

NON-PROFIT FOUNDATION

COME

CENTRE FOR OSTEOPATHIC MEDICINE COLLABORATION

FINANCIAL REPORT 2018

**Non-Profit FOUNDATION C.O.ME.
COLLABORATION
VIALE A. VESPUCCI, 188 - PESCARA (Italy)
Fiscal Code: 91128450680**

**Endowment fund Euro 50,000.00 fully paid
Notes to the Financial Statements as at 31/12/2018**

Initial Part

Premise

Dear Advisors,

these Notes to the Financial Statements are an integral part of the Financial Statements for the year ended 31/12/2018 and together with the Balance Sheet and Income Statement, constitute a single inseparable document. In particular, it has the function of highlighting information useful for commenting, integrating and detailing the quantitative data shown in the financial statement schedules, in order to provide the reader with the information necessary to have a true and correct representation of the equity, economic and financial situation. of the Foundation. It should be noted that these financial statements have been prepared with reference to the Civil Code, as modified by Legislative Decree no. Of 18/08/2015 n. 139 and subsequent amendments and additions. In particular, the drafting of the financial statements refers to arts. 2423, 2423-ter, 2424, 2424-bis, 2425, 2425-bis, 2427, as well as the drafting principles established by art. 2423-bis and the evaluation criteria imposed by art. 2426 C.C. where not incompatible with the nature and rules of the Foundation.

These financial statements have been prepared in compliance with the layout envisaged by the laws in force for joint stock companies pursuant to art. 2435-bis, 1 paragraph, of the Italian Civil Code, as the conditions exist if not incompatible with the nature and rules of the Foundation. Therefore, the Management Report has not been prepared.

Activity Sector

As you know, the Foundation pursues exclusively social solidarity purposes. The Foundation aims mainly:

1. to ensure, even to needy or non-needy people, the possibility of accessing alternative and complementary and specifically osteopathic medicine treatments.
2. to carry out scientific research, in particular biological and medical, in the field of complementary medicine and specifically osteopathy as well as in the field of bioengineering and physical sciences.

Significant events that occurred during the year

During the year, the activity was carried out regularly and there are no facts that have significantly changed the operating performance or whose knowledge is necessary for a better understanding of the differences between the items in this financial statement and those of the previous financial statements.

Certificate of conformity

These Financial Statements have been drawn up in compliance with the current provisions of the Civil Code, in particular the Balance Sheet and Income Statement formats reflect those provided by art. 2424 and 2425 of the Italian Civil Code, while the Explanatory Notes comply with the minimal content envisaged by art. 2427 C.c. and all other provisions that require evidence of it. The Balance Sheet, the Income Statement and the accounting information reported in the Notes to the Accounts, which make up these Financial Statements, comply with the accounting records from which they are directly obtained.

Accounting currency and rounding

The financial statements and explanatory notes are shown in euros, without decimal fractions; rounding was carried out as indicated in the Revenue Agency Circular no. 106 / E of 21 December 2001, with the rounding criterion.

Drafting principles

The financial statements have been prepared by applying the following evaluation criteria and in compliance with the provisions of articles 2423 and following of the Civil Code, updated with the amendments of the Civil Code laid down by Legislative Decree 18/8/2015 No. 139 in implementation of the directive 2013/34 / EU on the financial statements and consolidated and subsequent amendments. The evaluation criteria represent the Foundation's financial position and the economic result achieved in a truthful and correct manner. The assessment of the items in the Financial Statements was made on the basis of general criteria of prudence and competence, with a view to the continuation of the Foundation's activity, (art. 2423-bis, paragraph 1, no. 1), favoring the substance of the transaction over the legal form (art. 2423-bis, paragraph 1, no. 1-bis). The principle of prudence was scrupulously followed and the financial statements only include profits made at the year-end date, while the risks and losses pertaining to them were taken into account even if known after the closure.

Legislative Decree 18/8/2015 No. 139 introduced the 4th paragraph of art. 2423 C.c. in relation to the preparation of the financial statements, according to which, for the purposes of the true and correct representation, it is necessary not to mention in the Explanatory Notes the criteria used in evaluating any financial statement items when their observance has irrelevant effects.

