

# WE WORLD GVC ORGANIZZAZIONE NON LUCRATIVA DI UTILITA' SOCIALE [non-profit-making organization for community work]

Registered Office: Via Serio 6 – Milano (MI)

Taxpayer's Code: 97241280151

Registered at REA [Administrative Economic Index] under No. 1759079

VAT Id No. 03993130966

## FINANCIAL STATEMENTS AS AT 31<sup>st</sup> December 2023

### STATEMENT OF ASSETS AND LIABILITIES

	2023	2022
<b>Assets</b>		
<b>A) Membership fees or contributions still due</b>	<b>2,050</b>	<b>850</b>
<b>B) Fixed assets</b>		
<b>I - Intangible fixed assets</b>		
1) start-up and expansion costs	0	5,361
2) development costs	0	0
3) industrial patent and intellectual property rights	49,189	35,281
4) concessions, licences, trademarks and similar rights	0	3,495
5) goodwill	0	0
6) assets under construction and advances	0	0
7) others	0	0
<b>Total</b>	<b>49,189</b>	<b>44,137</b>
<b>II – Intangible fixed assets</b>		
1) land and buildings	1,606,221	1,699,721
2) plant and machinery	150	450
3) equipment	0	0
4) other assets	69,173	74,709
5) assets under construction and advances	0	0
<b>Total</b>	<b>1,675,544</b>	<b>1,774,880</b>
<b>III - Financial fixed assets, with separate additional indication, for each item of receivables, of amounts due within the following financial year</b>		
<b>1) equity investments in</b>		
a) subsidiary companies	0	0
b) associated companies	0	0
c) other companies	27,226	27,226
<b>2) receivables</b>		
a) from subsidiary companies	0	0
b) from associated companies	0	0
c) from other third-sector organisations	0	0
d) from others	14,743	14,924
3) other securities	7,900,710	8,832,191
<b>Total</b>	<b>7,942,680</b>	<b>8,874,341</b>
<b>Total fixed assets</b>	<b>9,667,412</b>	<b>10,693,358</b>
<b>C) Current assets</b>		
<b>I - Inventories</b>		
1) raw and ancillary materials and consumables	0	0

2) work in progress and semi-finished goods	0	0
3) contract work in progress	0	0
4) finished products and goods	0	0
5) payments on account	0	0
<b>Total</b>	<b>0</b>	<b>0</b>
<b>II - Receivables, with additional separate indication, for each item, of amounts due beyond the following financial year</b>		
1) from users and customers	17,080	416
2) from members and customers	0	0
3) from public bodies	50,637,333	59,197,142
<i>Within the financial year</i>	<i>28,355,330</i>	<i>30,354,192</i>
<i>Beyond the financial year</i>	<i>22,282,003</i>	<i>28,842,950</i>
4) from private organisations for contributions	3,531,708	2,312,897
<i>Within the financial year</i>	<i>2,090,734</i>	<i>1,676,376</i>
<i>Beyond the financial year</i>	<i>1,440,974</i>	<i>636,521</i>
5) from entities of the same association network	0	0
6) from other third sector organisations	6,273,480	3,605,864
7) from subsidiary companies	0	0
8) from associated companies	0	0
9) tax receivables	8,719	20,208
10) from “cinque per mille” grants [voluntary income tax contribution of five per thousand to third sector organizations];	0	0
11) deferred tax assets	0	0
12) from others	189,101	391,187
<b>Total</b>	<b>60,657,421</b>	<b>65,527,714</b>
<b>III - Financial assets not held as fixed assets</b>		
1) equity investments in subsidiary companies	0	0
2) equity investments in associated companies	0	0
3) other securities	0	0
<b>Total</b>	<b>0</b>	<b>0</b>
<b>IV –Cash and cash equivalents</b>		
1) bank and post office deposits	18,807,412	16,041,888
2) cheques	0	0
3) Cash and cash equivalents	101,644	121,143
<b>Total</b>	<b>18,909,056</b>	<b>16,163,031</b>
<b>Total current assets</b>	<b>79,566,477</b>	<b>81,690,745</b>
<b>D) Accrued income and prepaid expenses</b>	<b>2,002,450</b>	<b>2,456,011</b>
<b>TOTAL ASSETS</b>	<b>91,238,389</b>	<b>94,840,964</b>
<b>Liabilities</b>		
<b>A) Shareholders’ equity</b>		
I - Endowment fund of the organisation	300,000	300,000
<b>II – Restricted capital assets</b>		
1) Reserves under the articles of association	0	0
2) Restricted reserves by decision of institutional bodies	950,000	950,000
3) Restricted reserves earmarked by third parties	73,161,711	73,921,766
<b>III – Free capital assets</b>		
1) Operating profit or surplus reserves	403,443	397,782

2) Other reserves	9,823,812	10,973,812
IV – Surplus / deficit for the year	19,817	5,661
<b>Total</b>	<b>84,658,783</b>	<b>86,549,021</b>
<b>B) Provisions for risks and charges</b>		
1) for retirement and similar obligations	0	0
2) for taxes, including deferred taxes	0	0
3) others	1,455,259	2,065,000
<b>Total</b>	<b>1,455,259</b>	<b>2,065,000</b>
<b>C) Employee severance indemnity</b>	<b>1,061,710</b>	<b>1,037,164</b>
<b>D) Payables, with additional indication, for each item, of amounts due beyond the following financial year</b>		
1) due to banks	20,721	808,515
2) due to other financing bodies	0	0
3) due to members and founders for loans	0	0
4) due to entities in the same network of associations	0	0
5) for conditional charitable donations	0	0
6) payments on account	0	0
7) due to suppliers	1,003,844	1,025,633
8) due to subsidiary and associated companies	0	0
9) tax payables	173,799	280,511
10) due to social security institutions	285,734	263,347
11) due to employees and collaborators	832,271	855,406
12) other payables	1,701,348	1,850,061
<b>Total</b>	<b>4,017,716</b>	<b>5,083,473</b>
<b>E) Accrued liabilities and deferred income</b>	<b>44,921</b>	<b>106,306</b>
 <b>TOTAL LIABILITIES</b>	 <b>91,238,389</b>	 <b>94,840,964</b>

## STATEMENT OF ACTIVITIES

Charges and costs	2023	2022	Proceeds and revenues	2023	2022
<b>A) Costs and charges from activities of general interest</b>			<b>A) Revenues, income and proceeds from activities of general interest</b>		
			1) Proceeds from membership fees and founders' contributions	2,350	2,600
1) Raw and ancillary materials, consumables and goods	5,602,897	6,967,171	2) Proceeds from members for mutual activities	0	0
2) Services	18,893,354	16,319,854	3) Revenues from services and sales to members and founders	0	0
3) Use of third-party assets	1,176,524	1,243,669	4) Charitable donations	453,989	654,060
4) Personnel	6,975,759	6,614,121	5) Proceeds from "Cinque per Mille" grants	167,230	181,798
			6) Contributions from private entities	1,015,876	833,690
			7) Revenues from services and sales to third parties	0	0
5) Depreciation and amortisation	335,701	92,334	8) Contributions from public entities	37,732,744	36,294,359
5 bis) write-downs of tangible and intangible fixed assets	0	0			
6) Provisions for risks and charges	633,359	1,780,000	9) Proceeds from contracts with public entities	0	0
7) Sundry operating charges	13,480,634	11,476,885	10) Other revenues, income and proceeds	5,259,057	3,890,793
8) Opening inventories	0	0	11) Closing inventories	0	0
9) Allocation to restricted reserve by decision of institutional bodies	0	0			
10) Use of restricted reserve by decision of institutional bodies	0	0			
<b>Total</b>	<b>47,098,229</b>	<b>44,494,034</b>	<b>Total</b>	<b>44,631,246</b>	<b>41,857,300</b>
			<b>Surplus/deficit from activities of general interest (+/-)</b>	<b>-2,466,983</b>	<b>-2,636,734</b>
<b>B) Costs and charges from other activities</b>			<b>B) Revenues, income and proceeds from other activities</b>		
1) Raw and ancillary materials, consumables and goods	0	326	1) Revenues from services and sales to members and founders	0	0
2) Services	2,241	5,922	2) Contributions from private entities	0	0
3) Use of third-party assets	0	0	3) Revenues from services and sales to third parties	51,137	1,152
4) Personnel	0	0	4) Contributions from private entities	0	0
5) Depreciation and amortisation	0	0	5) Proceeds from contracts with public entities	0	0

