During the year, the Board of Statutory Auditors did not issue any opinions set forth by law. While conducting the supervision activities described above, no other significant facts were noted that require mentioning in this report.

B2) Comments on the Financial Statements for the year

To the best of our knowledge, when preparing the financial statements the Directors have not made substantial departures from the provisions of law pursuant to Art. 2423, paragraph 5, of the Italian Civil Code.

Pursuant to Art. 2426, paragraph 5 of the Italian Civil Code, the significant amounts listed under assets in the balance sheet were given our consent.

The results of the statutory audit that we conducted can be found in section A) of this report.

B3) Conclusions and Recommendations for the Approval of the Financial Statements

Considering the results of the activities which were carried out, the Board of Statutory Auditors recommends that the financial statements ending December 31, 2019 should be approved, as proposed by the Board of Directors.

The Board of Statutory Auditors agrees with the proposal for the allocation of the financial year result made by the Directors in the documentation attached to the Financial Statements.

Pisa, June 23, 2019

The Board of Statutory Auditors
Franco Martinelli (President)
Fabio Gambini (Statutory Auditor)
Stefano Monti (Statutory Auditor)

6.

INDIPENDENT AUDIT FIRM REPORT



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(Translation from the Italian original which remains the definitive version)

Independent auditors' report

*To the board of directors of
Andrea Bocelli Foundation*

Opinion

We have audited the financial statements of Andrea Bocelli Foundation (the "Foundation"), which comprise the balance sheet as at 31 December 2019, the management report and cash flow statement for the year then ended and notes thereto.

In our opinion, the financial statements give of Andrea Bocelli Foundation as at and for the year ended 31 December 2019 have been prepared, in all material respects, in accordance with the basis of preparation set out in the notes.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the "Auditors' responsibilities for the audit of the financial statements" section of our report. We are independent of Andrea Bocelli Foundation in accordance with the ethics and independence rules and standards of the Code of Ethics for Professional Accountants ("IESBA Code") issued by the International Ethics Standards Board for Accountants applicable to audits of financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter

We draw attention to the basis of preparation of the Foundation's financial statements as at and for the year ended 31 December 2019 described by the directors in the notes. We did not qualify our opinion in this respect.

Other matters

This report is not issued pursuant to any legal requirements as the Foundation was not required to subject its 2019 financial statements to a statutory audit pursuant to Legislative decree no. 39/10 and other auditors carried out the audit required by the Foundation's by-laws. Accordingly, we did not carry out the audit procedures required

by Standard on Auditing (SA Italia) 250B to check that the Foundation's accounts were regularly kept or those required by Standard on Auditing (SA Italia) 720B to express an opinion pursuant to article 14.2.e) of Legislative decree no. 39/10.

Responsibilities of the directors of Andrea Bocelli Foundation for the financial statements

The directors are responsible for the preparation of the financial statements in accordance with the basis of preparation described in the notes and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The directors are responsible for assessing the Foundation's ability to continue as a going concern and for the appropriate use of the going concern basis in the preparation of the financial statements and for the adequacy of the related disclosures. The use of this basis of accounting is appropriate unless the directors believe that the conditions for liquidating the Foundation or ceasing operations exist, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISA, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors;
- conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Foundation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are



Andrea Bocelli Foundation
Independent auditors' report
31 December 2019

inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Foundation to cease to continue as a going concern.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Florence, 15 June 2020

KPMG S.p.A.

(signed on the original)

Matteo Balestracci
Director of Audit



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