Management continuity

The administrative body believes there are no significant uncertainties or risk factors regarding the Foundation's ability to pursue its goals with the resources at its disposal, for this reason, at present, continuity is not put at risk.

Heterogeneous elements

There are no heterogeneous elements included in the individual items.

Exceptional cases pursuant to art. 2423, fifth paragraph, of the Civil Code

There are no exceptional cases that have made it necessary to resort to derogations pursuant to art. 2423, paragraph 5 and art. 2423-bis, 2 paragraph of the Italian Civil Code.

Changes in accounting principles

Based on art. 2423-bis, paragraph 1, number 6, of the Italian Civil Code, the continuity of the evaluation criteria from one financial year to the next constitutes an essential element both for a correct determination of the operating income and for the comparability of the financial statements over time; for the principle of comparability, the criteria used must be kept unchanged, from one financial year to the next, in order to allow comparison between financial statements referring to different financial years. The possibility of derogating from the principle of continuity is allowed only in exceptional cases which result in a significant change in the conditions of the environment in which the company operates. In these circumstances, in fact, it is appropriate to adapt the evaluation criteria to the changed situation in order to guarantee a true and correct representation.

Comparability and adaptation issues

There were no problems of comparability and adaptation in the financial statements closed on 31/12/2018.

Applied evaluation criteria

The valuation relating to the Assets, Balance Sheet Liabilities and Income Statement items shown in the financial statements is illustrated below.

Intangible assets

Intangible assets, as governed by Accounting Principle no. 24, are entered at purchase or production cost, inclusive of accessory charges and amortized systematically according to the period of expected future utility and within the limits of this. If the condition ceases to exist in the years following capitalization, the asset will be written down. The cost of the fixed assets in question was amortized on the basis of a plan which is believed to ensure a correct distribution of the same over the useful economic life of the asset. The plan will be readjusted when a residual useful life other than that originally estimated is ascertained. As regards the individual items, it is emphasized that:

The advertising costs recognized during the 2018 financial year are necessarily expensed in full in the sustaining year.

Trademarks and similar rights relate to costs for the onerous purchase, and license rights to use the trademarks.

For intangible assets there is no explicit time limit, however the extension of the amortization period beyond the legal or contractual limit is not allowed. The useful life may be shorter depending on the period during which the Foundation plans to use the asset. The estimated useful life of the brands must not exceed twenty years.

Tangible fixed assets

Tangible fixed assets, as governed by Accounting Principle no. 16, are entered at the purchase cost including directly attributable accessory charges and adjusted by the corresponding depreciation funds. The depreciation allowances charged to the income statement have been calculated systematically and constantly, on the basis of the rates deemed representative of the economic and technical life of the assets (pursuant to art.2426, paragraph 1, number 2, of the Italian Civil Code).

Fixed assets which, on the balance sheet date, are of a lasting value lower than that determined according to the above, are recorded at this lower value. Extraordinary maintenance costs are capitalized and amortized systematically, while ordinary expenses are recognized among charges for the period.

In accordance with the principle of relevance governed by art. 2423, paragraph 4 of the Civil Code, it should be noted that the valuation of tangible fixed assets can be represented by the recording in the financial statements at a constant value of industrial and commercial equipment, if they are constantly renewed and overall of little relevance with respect to the balance sheet assets.

Financial fixed assets

The Foundation owns shares of Banca Etica with a nominal value of € 5,750.00.

Inventories

There are no inventories in the balance sheet.

Receivables

Receivables are entered according to their presumed realization value. Any adjustment of the nominal value of the receivables to the presumed value is obtained by means of a specific allowance for doubtful debts adjusted to hypothetical insolvencies and increased by the portion possibly set aside during the year, based on the general economic situation, the sector and country risk.

Financial derivative instruments

There are no derivative financial instruments used for hedging or non-hedging purposes in the financial statements.

Prepayments and accrued income

Accrued income and prepaid expenses resulted in the recognition of income components common to several years in the income statement for the sole portion. The amount of the quota was determined proportionally on the basis of temporal criteria. In macro-class D "Accrued income and prepaid expenses" income accrued for the year is due and payable in subsequent years and costs incurred by the end of the year but pertaining to subsequent years.

Provisions for risks and charges

Not present.