5 bis) write-downs of tangible and intangible fixed assets	0	0		
6) Provisions for risks and charges	0	0	6) Other revenues, income and proceeds	0
7) Sundry operating charges	0	0	7) Closing inventories	0
8) Opening inventories	0	0		
<b>Total</b>	<b>2,241</b>	<b>6,248</b>	<b>Total</b>	<b>51,137</b>
				<b>1,152</b>
		<b>Surplus/deficit from other activities (+/-)</b>	<b>48,896</b>	<b>- 5,096</b>
<b>C) Costs and charges from fundraising activities</b>			<b>C) Revenues, income and proceeds from fundraising activities</b>	
1) Charges for regular fundraising	3,294,150	3,009,381	1) Proceeds from regular fundraising	8,041,227
2) Charges for occasional fundraising	103,640	171,123	2) Proceeds from occasional fundraising	309,902
3) Other charges	0	0	3) Other proceeds	0
<b>Total</b>	<b>3,397,789</b>	<b>3,180,504</b>	<b>Total</b>	<b>8,351,129</b>
				<b>8,488,798</b>
		<b>Surplus/deficit from fundraising (+/-)</b>	<b>4,953,340</b>	<b>5,308,294</b>
<b>D) Costs and charges from financial and asset related activities</b>			<b>D) Revenues, income and proceeds from financial and asset related activities</b>	
1) On banking relations	48,753	16,487	1) From banking relations	5,966
2) On loans	0	0	2) From other financial investments	259,732
3) From real-estate assets	0	0	3) From real-estate assets	0
4) from other assets	0	0	4) from other assets	0
5) Provisions for risks and charges	0	0	5) Other proceeds	0
6) Other charges	138,431	211,092		
<b>Total</b>	<b>187,184</b>	<b>227,579</b>	<b>Total</b>	<b>265,698</b>
				<b>230,918</b>
		<b>Surplus/deficit from financial and asset related activities (+/-)</b>	<b>78,514</b>	<b>3,339</b>
<b>E) General support costs and charges</b>			<b>E) General support proceeds</b>	
1) Raw and ancillary materials, consumables and goods	30,059	14,328	1) Proceeds from staff secondment	0
2) Services	937,688	1,080,855	2) Other general support proceeds	21,574
3) Use of third-party assets	86,440	103,743		
4) Personnel	1,294,991	1,206,367		
5) Depreciation and amortisation	154,905	176,540		
5 bis) write-downs of tangible and intangible fixed assets				
6) Provisions for risks and charges	0	0		
7) Other charges	60,588	62,907		
8) Allocation to restricted reserve by decision of institutional bodies	0	0		
9) Use of restricted reserve by decision of institutional bodies	0	0		
<b>Total</b>	<b>2,564,671</b>	<b>2,644,740</b>	<b>Total</b>	<b>(21,574)</b>
				<b>29,324</b>
<b>Total charges and costs</b>	<b>53,250,114</b>	<b>50,553,105</b>	<b>Total charges and costs</b>	<b>53,320,785</b>
				<b>50,607,492</b>
		<b>Operating surplus/deficit before tax (+/-)</b>	<b>70,670</b>	<b>54,387</b>
		<b>Taxes</b>	<b>50,853</b>	<b>48,726</b>

Operating surplus/deficit after tax (+/-)

19,817

5,661

## MISSION REPORT

**Financial Statements as at 31/12/2023**  
***(Amounts expressed in Euro)***

### **A) GENERAL INFORMATION**

#### ***Introduction***

Fondazione We World Onlus (below also the Foundation) adopted the financial statement forms for Third Sector Organizations in April 2021, in compliance with the provisions of Article 13 (3) of the Third Sector Code, even if it is not registered with the Italian Single Register of the Third Sector (known as RUNTS). The aforementioned decree contains the financial statements schemes and some explanatory notes for the preparation of financial statements for such Organisations. As specified by the Italian Ministry of Labour with Note No. 19740 dated 29<sup>th</sup> December 2021, the financial statements forms referred to in Italian Decree dated 5<sup>th</sup> March 2020, and which Accounting Standard OIC [Italian Accounting Body] 35 refers to, are applicable starting from the financial statements for financial year 2021 to all Third Sector Organisations and in any event to all APS [Social Promotion Associations], OdV [Voluntary Organisations] and ONLUS [nonprofits] even if not yet registered with the Italian Single Register of the Third Sector (RUNTS) and are therefore applied by the Foundation.

The financial statements as at **31<sup>st</sup> December 2023** consist of the Statement of Assets and Liabilities, the Statement of Activities and the Mission Report.

#### **1 – General Information on the Organisation**

Fondazione We World GVC ONLUS is a foundation established in 2018 as a result of the merger by incorporation of Associazione Gruppo di Volontariato Civile - GVC ONG/ONLUS (hereinafter referred to also as “GVC”) into Fondazione We World Onlus.

During 2020, the Foundation also joined the ChildFund Alliance: one of the leading international networks for the defence of children’s rights, with two operational offices in New York and Brussels, currently consisting of 11 more members based in the following countries: Canada, United States, Australia, New Zealand, Japan, South Korea, Sweden, Germany, Ireland, France and Spain.

ChildFund Alliance has strong advocacy skills and a widespread presence, with operational projects, in dozens of countries around the world, on all continents, which makes us look forward to strengthening the quality of We World’s interventions.

The Foundation’s registered office is in Via Serio 6, Milan (MI), the other main office is in Via Francesco Baracca 3, Bologna (BO); accounting records are kept in both of these offices.

Projects are implemented also in other offices of the Foundation, namely:

Via Fratelli Cairoli 18/A, Brescia (BS)

Via Sant’Antonio 27, Cosenza (CS)

Via Saffi 11/13, Pescara (PE)

Lungo Grati Gerger - S. Antonio 27, Cosenza (CS)  
Via Dei Somaschi 12, Elmas (CA)  
Via Don Guanella 20, Naples (NA)  
Via Oberdan 16, Agugliano (AN)  
Via San Paolo 36, Appiano Sulla Strada Del Vino - Eppan an der Weinstraße (BZ)  
Via Antonio Provolo 24, Rome (RM)  
Via San Secondo 20, Ventimiglia (IM)  
Viale Della Resistenza 11/K, Naples (NA)  
Via G. Di Vittorio 23, Reggio nell'Emilia (RE)

The Foundation carries out institutional activities (activities of general interest), as set out in Article 5 of Italian Legislative Decree No. 117/2017. In particular, the object and purposes of We World GVC Onlus are, as stated in Article 2 of its Articles of Association, *“exclusive pursuit of social solidarity and, in particular, social and socio-health care, as well as protection of civil rights with particular attention to the rights of children and women”* through programmes and projects having the following aims: *“development cooperation in favour of economically less developed populations and fight against poverty in general, including access to health, food security, water, socio-economic development and environmental protection; humanitarian aid during natural disasters and emergencies, including post-emergency prevention and rehabilitation; prevention and problem-solving of persons who are abandoned, marginalised, poor or at risk of violence, with special attention to children, young people and women, migrants and refugees; instruction, promotion of teaching quality and global citizenship education; international volunteering.”*

The activities referred to above are mainly carried out in favour of the most vulnerable communities. During 2023, the Foundation's actions reached over 9 million direct and 49 million indirect beneficiaries, in particular women and children - who represent 72% of beneficiaries - disabled people, evacuees, refugees and migrants. Pursuant to Article 6 of the Third Sector Code, the Foundation may carry out activities other than those of general interest, which are secondary and instrumental to the latter, in accordance with those criteria and limits as defined by the specific Italian Ministerial Decree. The Foundation may also carry out fundraising activities, in compliance with the principles of truthfulness, transparency and fairness with supporters and the public, in accordance with the provisions of Art. 7 of Italian Legislative Decree No. 117/2017.

### **Composition of Corporate Bodies**

At the date of approval of these financial statements, the corporate bodies are composed as follows:

Board of Promoters: 11 natural persons

Board of Participants: 36 natural persons

Board of Directors: composed of 8 members appointed equally by the two aforementioned Boards. It is vested with all powers of ordinary and extraordinary administration of the Foundation.

The Chairman of the Board of Directors is also the President of the Foundation, appointed by the Board of Directors from among its members.

The Managing Director, also appointed by the Board of Directors from among its members, supervises the management of the Foundation's activities.

The Board of Auditors consists of 3 standing members, all of whom are enrolled in the Register of Auditors kept by the Italian Ministry of Economy and Finance.

### **Activities of General Interest Carried out pursuant to Article 2 of the Articles of Association**

During the financial year, the Foundation implemented 179 projects in 26 countries involving 281 partners. During the year, emergency response operations were intensified in various contexts

where the Foundation has been present for years: in Syria, following the devastating earthquake in February, in Libya and Morocco in response to the floods and earthquake that respectively affected those territories in September, in Afghanistan after the October earthquake and in Gaza in response to the hostilities that began in October.

### **Facilitations Allowed to Third Parties for Charitable Donations to the Foundation.**

Listed below are the allowances and deductions for charitable donations allowed to donors under the Italian Legislative Decree of 3<sup>rd</sup> July 2017, No. 117, Art. 83:

1. an amount equal to 30 per cent of the expenses incurred by the taxpayer for charitable donations in cash or in kind in favour of non-commercial Third Sector organisations referred to in Article 79 (5) is deducted from the gross personal income tax, for a total amount not exceeding Euro 30,000 in each tax period. The deduction is allowed, for charitable donations in cash, on condition that the payment is made through banks or post offices or through other payment systems as provided for by article 23 of the Italian Legislative Decree No. 241 of 9<sup>th</sup> July 1997;
2. charitable donations in cash or in kind disbursed in favour of non-commercial Third Sector organisations referred to in Article 79(5), by individuals, entities and companies are deductible from the total net income of the donor within the limit of 10 per cent of the total declared income. If the deduction exceeds the total declared income, minus all deductions, the excess may be calculated as an increase of the amount deductible from the total income of the following tax periods, but not beyond the fourth, up to its amount.

During the year, numerous natural persons and companies made charitable contributions to the organisation for its institutional purposes. In accordance with sector regulations, the Foundation:

- 1) has kept systematic and chronological records of the charitable donations received, specifying the identification code, date, nature of donation, amount, and payment method thereof;
- 2) has made the entries “one by one” without grouping them either by date, by donor or by method of payment;
- 3) has sent, upon request, receipts certifying receipt and method of use of the sum;
- 4) has drawn up the financial statements so as to adequately represent the equity, economic and financial situation.

## **2 - Data concerning Members and Founders: Information on the Participation of Members in the Life of the Organisation.**

As at 31<sup>st</sup> December 2022, the Foundation had 47 members, all natural persons, 14 of whom work for the Foundation under different types of contracts.

Members are regularly informed of the Foundation’s activities during the course of the year, including by attending meetings of the Boards of Participants and Promoters convened during the same year; in 2023, the last meeting of the aforementioned Boards was held in July in Bologna.

## **B) DISCLOSURE OF THE FINANCIAL STATEMENTS’ ITEMS**

### **Criteria Used to Draw up the Financial Statements**

#### ***Content and Form of the Financial Statements***

The Statement of Assets and Liabilities represents the individual items according to the principle of increasing liquidity. The Statement of Activities, in the form envisaged by Italian Ministerial Decree



dated 5<sup>th</sup> March 2020, with an indication of proceeds and charges represents the costs and revenues for the period.

The Mission Report, drawn up pursuant to the aforementioned Italian Ministerial Decree, also contains all information deemed necessary to provide a correct interpretation of the financial statements, in particular, it discloses the items in the financial statements, the Foundation's financial and operating performance and the ways in which it pursues the purposes set forth in its articles of association.

The Mission Report contains, where applicable, all information required by Annex C to the Italian Ministerial Decree of 5<sup>th</sup> March 2020, as supplemented with the contents of the document OIC 35 - ETS Accounting Standard.

The financial statements are audited by PricewaterhouseCoopers S.p.A.

### ***Principles Adopted for the Preparation of the Financial Statements***

The financial statements clearly and fairly represent the capital and financial position of the Foundation and the results of operations for the year.

The principles used in the preparation and evaluation of the financial statements for the year ended 31 December 2023 take into account the changes introduced into the domestic system by Italian Ministerial Decree dated 5<sup>th</sup> March 2020, in application of Accounting Standard OIC 35 and Italian Accounting Standards as published by *Organismo Italiano di Contabilità* (Italian Accounting Body).

These financial statements comply with the provisions of Article 13 of Italian Legislative Decree No. 117/2017 as supplemented by the Italian Ministerial Decree of 5<sup>th</sup> March 20, as shown in this Mission Report, which is an integral part of the financial statements.

The financial statements' figures are represented in units of euro by rounding the relevant amounts. Any rounding differences have been shown in the item "Euro rounding reserve" under Shareholders' Equity items.

The Mission Report also contains all information useful to provide a correct interpretation of the financial statements, and of the items in the Statement of Assets and Liabilities and the Statement of Activities, in the same order in which the relevant items are shown in the respective statements. The financial statements correspond to the results of the accounting records duly kept.

### ***Drafting Principles***

The valuation of the items in the financial statements is based on the general principles of prudence and accrual basis of accounting, and, where required by law, it is made with the consent of the Board of Auditors.

The financial statements have been prepared on a going-concern basis, as the Directors have verified that there are no financial and management indicators or any other indicators that might highlight significant uncertainties regarding the Foundation's ability to meet its obligations in the foreseeable future and, in particular, over the next 12 months.

The application of the principle of prudence entailed the individual evaluation of the elements making up the individual items or items of assets or liabilities, in order to avoid offsetting losses that were to be recognised and profits that were not to be recognised because they had not been realised.

In accordance with the accrual principle, the effect of transactions and other events was recognised in the accounts and attributed to the financial year to which these transactions and events refer, and not to the year in which the related cash movements (collections and payments) occur.

In obedience to the principle of materiality, recognition, measurement, presentation and disclosure, any requirements having an irrelevant effect on the true and fair view of the financial statements

have not been complied with.

The recognition and presentation of items in the financial statements was made taking into account the substance of the transaction or contract.

Account has been taken of proceeds and charges pertaining to the financial year, regardless of the date of collection or payment, and of risks and losses pertaining to the financial year, even if they became known after its closure.

Capital assets intended to be used on a long-term basis have been entered under fixed assets. The valuation criteria and accounting principles adopted are explained below for the most significant items.

The continuity of application of the valuation criteria over time is a necessary element for the comparability of the Foundation's financial statements over the various financial years.

The principles used in the preparation of the financial statements for year ended 31<sup>st</sup> December 2023 are the same as those used in the preparation of the financial statements for the previous year.

### **Valuation Criteria**

The most significant valuation criteria adopted in compliance with the provisions of Italian Ministerial Decree dated 5<sup>th</sup> March 2020 as supplemented and interpreted by the Accounting Principles issued by *Organismo Italiano di Contabilità* (OIC, Italian Accounting Body) are shown below, with particular reference to the items for which different evaluation and adjustment principles are allowed or for which no specific criteria are provided.

### **Fixed Assets**

#### **Intangible fixed assets**

Intangible fixed assets are recorded at historical acquisition cost including accessory charges and shown net of amortisation and depreciation charged directly to the individual items.

Start-up and expansion costs with long-term utility have been capitalised with the approval of the Board of Auditors.

The amortisation of intangible assets was performed over the years in accordance with this pre-determined plan:

INTANGIBLE FIXED ASSETS ITEMS	PERIOD
Start-up costs	5 years – straight line basis
Development costs	5 years – straight line basis
Use of intellectual property	5 years – straight line basis
Capitalised software, licences and trademarks	5 years – straight line basis
Leasehold improvements	Depending on the shorter of useful life and duration of the underlying contract.

If, regardless of the amortisation already accounted for, an impairment loss results, the fixed asset is written down accordingly. If, in subsequent years, the reasons for the write-down no longer apply, the original value is reinstated, adjusted only for amortisation.

#### **Tangible Fixed Assets**

These are recorded at purchase or production cost and adjusted by the corresponding depreciation provisions. Ancillary expenses and costs incurred for the use of the fixed asset have been taken into account in the book value.

Depreciation rates applied in the Statement of Activities have been calculated considering the use, destination and economic-technical life of the assets, based on the criterion of the residual possible use, a criterion that we considered to be well represented by the following rates, which have not

changed with respect to the previous year:

<b>TANGIBLE FIXED ASSETS ITEMS</b>	<b>% Rate</b>
Buildings	3%
Specific plants	20%
Miscellaneous equipment	7.5%
Furniture and fixtures	12%
Electronic office machines	20%
Mobile phones	50%

For fixed assets purchased during the year, the depreciation rates applied were reduced by half, as they were deemed appropriate for the shorter period of use. The depreciation of assets used in the individual projects is entirely and directly allocated to the costs of the projects and entered under “Costs and charges from activities of general interest”.

If, regardless of the depreciation already accounted for, an impairment loss results, the fixed asset is written down accordingly. If, in subsequent years, the reasons for the write-down no longer apply, the original value is reinstated, adjusted only for depreciation.

### **Financial Assets**

Financial products held are valued at purchase cost including ancillary charges, such as bank and financial brokerage fees, and for securities without accrued interest at the date of purchase, which were accounted for as such and calculated on an accrual basis. These financial products are written down in the event of impairment. Financial investments in “Asset Managements” are valued at their respective year-end market value and the related revaluation/write-down is recognised in the income/expenses of group D) relating to financial and capital assets.

### **Inventories**

Inventories of materials were valued at the lower of purchase cost and market value.

The value attributed to non-monetary charitable donations (donations of goods received by the Foundation, mainly on the occasion of the Christmas holidays) is recorded at fair value at the date of acquisition, in accordance with the provisions of Accounting Standard OIC 35.

### **Receivables**

Receivables beyond 12 months the amortised cost method was not used, as its application would have no significant effect for the purpose of giving a true and fair view of the Foundation’s equity and financial situation. They continue to be recorded at nominal value, as receivables due within less than 12 months.

### **Cash and Cash Equivalents**

These are valued at their nominal value.

### **Payables**

Payables recorded in the financial statements are due within up to 12 months. The application of amortised cost is, therefore, irrelevant, and payables have been entered at nominal value pursuant to Art. 2423(4) of the Italian Civil Code.

### **Accruals and Deferrals**

Accruals and deferrals are determined according to the method of the actual accrual period.

For accruals and deferrals lasting several years, the conditions that had determined their original recording were verified, by adopting the appropriate changes where necessary.

**Provisions for Risks and Charges**

These provisions are set aside to cover losses or payables whose existence is certain or probable, but whose amount or date of occurrence could not be determined at year-end.

The general criteria of prudence and accrual have been observed in the evaluation of these provisions, and no generic risk provisions without economic justification have been set up. Contingent liabilities have been recognised in the financial statements and entered in the provisions as they are considered probable, and the amount of the relative charge can be reasonably estimated.

**Provision for Staff Severance Pay**

It represents the actual debt accrued to employees in accordance with the law and current labour contracts, considering all forms of remuneration of an ongoing nature.

The provisions correspond to the total of the individual indemnities accrued in favour of employees at the balance sheet date, net of any advances paid, and is equal to the amount that should have been paid to employees in the event of termination of the employment relationship on that date.

**Taxes**

The Foundation benefits from the favourable regulations for tax purposes provided for by Italian Legislative Decree No. 460/1997 regarding non-profit organisations due to the transitional regime introduced by article 101 of Italian Legislative Decree No. 117/2017 and the rules already in force of the latter decree known as “Third Sector Code” regarding indirect taxes and allowance/deduction of charitable donations received, pursuant to articles 82, 83, 102, sub-paragraph, e), f) and g).

For VAT purposes, the institutional activity is not subject to tax due to lack of objective and subjective requirements set out in articles 2, 3, 4 of the Italian Presidential Decree No. 633/72. Charitable donations are considered excluded.

For IRES [Italian corporation tax] purposes, the Foundation benefits from the tax reliefs on Non-Profit Organisations provided for by Article 150 of Italian Presidential Decree No. 917/86.

For IRAP [Italian regional tax on productive activities] purposes, the Foundation calculates the tax on the basis of the so-called “compensation system” benefiting from the facilitations provided for by Regional Law No. 27 of 18<sup>th</sup> December 2001 (Lombardy region), as well as the rate reductions provided for by the regions in which it operates.

**Revenues**

Revenues are posted according to the principle of prudence and on an accrual basis.

Proceeds in the form of subsidies, donations, gifts are recognised as revenues in the Statement of Activities in the financial year in which they are collected, i.e. in the financial year in which the legal entitlement to collect them is satisfied.

All the acts that are characterised by the coexistence of both of the conditions below are to be regarded as charitable donations:

1. the enrichment of the beneficiary with a corresponding reduction of wealth on the part of the person performing the act;
2. the nature of liberality (i.e. an act of generosity performed in the absence of any form of constraint).

Proceeds constituted by liberal donations may be unrestricted/restricted.

1. Unrestricted donations, i.e., without any restrictions or constraints imposed by the donor, are recognised as proceeds in the financial year in which they are received or in which the right, enforceable in court, to receive them is acquired;
2. Restricted donations are those subject, by the will of the donor, of an external third party or the entity's administrative body, to a series of restrictions and/ or constraints that limit their use, either temporarily or permanently;
3. Proceeds from "5 x mille" grants are accounted for on the basis of the publication of the final lists by Agenzia delle Entrate [Revenue Agency]. The Foundation is required to draw up a specific and separate account - accompanied by an explanatory report - clearly and transparently indicating the destination of the sums received. This document must be drawn up within one year of receiving the grant (Art. 8 of the Italian Prime Minister's Decree of 19<sup>th</sup> March 2008 and amendments thereof).

Proceeds arising from agreements signed with financing bodies for the implementation of specific projects, recorded among "Contributions from public bodies" or among "Contributions from private individuals" in the Statement of Activities, are subject to a destination restriction and/ or conditions imposed by the donor on the basis of a formal agreement. At the time of signing the agreement, an amount equal to that of the recorded receivables is posted to "Reserves restricted by third parties" in the Shareholders' Equity. At the end of the financial year, the reserves are drawn down and the proceeds posted to the Statement of Activities according to the progress of the financed project, measured on the corresponding charges incurred.

Revenues of a financial nature are recognised on an accrual basis.

### **Charges**

Charges comprise the costs incurred by the Foundation in the reporting period for the performance of its activities. These charges are recorded on an accrual basis.

Charges also include amounts allocated to projects whose financial disbursement will occur beyond the financial year. Charges from activities of general interest mainly refer to charges for social solidarity projects incurred for the realisation of a work or set of works that together form a single project of one or more years' duration.

### **Recognition of Items in Foreign Currencies**

During the year, foreign currency transactions were accounted for at the exchange rate prevailing at the time of the individual transactions.

Cash available in foreign currency was shown in the financial statements at the exchange rate in force at the reporting date. This resulted in the recognition of exchange rate differences based on the application of the Euro/foreign currency exchange rate as at 31<sup>st</sup> December 2023, in compliance with Accounting Principles.

The Foundation's costs, when incurred in a currency other than the Euro, were accounted for according to the exchange rate on the day the cost was incurred. It should be noted that when the reporting is submitted to the donor, and only for the purposes of said reporting, the costs relating to the funded projects are revalued at the exchange rate that may be required by the donor and in compliance with the agreement signed between the Foundation and the funding body: this process may obviously generate differences between the amount of the cost recognised in the accounts and the amount presented to the funding body and, consequently, the amount collected.

Proceeds originally denominated in a currency other than the Euro were accounted for by applying the exchange rate on the day the proceeds arose.

Exchange rate gains and losses related to the evaluation of current accounts in foreign currencies

are respectively credited and debited to the Statement of Activities, under assets of general interest, in the items “Other revenues, income and proceeds” and “Other operating expenses”, since foreign currency holdings are only attributable to what is necessary for the implementation of the Foundation’s programmes.

### Shareholders’ Equity

Shareholders’ Equity was recognised at its original nominal value, net of any utilisation. It consists of the endowment fund (unavailable fund, pursuant to Italian Presidential Decree No. 361/2000), unrestricted assets (consisting of the management result of previous years, as well as profit reserves or operating surpluses and other unrestricted reserves) and restricted assets (consisting mainly of income from agreements entered into with financing bodies for the implementation of specific projects not yet accounted for in the Statement of Activities, restricted statutory reserves, and restricted reserves due to choices made by the institutional bodies or third-party donors), and is allocated to the Foundation’s protection, programmes and emergencies, as per specific resolutions of the Board of Directors. Shareholder’s Equity is used by resolution of the Board of Directors.

## STATEMENT OF ASSETS AND LIABILITIES

### 1.B - FIXED ASSETS

#### B.I - INTANGIBLE FIXED ASSETS

Intangible assets recorded the following changes in historical costs during the year ended 31<sup>st</sup> December 2023:

	Initial Historical Cost	Purchases	Sales	Final Historical Costs
Start-up and expansion costs	145,509	0	0	145,509
Development costs	44,304	0	0	44,304
Industrial patent rights and rights to use intellectual property	345,546	38,430	0	383,976
Concessions, licences, trademarks and similar rights	283,087	0	0	283,087
Other intangible fixed assets	22,573	0	0	22,573
<b>Total</b>	<b>841,019</b>	<b>38,430</b>	<b>0</b>	<b>879,449</b>

Changes in amortization funds were as follows:

	Initial Amort. Fund	Amort. for the Year	Sales	Final Amort. Fund
Start-up and expansion costs	140,147	5,361	0	145,508
Development costs	44,304	0	0	44,304
Industrial patent rights and rights to use intellectual property	310,265	24,523	0	334,788
Concessions, licences,	279,593	3,494		283,087

trademarks and similar rights				
Other intangible fixed assets	22,573	0	0	22,573
<b>Total</b>	<b>796,882</b>	<b>33,378</b>	<b>0</b>	<b>830,260</b>

The net value in the financial statements is therefore as follows:

	<b>Net value as at 31.12.23</b>	<b>Net value as at 31.12.22</b>
Start-up and expansion costs	0	5,361
Development costs	0	0
Industrial patent rights and rights to use intellectual property	49,188	35,281
Concessions, licences, trademarks and similar rights	0	3,495
Other intangible fixed assets	0	0
<b>Total</b>	<b>49,188</b>	<b>44,137</b>

The item “Start-up and expansion costs” was zeroed during 2023 in line with the amortization plan referred to above and referred to costs incurred in 2018 by both We World and GVC for the merger transaction, which were recognised with the consent of the Board of Auditors.

The Foundation did not revalue intangible fixed assets, even in previous years.

## **B.II – TANGIBLE FIXED ASSETS**

Tangible fixed assets recorded the following changes in historical costs during the year ended 31<sup>st</sup> December 2023:

	<b>Initial Historical Cost</b>	<b>Purchases</b>	<b>Sales</b>	<b>Final Historical Costs</b>
Land and buildings	3,312,909	0	0	3,312,909
Plant & machinery	113,665	0	0	113,665
Equipment	3,509	0	0	3,509
Other assets	766,684	353,082	-5,633	1,114,133
<b>Total</b>	<b>4,196,767</b>	<b>353,082</b>	<b>-5,633</b>	<b>4.544.216</b>

Changes in depreciation funds were as follows:

	<b>Initial Depr. Fund</b>	<b>Depr. for the Year</b>	<b>Sales</b>	<b>Final Depr. Fund</b>
Land and buildings	1,613,188	93,500	0	1,706,688
Plant & machinery	113,216	300	0	113,516
Equipment	3,509	0	0	3,509
Other assets	691,975	357,806	-4,820	1,044,961
<b>Total</b>	<b>2,421,888</b>	<b>451,605</b>	<b>-4,820</b>	<b>2,868,673</b>

Depreciation for the year also includes the share relating to depreciation of assets used in single projects in the amount of Euro 335,701, which is classified in the Statement of Activities under “Costs and charges from activities of general interest”.

The net value in the financial statements is therefore as follows:

	31.12.23	31.12.22
Land and buildings	1,606,221	1,699,721
Plant & machinery	150	450
Equipment	0	0
Other assets	69,173	74,709
<b>Total</b>	<b>1,675,544</b>	<b>1,774,880</b>

The item “Land and buildings” comprises the value of a property arising from a testamentary bequest in favour of the Foundation; the amount recorded therein, in addition to the amounts recorded under “Receivables from others” also deriving from this bequest, is offset by an increase in the restricted shareholders’ equity in compliance with the provisions of Accounting Principle OIC 35.

The Foundation did not revalue nor wrote down tangible fixed assets, even in previous years.

### B.III – FINANCIAL FIXED ASSETS

Income from securities, coupons and interest, accrued during the year, was recognised on an accrual basis, through the recognition of the related accruals.

Product	31.12.23	31.12.22
Funds	2,523,597	1,536,443
Insurance policies	3,362,967	6,339,453
Asset managements	2,014,146	956,295
<b>Total</b>	<b>7,900,710</b>	<b>8,832,191</b>

These items are classified as fixed assets since they are sums in excess of the Foundation’s current operating needs and are therefore intended for long-term investment of the corporate assets.

The only purpose of these investments remains the defence and preservation of invested capital. Despite the volatility characterising the markets, there is no impairment of value.

As previously indicated in the section “Valuation Criteria”, financial investments in “Asset Managements” are recorded at year-end market value.

“Equity investments in other companies” refer to a modest amount of shares in Banca Etica, Emilbanca and Vita Società Editoriale Impresa Sociale.

### C.I – INVENTORIES OF GOODS

Inventories of goods are valued at the lower of purchase cost and realisable value inferable from market trends.

During the final months of the financial year, the Foundation received modest charitable donations in kind of goods that were subsequently subject to promotional and fundraising activities. Once this activity ceased, the assets received free of charge and not disposed of, were recognised among the final inventories at their fair value of Euro 38 thousand. The value of the inventories at 12.31.2022 was Euro 95 thousand. Taking into account that these assets have been in turn subsequently



donated to other parties, in compliance with the provisions of sub-paragraph 10 of Art. 2426 of the Italian Civil Code, a write-down reserve of the same amount was set aside. The movements in the fund were as follows:

<b>Inventory write-down reserve</b>	<b>31.12.22</b>	<b>Use</b>	<b>Provision</b>	<b>31.12.23</b>
Inventory write-down reserve	95,863	95,863	38,270	38,270
<b>Total</b>	<b>95,863</b>	<b>95,863</b>	<b>38,270</b>	<b>38,270</b>

## **C.II – RECEIVABLES NOT HELD AS FIXED ASSETS**

Receivables are stated in the financial statements at their estimated realisable value, in accordance with Art. 2426 of the Italian Civil Code.

There are no receivables with a residual duration of more than five years.

The main amounts that make up this item are represented by:

### **3) Receivables from Public Entities**

Receivables from Public Entities shown under current assets refer to receivables claimed for projects approved mainly by Italian, European and extra-European public institutions, European Commission and by the United Nations system, which at year-end had not yet been collected.

The change during the year is as follows:

<b>Receivables from Public Entities</b>	<b>Amount</b>
Receivables as at 31/12/22	59,197,142
Change during the year	-8,559,809
<b>Balance as at 31/12/23</b>	<b>50,637,333</b>

The decrease in the balance at 31 December 2023 is linked to important collections recorded in particular during the last quarter of the year.

The breakdown of receivables by line of credit as at 31<sup>st</sup> December 2023, divided between receivables due within and beyond one year, is as follows:

<b>Description</b>	<b>Receivables due within the year</b>	<b>Receivables due beyond the year</b>
AICS [Italian Agency for Development Cooperation] projects and other government agencies	3,252,757	6,103,321
European Commission projects	15,033,906	12,076,171
Local entities projects	260,817	201,476
United Nations projects	6,667,131	971,409
Foreign Governments projects	3,140,719	2,929,626
<b>Total</b>	<b>28,355,330</b>	<b>22,282,003</b>

**4) Receivables from Private Organisations for Contributions**

Receivables from Private Entities shown under current assets refer to receivables claimed for projects approved mainly by Foundations that had not yet been collected at year-end.

The change during the year is as follows:

Receivables from Private Entities	Amount
Receivables as at 31/12/22	2,312,897
Change during the year	1,218,811
<b>Balance as at 31/12/23</b>	<b>3,531,708</b>

The receivables as at 31<sup>st</sup> December 2023, broken down between receivables due within and beyond one year, is as follows:

Description	Receivables due within the year	Receivables due beyond the year
Receivables from Private Entities	2,090,734	1,440,975
<b>Total</b>	<b>2,090,734</b>	<b>1,440,975</b>

**6) Receivables from Other Third Sector Entities**

Receivables from Third Sector organisations entered in current assets refer to receivables claimed from project counterparties for instalments paid to them by the Foundation but not yet accounted for by the counterparties.

The change during the year is as follows:

Receivables from other Third Sector Entities	Amount
Receivables as at 31/12/22	<b>3,605,864</b>
Change during the year	2,667,616
<b>Balance as at 31/12/23</b>	<b>6,273,480</b>

The Foundation reports in this item receivables from Italian and foreign entities with which it works to implement its various projects. These entities are therefore not exclusively those regulated under Italian Legislative Decree No. 117/17, known as the Third Sector Code.

The increase in the balance is related to the collections received during the year, already mentioned with reference to the decrease in receivables from public bodies, and the consequent sending of project tranches to the counterparties of the projects.

**9) Tax Receivables**

The change during the year is as follows:

Tax receivables	Amount
Values as at 31/12/22	20,208
Change during the year	-11,489
<b>Balance as at 31/12/23</b>	<b>8,719</b>

**12) Receivables from Others**

The change during the year is as follows:

Receivables from others	Amount
Values as at 31/12/22	391,187
Change during the year	-202,086
<b>Balance as at 31/12/23</b>	<b>189,101</b>

Receivables from others include amounts due from suppliers for advances paid for the agreed services.

#### C.IV – CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of bank and postal deposits as well as sums in cash mainly in the foreign countries where the Foundation implements its various projects.

The change during the year is as follows:

Cash and cash equivalents	Amount
Values as at 31/12/22	<b>16,163,031</b>
Change during the year	2,746,025
<b>Balance as at 31/12/23</b>	<b>18,909.56</b>

Bank deposits are also represented by current accounts opened in the various countries in which the Foundation carries out its activities.

The breakdown of cash and cash equivalents at the end of the year, compared to the values at the end of the previous year, is as follows:

Description	31.12.23	31.12.22
Italian banks	11,970,878	9,193,898
On-site banks	6,836,534	6,847,990
Cash available at head office	32,874	37,358
On-site funds	68,771	83,785
<b>Total</b>	<b>18,909,056</b>	<b>16,163,031</b>

The increase in cash holdings in Italy is due to the high value of amounts collected from institutional donors in the last quarter of 2023, part of which was subsequently transferred to the project's counterparts for the share pertaining to the year as indicated in the paragraph on "Receivables from other entities of the third sector".

#### D - ACCRUED INCOME AND PREPAID EXPENSES

The change during the year is as follows:

Description	31.12.23	31.12.22
Accrued income on financial assets	150,789	332,391
Prepaid expenses on projects	1,652,557	1,878,345
Deferred Income	199,104	245,274
<b>Total</b>	<b>2,002,450</b>	<b>2,456,010</b>

The item "Prepaid expenses on projects" refers to suspension and deferral to future years of charges on programmes incurred during the year by the Foundation, programmes for which it was not

possible to record the related income, either because the Foundation is awaiting the conclusion of an agreement with the financing body regarding the contribution to cover such charges or because the charges relate to multi-year programmes whose coverage will be guaranteed by particular lines of fundraising proceeds, already allocated in a binding manner to cover such charges, as already resolved by the Board of Directors.

This item does not include accrued income and prepaid expenses with a duration of more than five years.

## A – FOUNDATION'S ASSETS

Our organisation, established in 1999, obtained legal recognition from the *Prefettura* of Milan in 2009 and was entered in the Register of Legal Persons under number 1018, page 5238, vol. V.

In March 2013, the organisation was then enrolled in the register of foundations, while by notarial deed dated 31<sup>st</sup> May 2014 it took the name We World Onlus. On the occasion of the deed's registration with the register of legal persons of the *Prefettura* of Milan, the current unavailable endowment Fund was determined at the same time, pursuant to Italian Presidential Decree No. 361/2000.

On 1<sup>st</sup> December 2018, the merger by incorporation of Associazione G.V.C. ONG/ONLUS into Fondazione We World Onlus took legal effect, as set forth in the Merger Deed dated 24<sup>th</sup> October 2018, under the hand and seal of Dr Guido Peregalli, Notary in Milan.

## STATEMENT OF CHANGES IN THE COMPONENTS OF (UNRESTRICTED AND RESTRICTED) SHAREHOLDERS' EQUITY.

In accordance with OIC 35, below is shown the statement of changes in restricted shareholders' equity.

Restricted assets	Statutory reserves	Restricted reserves earmarked by third parties	Reserves restricted by decision of the institutional bodies	Total
Opening year 2022	0	73,921,766	950,000	74,871,766
Change due to allocation to projects	0	-760,055		-760,055
Increases	0	0	1,150,000	1,150,000
Decreases	0		-1,150,000	-1,150,000
Rounding	0	0	0	0
<b>Year-end situation 2023</b>	<b>0</b>	<b>73,161,711</b>	<b>950,000</b>	<b>74,111,711</b>

In accordance with OIC 35, below is shown the statement of changes in unrestricted assets.

Unrestricted assets	Profit reserves or operating surplus	Other reserves	Surplus (deficit) for the year	Total
Opening year 2022	397,782	10,973,812	5,661	11,377,255
Allocation/use	5,661	0	-5,661	0
Increases	0	0	0	0

Decreases		-1,150,000	0	<b>-1,150,000</b>
Surplus of 2023 management	0	0	19,817	<b>19,817</b>
<b>Year-end situation 2023</b>	<b>403,443</b>	<b>9,823,812</b>	<b>19,817</b>	<b>10,247,072</b>

In December 2023, the Board of Directors resolved to use Euro 1,150 thousand of the “Restricted reserves by decision of the institutional bodies” to support the Foundation’s institutional activities in the year 2023. The aforementioned amount had been set aside during 2022 in the Restricted Assets Reserves when the 2023 budget was approved, for 950 thousand euros and by further resolution dated 14 December 2023, for 200 thousand euros.

When approving the 2024 budget, the Board of Directors also resolved to set aside a restricted reserve in the amount of Euro 950 thousand to support institutional activities in future years.

We inform you that during the month of January 2024 the Board of Directors resolved to increase the above-mentioned restricted reserve by Euro 650 thousand.

The “Restricted Reserves earmarked by third parties” include the surplus of income with respect to the expenses recognised for each project at the end of the financial year, amounting to Euro 73,162 thousand, generated by the signing of agreements with donor bodies aimed at implementing specific projects, as mentioned in the part of the revenue valuation criteria. The duration of the destination restriction depends on the implementation times of the various projects in accordance with agreements signed with the donor bodies.

Also included is the value of the testamentary bequest with destination restriction in the amount of Euro 187 thousand, accepted with benefit of inventory and subsequently formalised with a declaration of inheritance.

Below is a detail of the composition of the "Restricted reserves allocated by third parties", divided by donor who places the restriction on the destination:

<b>Description</b>	<b>Euros</b>
AICS [Italian Agency for Development Cooperation] reserved funds and other government agencies	13,256,299
European Commission reserved funds	35,804,948
Local Authority reserved funds	357,271
United Nations reserved funds	9,616,715
Funds reserved by foreign governments	7,979,751
Private entities reserved funds	6,146,727
<b>Total</b>	<b>73,161,711</b>

## **B - PROVISIONS FOR RISKS AND CHARGES**

The provision for risks represents an estimate of risks related to the probability of incurring future charges for costs deemed ineligible by the donor.

Movements during the year are shown in the table below:

Other provisions	Amount
Values as at 31/12/22	2,065,000
Use	-1,243,101
Provision	633,360
<b>Balance as at 31/12/23</b>	<b>1,455,259</b>

During 2022, the fund increased by Euro 1,780 thousand with an allocation for the coverage of greater costs in local currency in relation to the programs to be implemented in Syria and Lebanon, due in particular to the difference between the exchange rate published by the Bank of Italy (used in accounting in compliance with the Accounting Principles) and the exchange rate for reporting to the donor according to the agreements entered into by the Foundation.

During 2023, charges were incurred in local currency and not entirely covered by proceeds from donor bodies due to the different application of exchange rates as illustrated above. The fund was accordingly used for Euro 1,243 thousand, of which Euro 154 thousand for programs in Syria and Euro 1,089 thousand in Lebanon, which were reclassified in the item "A7-Other management costs" in section "A - Costs and charges from activities of general interest" of the Statement of Activities.

New accruals to provisions were made in 2023, just as in 2022, for probable greater future costs to be incurred in Lebanon and Syria, as these countries experienced losses in the value of the local currencies also in 2023. The likely higher charges are due to the difference between the exchange rates contractually envisaged in the agreement with the donor and those used in the accounts in compliance with the Accounting Principles, as already indicated among the valuation principles in the paragraph "Valuation of items in foreign currencies". It should also be noted that exchange rate gains generated by the difference between the exchange rate applied by the local banking system and the official exchange rate of "Unione Italiana Cambi" were recognized against the provisions made during 2023. In the Statement of Activities, the amount set aside was classified in item "A6 - Provisions for risks and charges" included in section "A - Costs and charges from activities of general interest".

### C – EMPLOYEE SEVERANCE INDEMNITY

The severance indemnity provisions was calculated in accordance with Art. 2120 of the Italian Civil Code, taking into account the specific nature of contracts and professional categories, and includes the annual amounts accrued and the revaluations made on the basis of ISTAT [Italian Statistics Institute] ratios.

Movements during the year are shown in the table below:

Provisions for employee severance indemnity	Amount
Values as at 31/12/22	1,037,164
Severance pays/advances	-158,285
Provisions	186,067
Substitute tax	-3,236
<b>Balance as at 31/12/23</b>	<b>1,061,710</b>

### D - PAYABLES

There are no payables with a residual duration of more than five years, nor are there any debts

secured by collateral on corporate assets.

The main amounts that make up this item are represented by:

#### D.1 Due to Banks

The change during the year is as follows:

Due to banks	Amount
Values as at 31/12/22	808,515
Change during the year	-787,794
<b>Balance as at 31/12/23</b>	<b>20,721</b>

Payables to banks at the end of the 2023 financial year include temporary situations of current account advances. The decrease refers to the reimbursement by the Foundation to a banking institution of the advance received on a project financed by the Italian Agency for Development Cooperation.

#### D.7 Trade Payables

The change during the year is as follows:

Trade payables	Amount
Values as at 31/12/22	1,025,633
Change during the year	-21,789
<b>Balance as at 31/12/23</b>	<b>1,003,844</b>

The value as at 31.12.2023 includes invoices to be received in the amount of Euro 246 thousand.

#### D.9 Tax Payables

The change during the year is as follows:

Tax payables	Amount
Values as at 31/12/22	280,511
Change during the year	-106,712
<b>Balance as at 31/12/23</b>	<b>173,799</b>

The value as at 31.12.2023 includes IRPEF [personal income tax] withholdings in the amount of Euro 98 thousand, as well as withholdings on interest not yet paid on investments for Euro 58 thousand and IRAP [regional production tax] in the amount of Euro 4 thousand.

#### D.10 Payables due to Social Security Institutions

The change during the year is as follows:

Payables to social security institutions	Amount
Values as at 31/12/22	263,347
Change during the year	22,387
<b>Balance as at 31/12/23</b>	<b>285,734</b>

The value as at 31.12.2023 includes INPS [Italian social security Institute] contributions due and relating to both employees and collaborators.

**D.11 Payables to Employees and Collaborators**

The change during the year is as follows:

Payables to employees	Amount
Values as at 31/12/22	855,406
Change during the year	-23,135
<b>Balance as at 31/12/23</b>	<b>832,271</b>

This financial statements item includes payables to employees, both for wages and salaries not yet paid and for holidays still to be taken at the closing date of the financial year.

**D.12 Other Payables**

Other payables are broken down as follows:

Description	31.12.23	31.12.22
Payables to other NGOs and/or local counterparties	1,646,286	1,828,384
Other payables	55,062	21,677
<b>Total</b>	<b>1,701,348</b>	<b>1,850,061</b>

This item includes payables to counterparties for expenses reported but not yet reimbursed by the Foundation.

**E - ACCRUED LIABILITIES AND DEFERRED INCOME**

Accrued liabilities and deferred income at the end of 2023, compared to the values at the end of the previous year, are broken down as follows:

Description	31.12.23	31.12.22
Accrued liabilities on financial assets	44,921	105,733
Deferred income		573
<b>Total</b>	<b>44,921</b>	<b>106,306</b>

This item does not include accrued expenses and deferred income with a duration of more than five years.

It comprises accrued expenses on financial assets amounting to Euro 44 thousand.

**STATEMENT OF ACTIVITIES****PROCEEDS AND REVENUES**

Proceeds and revenues are broken down in the various sections of the Statement of Activities, as follows:

Total proceeds and revenues	31.12.23	31.12.22
A – Revenues and income from activities of general interest	44,631,246	41,857,300
B – Revenues, income and proceeds from other activities	51,137	1,152
C - Revenues, income and proceeds from fundraising	8,351,129	8,488,798
D - Revenues, income and proceeds from financial and asset related activities	265,698	230,918
E – Proceeds of general support	21,574	29,324



<b>Total proceeds</b>	<b>53,320,785</b>	<b>50,607,492</b>
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Group A proceeds represent all income earned to enable the Foundation's activities of general interest carried out in Italy and abroad.

<b>A – Revenues, income and proceeds from activities of general interest</b>	<b>31.12.23</b>	<b>31.12.22</b>
Charitable donations	453,989	654,060
Proceeds from membership fees and contributions from founders	2,350	2,600
Proceeds from "5 per Mille" grants	167,230	181,798
Contributions from private individuals	1,015,876	833,690
Contributions from private entities	37,732,744	36,294,359
Other revenues and proceeds	5,259,057	3,890,793
<b>Total A – Revenues, income and proceeds from activities of general interest</b>	<b>44,631,246</b>	<b>41,857,300</b>

Group A includes contributions from public and private bodies recognised as a result of specific agreements entered into with the donor body, for which a 'narrative' and financial reporting is required. These are therefore proceeds with a clear destination restriction placed by third parties and used to cover charges on specific projects, the increase of which is deriving from the progressive increase in agreements signed with public and private donor bodies and thus correlated to the greater volume of the activities carried out.

Charitable donations of an unrestricted nature, refer to donations of goods received by the Foundation, mainly on the occasion of the Christmas holidays and used for a fundraising activity. The goods that remain at year-end, after the end of such activity, are given to other organisations of the Third Sector.

There is also a "5 per mille" grant amounting to Euro 167 thousand that represents the result of the optional choice of taxpayers in their income tax returns, the amount of which was collected during the year.

The item "Other revenues, income and proceeds" includes the use of the Shareholders' Equity reserves, amounting to Euro 1,150 thousand for the year 2023: this amount had been collected in previous years, but not recognised in the Statement of Activities in the financial statements of such previous years and therefore had not been previously reported as proceeds of the Foundation. For further details, please refer to the section "Statement of changes in the (unrestricted and restricted) components of shareholders' equity".

The item "Other revenues, income and proceeds" also includes exchange rate gains related to the valuation of foreign currency exchange transactions and the valuation of foreign currency accounts as at 31st December 2023 according to the UIC euro/foreign currency exchange rate and amount to Euro 3,080 thousand. Charges related to exchange rate losses are classified under "Other operating charges" in activities of general interest and amount to Euro 3,118 thousand. As already mentioned in the comment on the item "Provisions for risks and charges", it should be noted that a provision of Euro 633 thousand was made, classified under item "A6 - Provisions for risks and charges" in section "A - Costs and charges from activities of general interest", while the item "A7- Other operating costs" in section "A – Costs and charges from activities of general interest" was used by Euro 1,243 thousand.

Proceeds from membership fees and contributions from founders", which refer to memberships for 2023 are included.

Income in group "B - Revenues, income and proceeds from sundry activities", refers, for Euro 47

thousand, to a training service provided to a third country NGO and, for the residual amount, to the sale of virtual gifts or party favours to individuals and the provision of services of minor value in favour of the Municipality of Milan.

As regards the proceeds under group "C - Revenues, income and proceeds from fundraising activities", they include all contributions and donations received, aimed at supporting the Foundation's activities, which are broken down between regular and occasional fundraising activities.

<b>C- Revenues, income and proceeds from fundraising</b>	<b>31.12.23</b>	<b>31.12.22</b>
Proceeds from regular fundraising	8,041,227	8,234,117
Proceeds from occasional fundraising	309,902	254,681
Other proceeds	0	0
<b>Total C - Revenues, income and proceeds from fundraising</b>	<b>8,351,129</b>	<b>8,488,798</b>

Fundraising proceeds come from both natural and legal persons and are broken down as shown in the table below:

<b>C- Revenues, income and proceeds from fundraising</b>	<b>31.12.23</b>	<b>31.12.22</b>
Proceeds from natural persons	6,903,093	6,886,614
Proceeds from legal persons	1,448,036	1,602,184
<b>Total C - Revenues, income and proceeds from fundraising</b>	<b>8,351,129</b>	<b>8,488,798</b>

The area of proceeds from fundraising is substantially stable compared to the previous financial year. The decrease can be mainly attributed to the income from a bequest received during 2022 and amounting to Euro 207 thousand.

Proceeds from occasional fundraising are related to the creation of a *virtual market*, i.e. the sale of goods of modest value through a web platform during the Christmas holidays. The report on this activity is annexed to the Foundation's financial statements pursuant to Art. 13(1) of the CTS.

It should be noted that donations to the Foundation confer on the donors certain tax benefits under the Consolidated Income Tax Act (TUIR) and other tax regulations regarding donations to socially useful non-profit Organisations and recognised non-governmental Organisations.

The income included under "D" originates almost exclusively from interest accrued on the Foundation's invested assets in the amount of Euro 222 thousand, in line with the previous year's results.

As regards the residual income, letter E "General support proceeds", these include modest amounts and of little significance in the context of the values expressed in this Statement.

## CHARGES AND COSTS

Charges and costs are broken down as follows:

<b>Total charges and costs</b>	<b>31.12.23</b>	<b>31.12.22</b>
A – Costs and charges from activities of general interest	47,098,229	44,494,034
B – Costs and charges from other activities	2,241	6,248

C – Costs and charges from fundraising	3,397,789	3,180,504
D – Costs and charges from financial and asset related activities	187,184	227,579
E – General support costs and charges	2,564,671	2,644,740
<b>Total charges</b>	<b>53,250,114</b>	<b>50,553,105</b>

All the charges included in group “A” represent costs incurred for activities of general interest, that is to say all the charges incurred for the implementation of the Foundation’s activities in the 26 countries in which it operates.

In the table below, the total value for financial year 2023 is broken down into its individual items, while showing the corresponding revenues in order to provide evidence of any surplus or deficit related to the specific area of the Statement of Activities, in compliance with the guidelines for the preparation of the financial statements of Third Sector Organisations.

The increase in Group A charges is related to the greater activity carried out in financial year 2023.

<b>A – Costs and charges from activities of general interest</b>	<b>31.12.23</b>	<b>31.12.22</b>
Raw and ancillary materials, consumables and goods	5,602,897	6,967,171
Services	18,893,354	16,319,854
Use of third-party assets	1,176,524	1,243,669
Personnel	6,975,759	6,614,121
Depreciations and amortisations	335,701	92,334
Provision for risks and charges	633,359	1,780,000
Other operating expenses	13,480,634	11,476,885
<b>Total A – Costs and charges from activities of general interest</b>	<b>47,098,229</b>	<b>44,494,034</b>
<b>Total A – Revenues, income and proceeds from activities of general interest</b>	<b>44,631,246</b>	<b>41,857,300</b>
<b>Surplus/deficit from activities of general interest</b>	<b>2,466,983</b>	<b>-2,636,734</b>

Charges for services include over Euro 3.9 million related to expatriate personnel working in the countries abroad, with coordinated and continuous collaboration contracts.

Personnel charges include Euro 5.4 million related to local personnel hired by the Foundation in the foreign countries where it operated in 2023.

Sundry operating charges refer by 7.7 million to charges incurred by project counterparts and reported to the Foundation. Euro 3,118 thousand in charges for exchange losses due to the valuation of cash in hand in foreign currencies are also included in this entry and used directly for the implementation of projects, at the exchange rate ruling on 31.12.23.

The increase in depreciation charges is linked to the purchase and subsequent use of tangible assets in the countries where the projects were implemented. The relevant cost was entirely recognized during the 2023 financial year.

The balance of activities of general interest is “naturally” negative, as part of the activities is supported by proceeds from fundraising.

Charges in the group “B - Costs and charges from sundry activities” are attributable to activities incurred to dispose of the services and goods mentioned with reference to group B proceeds. This area of the Foundation’s activities is in an early stage and the values remain insignificant.

<b>B – Costs and charges from sundry activities</b>	<b>31.12.23</b>	<b>31.12.22</b>
Raw materials and consumables		327
Services	2,241	5,922

Other charges	0	0
<b>Total B – Costs and charges from sundry activities</b>	<b>2,241</b>	<b>6,248</b>
<b>Total B – Revenues, income and proceeds from other activities</b>	<b>51,137</b>	<b>1,152</b>
<b>Surplus/deficit from sundry activities</b>	<b>48,896</b>	<b>-5,096</b>

Charges relating to group C – “Costs and Charges from Fundraising Activities”, amount to Euro 3,398 thousand and include all the activities carried out by the Organisation to receive donations and other contributions aimed at obtaining the financial resources needed to support and guarantee the pursuit of institutional purposes.

<b>C – Costs and charges from fundraising</b>	<b>31.12.23</b>	<b>31.12.22</b>
Charges from regular fundraising	3,294,150	3,009,381
Charges from occasional fundraising	103,640	171,23
Other charges	0	0
<b>Total C - Costs and charges from fundraising</b>	<b>3,397,789</b>	<b>3,180,504</b>
<b>Total C - Revenues, income and proceeds from fundraising</b>	<b>8,351,129</b>	<b>8,488,798</b>
<b>Surplus/Deficit from fundraising</b>	<b>4,953,340</b>	<b>5,308,294</b>

Charges related to fundraising activities are mainly incurred for fundraising from individuals. The increase in fundraising costs compared to 2022 is due precisely to the increase in costs incurred to expand the number of private donors.

The balance of fundraising activities is “naturally” positive as the purpose of the fundraising activity is to support and finance the Foundation’s programmatic activities.

The costs reclassified under group “D - Costs and charges from financial and asset related activities” refer to bank charges for the year and charges for managing Foundation’s investments. Also recorded herein are charges generated by the valuation at market value as at 31.12.23 of investments in “Asset Managements”. In particular, during 2023, interest expense was recorded in connection to the use of credit lines granted by banks, for Euro 49 thousand and management costs of invested assets for Euro 84 thousand.

The balance of financial and asset related activities

<b>D – Balance of financial and asset related activities</b>	<b>31.12.23</b>	<b>31.12.22</b>
Surplus/deficit of financial and asset related activities	78,514	3,339

The charges in group “E - General support costs and charges” totalled Euro 2,565 thousand, in line with the year 2022, slightly decreasing from financial year 2022, and their breakdown is shown in the following table.

<b>E) General support costs and charges</b>	<b>31.12.23</b>	<b>31.12.22</b>
Raw and ancillary materials, consumables and goods	30,059	14,328
Services	937,688	1,080,855
Use of third-party assets	86,440	103,743
Personnel	1,294,991	1,206,367
Depreciations and amortisations	154,905	176,540
Provision for risks and charges	0	0
Other charges	60,588	62,907

Opening inventories	0	0
Allocation to restricted reserve by decision of institutional bodies	0	0
Use of restricted reserve by decision of the institutional bodies	0	0
<b>Total E – General support costs and charges</b>	<b>2,564,671</b>	<b>2,644,740</b>

Activities of general support refer to direction, IT & Systems, administration and management of the organisation's human resources that guarantee the Foundation's management and administrative operations.

Costs for services include all utilities necessary for the operation of the two main offices in Italy (Milan and Bologna), consultancy services provided for various reasons, emoluments of corporate bodies where provided for, auditing expenses and maintenance of the Foundation's assets.

Costs for the use of third-party assets include rental charges for the Bologna premises.

Personnel costs relate to all employees not working in activities supporting the implementation of the Foundation's plans.

Total charges from general support activities do not show any significant changes compared to the previous year.

Taxes and duties charged on an accrual basis refer to IRAP [regional production tax] in the amount of Euro 47 thousand and IRES [Italian corporate income tax] in the amount of Euro 4 thousand.

## ADDITIONAL INFORMATION

### *Economic Relations with Public Administrations*

Pursuant to the provisions of sub-paragraph 125 of Art. 1 of Italian Law No. 124/17, the publication of "information relating to grants, contributions, remunerated appointments and in any case to economic benefits of any kind received" will take place as provided for through the Foundation's website by and no later than the 30<sup>th</sup> of June of the year following the year of receipt, as set by Art. 35 of the 2019 decree known as "Decreto Crescita" ["Growth" Decree].

### *Information on Financial Instruments*

In compliance with the provisions of Article 2427-*bis* of the Italian Civil Code, it should be noted that as at 31<sup>st</sup> December 2023, the Foundation had no derivative contracts in place.

### *Average Number of Employees, Broken Down by Category*

Average number	Qualification	Average
Employees	QUA	10
Employees	IMP	55
COCOCO [term-contract workers] in Italy	ITA	44
Expatriate COCOCO	EST	75
<b>Average</b>		<b>184</b>

There were no significant changes in the composition of personnel employed on a fixed-term or permanent basis, nor in the number of collaborators compared to the previous year.

The Foundation did not make use of the work of volunteers pursuant to Article 17 of Italian Legislative Decree No. 117/17.

### *Difference in Pay between Employees*

As indicated in the annual report, the ratio between the maximum gross annual salary and the minimum gross annual salary of employees does not exceed 8/1.

### ***Capital Assets Allocated to a Specific Purpose***

It is hereby certified that there were no capital assets intended for a specific business at the balance sheet date.

### ***Information on Transactions with Related Parties***

During the financial year, all related party transactions were carried out according to market conditions. Therefore, in accordance with the regulations in force, no additional information is provided with respect to what has already been set out in this document.

### ***Notional Costs***

Notional costs and proceeds have not been reported at the foot of the Statement of Assets and Liabilities as the Foundation does not make use of the work of volunteers, goods and services have been purchased at their fair value and the Foundation does not make free donations of money, goods or services.

### ***Directors' and Statutory Auditors' Fees***

The amount of the fees due for financial year 2023 to directors holding special offices within the Board of Directors and members of the Board of Auditors is included at taxable value in the following table:

<b>Directors' Emoluments</b>	50,000
<b>Emoluments of the Board of Auditors</b>	26,500

## **C) PRESENTATION OF THE ORGANIZATION'S ECONOMIC AND FINANCIAL PERFORMANCE AND OF THE WAYS IN WHICH THE PURPOSES OF THE ARTICLES OF ASSOCIATION ARE PURSUED**

### ***Situation of the Organisation and Management Performance***

During the year, the Foundation implemented 143 projects abroad (Africa, Latin America, Middle East and Asia), 74 emergency and extended crisis (NEXUS) and 86 development projects. Thirty-six projects were implemented in Italy and Europe, 19 of which as global citizenship education projects, with a view to fostering awareness-raising, information, policy and advocacy to influence the policies and actions of policy makers. Two festivals were also organised, one in Milan and one in Bologna, and projects were implemented in the suburbs of several Italian cities to fight educational poverty and violence against women, as well as in Ventimiglia where the Foundation offered support to migrants in transit.

Resources amounting to Euro 47,098 thousand were used to support the most vulnerable communities. A share of 21% of the funds was employed in programs in Italy and Europe (substantially in line with previous years' data: 25% in 2021 and 20% in 2022) to finance direct aid activities (fight against educational poverty, support programmes for women victims of violence and support for migrants in transit in Ventimiglia) and actions to raise awareness, inform and promote initiatives to demand concrete changes in social and environmental policies. The remaining 79% of the funds was used in local communities around the world, where the impact of poverty, war, effects of climate change and, in general, lack of rights is higher.

It is noteworthy that the volume of activities managed by the Foundation has steadily increased in

recent years, particularly since 2018, the year of merger between We World and GVC.

Also in 2023, the Foundation has confirmed an approach aimed at working in partnership with local and international organisations: there are 281 active partners who have a direct involvement in the programme from the design to the closure phase, and 557 more stakeholders involved in the meetings, exchanges and participation processes that are essential for the successful outcome of our actions.

We World is a member of several national and international networks and associations. Among these, as already mentioned, is the participation, as the only Italian member, in the international Child Fund Alliance network.

### ***Foreseeable Evolution of Management***

In the course of 2024, the Foundation expects to consolidate the business volumes achieved by maintaining a similar level of agreements with new donors as in 2023.

From the point of view of the type of activities, a further increase of activities in response to emergencies and protracted humanitarian crises is expected. They include in particular the activities carried out in the first months of 2024 in the Gaza Strip, where the Foundation has been present for many years through its staff.

The management of financial balances will continue to be a focus of attention, specifically because humanitarian response activities require immediate availability of liquidity, in certain cases before the actual payment of tranches by donors.

As regards the fundraising area, an increase in donations, especially from individuals, is expected.

### ***Methods of Pursuing the Articles of Association Purposes***

The Foundation has ensured the pursuit of its aims through the implementation of projects in the 26 countries in which it is involved, as described above.

### ***Fundraising Activities***

Below is an overview of fundraising activities by line of acquisition.

Line	Proceeds
Natural persons – regular donations	5,965,937
Natural persons – non-regular donations	937,156
Enterprises and foundations	1,488,036
<b>Total</b>	<b>8,351,129</b>

Regular donations, accounted for at the time of their collection, mainly consist of donations for “*sostegno a distanza*” [sponsorships] in the amount of Euro 4,270 thousand and unrestricted donations in the amount of Euro 1,696 thousand.

Donations from the corporate area (enterprises and foundations) may or may not be restricted.

Non-regular donations from natural persons are linked to campaigns launched by the Foundation to support specific activities.

### ***Final Comments***

Board members, in light of the foregoing, we propose to approve the financial statements and the

accompanying documents and to allocate the operating surplus for 2023, amounting to Euro 19,816.87, to the unrestricted assets' item "Operating profit or surplus reserves".

We World – G.V.C. Onlus  
The President  
Marco Chiesara



## Annex I

Statement of individual occasional public fundraising drawn up pursuant to articles 87(6) and 79(4)(a) of Italian Legislative Decree No.117 of 3 August 2017.

Description of celebration, anniversary or awareness-raising campaign: assignment of goods of modest value during the Christmas period.

Duration of fundraising event: December 2023

Fundraising report:

a) Proceeds / revenue from occasional fundraising	
- monetary donations	309,902
b) Charges / expenditures for occasional fundraising	
- charges for purchase of services	103,640
Result of individual fundraising (a-b)	206,262

### Description of the initiative

In December, Fondazione We World Onlus set up an initiative called the Christmas Market. Funds totalling Euro 309,902 were collected on a bank account. The costs incurred to accomplish the event are detailed in the following table:

Storage services	69,273
IT consultancy	26,840
Bank charges	3,660
Bank fees	3,867
<b>Total</b>	<b>103,640</b>

The funds raised, net of total expenses incurred, amount to Euro 206,262, and are earmarked for the following activities of general interest and for the following purposes: *promotion and protection of human and civil rights*. In particular, fundraising is aimed at supporting the activities carried out by the Foundation in Pescara, Bologna and Milan to fight violence against women and educational poverty. It was performed through the sale of various kinds of goods of modest value using a web platform that accepted various payment methods. Storage was managed by a specialised company.



## ***Independent auditor's report***

*in accordance with Article 14 of the Italian Legislative Decree No. 39 of January 27th, 2010*

To the Board of Directors of We World - GVC Onlus.

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### ***Report on the Audit of the Financial Statements***

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#### ***Opinion***

We have audited the financial statements of We World - GVC Onlus (hereinafter also the "Foundation"), which comprise the balance sheet as of December 31st, 2023, the statement of activities for the year then ended, and the sections "General Information" and "Illustration of Financial Statement Items" included in the mission report. The aforementioned financial statements have been prepared in compliance with the Italian regulations governing the criteria for their preparation.

In our opinion, the financial statements give a true and fair view of the financial position of We World - GVC Onlus as of December 31st, 2023, and of the results of its operations for the year then ended in accordance with Italian regulations governing the criteria for their preparation.

#### ***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 section "*Auditor's responsibilities for the Audit of the Financial Statements*" of this report. We are independent of We World - GVC Onlus in accordance with regulations and standards on ethics and independence applicable to audits of financial statements under the Italian law. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### ***Responsibility of the Directors and the Board of Auditors of We World - GVC Onlus for the Financial Statements***

The directors are responsible for the preparation of financial statements that give a true and fair view in accordance with the Italian laws governing the criteria for their preparation and, within the terms of the law, for such internal control as it determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or unintentional conduct or events.

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#### ***PricewaterhouseCoopers SpA***

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Directors are responsible for assessing the Foundation's ability to continue to operate as a going concern and, in preparing the financial statements, for the appropriate application of the going concern basis of accounting, and for disclosing matters related to going concern. In preparing the financial statements, the directors use the going concern basis of accounting unless they find the existence of causes of extinction or dissolution and consequent liquidation of the Foundation, or the conditions for discontinuation of the business or have no realistic alternatives but to do so.

The Board of Auditors is responsible for supervising, within the terms prescribed by law, the Foundation's financial reporting process.

### ***Auditor's 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 unintentional conduct or events, and to issue an auditor's report that includes our opinion. Reasonable assurance is defined as a high level of assurance which, however, does not provide assurance that an audit conducted in accordance with International Standards on Auditing (ISA Italia) will always detect a material misstatement when it exists. Misstatements can arise from fraud or unintentional conduct or events, and are considered significant if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of our audit conducted in accordance with International Standards on Auditing (ISA Italia), we exercised professional judgment and maintained professional skepticism throughout the audit. Furthermore:

- We identified and assessed the risks of material misstatement of the financial statements, whether due to fraud or unintentional conduct or events; we designed and performed audit procedures in response to those risks; and we have obtained 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;
- We obtained 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;
- We evaluated the appropriateness of accounting principles used, as well as the reasonableness of accounting estimates made by the Board of Directors, including related disclosures;
- We concluded 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 auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to reflect that fact in the formulation of our opinion. Our conclusions are based on the audit evidence obtained up to the date of this report. However, future events or circumstances may cause the Foundation to cease to continue as a going concern;
- We evaluated the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements present the underlying transactions and events in a manner that provides a fair presentation.

We communicated with those charged with governance, identified at an appropriate level as required by ISA Italia, regarding, among other matters, the planned scope and timing of the audit and the significant findings that emerged, including any significant deficiencies in internal control that we identified during the audit.



**Report on Compliance with other Laws and Regulations**

***Opinion in accordance with Article 14, paragraph 2 , letter (e) of the Italian Legislative Decree No. 39/2010***

The Board of Directors of We World - GVC Onlus is responsible for the preparation of the section "Illustration of the economic and financial performance of the Foundation and the manner of pursuit of its statutory purposes" included in the mission report of We World - GVC Onlus as of December 31st, 2023, including its consistency with the relevant financial statements and its compliance with the law.

We have performed the procedures required under the auditing standard (SA Italy) No. 720B in order to express an opinion on the consistency of the section "Illustration of the economic and financial performance of the Foundation and the manner of pursuit of its statutory purposes" included in the mission report with the financial statements of We World - GVC Onlus as of December 31st, 2023, and on its compliance with the law, as well as to issue a statement on material misstatements, if any.

In our opinion, the section "Illustration of the economic and financial performance of the Foundation and the manner of pursuit of its statutory purposes" included in the mission report is consistent with the financial statements of We World - GVC Onlus as of December 31st, 2023, and is prepared in compliance with the law.

With reference to the statement referred to in Article 14, paragraph 2, letter e), of the Italian Legislative Decree No. 39/2010, issued on the basis of our knowledge and understanding of the Foundation and its environment obtained in the course of the audit activity, we have nothing to report.

Milan, April 26th, 2024

PricewaterhouseCoopers SpA

Carlo Rossi  
(Auditor)

*This report has been translated into English from the Italian original solely for the convenience of international readers.*