Employee severance indemnity

Employee termination benefits were determined according to the criteria established by art. 2120 of the Italian Civil Code, in accordance with the laws and employment contracts in force, includes the debt accrued towards all employees at the end of the year, net of advances already paid and the substitute tax on the revaluation of the T.F.R ..

Debts

Payables are liabilities of a definite nature and certain existence, which represent obligations to pay fixed or determinable amounts of cash and cash equivalents, or of goods / services having an equivalent value, usually on a set date. These obligations arise with lenders, suppliers and other entities. Payables are recorded at their nominal value, modified on the occasion of returns or billing adjustments, corresponding to the presumed extinction value.

Accrued expenses and deferred income

Not present

Revenues

The Foundation does not have revenues from the provision or sale of goods or services but only receives donations and voluntary contributions.

Provisions for risks and charges and post-employment benefits

For the allocation to the income statement of the provisions, the criterion of classification by "nature" of costs prevails

Placed in currency

There are no foreign currency posts

Balance sheet assets

Details of the items in the balance sheet assets shown in the financial statements are provided below.

Fixed assets

The information relating to the Foundation's fixed assets is illustrated below.

As regards information on the movements of fixed assets, the details are shown in the typical summary version of the balance sheet in abbreviated form.

Fixed asset movements

Fixed assets at 31/12/2018 amounted to € 574.

	Fixed assets intangible	Fixed assets materials	Total assets
Start of year value			
Costs	2.228	467	2.695
Depreciation (amortization fund)	1.208	467	1.675
Balance sheet value	1.020	0	1.020
Changes in the year			
Depreciation for the year	445	0	445
Total variations	-445	0	-445
Year end value			
Cost	2.228	467	2.695
Depreciation (amortization fund)	1.653	467	2.120
Balance sheet value	574	0	574

None of the elements present among the fixed assets entered in the balance sheet has been subject to monetary and / or economic revaluation.

Intangible assets

Intangible fixed assets at 31/12/2018 amounted to € 574.

Amortization rates for intangible assets

The depreciation rates of intangible assets representative of the residual possibility of use, divided by individual category, are as follows:

	Rates applied (%)
Intangible assets:	
Start-up and expansion costs	20,00
Grants, licenses, trademarks and similar rights	20,00

Tangible fixed assets

Tangible fixed assets at 31/12/2018 amounted to € 0.

Depreciation rates for tangible fixed assets.

The depreciation rates of the tangible assets representative of the residual possibility of use, divided by individual category, are as follows:

Financial fixed assets

Financial fixed assets consist of shares of Banca Etica for a value of € 5,750.00.

Current assets

The statement relating to current assets is shown below.

Receivables entered in current assets

The receivables entered in current assets at 31/12/2018 are equal to € 6,565.

Changes and maturity of the receivables recorded in current assets

Breakdown of receivables entered under current assets by geographical area

Pursuant to art. 2435-bis, paragraph 5, of the Italian Civil Code, the Foundation makes use of the exemption clause regarding the information on the breakdown of the receivables entered in Current Assets by geographic area, pursuant to point 6, paragraph 1, of art. 2427 C.c ..

Receivables recorded under current assets relating to transactions with a forward retrocession obligation

There are no transactions between the receivables included in the Current Assets which provide for the obligation for the purchaser to transfer to the term.

Significant risk positions

There are no significant risk positions in the financial statements relating to the item Receivables.

Capital grants

No grants were disbursed during the year.

Allowance for doubtful accounts

No bad debt provision has been set up

Cash and cash equivalents

As regulated by Accounting Standard no. 14, the amounts due from banks associated with deposits or current accounts with credit institutions and the postal administration and checks (current, circular and similar) have been entered in the balance sheet on the basis of their presumed realization value. The money and values stamped at the cash desk were valued at face value

while the availability in foreign currency are valued at the exchange rate in force on the closing date of the year. The disponibilities cash payments at 31/12/2018 amounted to € 73,641.

	Start value exercise	Change exercising	End value exercise
Bank and postal deposits	63.035	9.847	75.078
Money and other cash values	209	550	759
Total cash and cash equivalents	63.244	10.397	75.837

Prepayments and accrued income

How the new Accounting Standard n. 18, accrued income and prepaid expenses measure income and charges common to several financial years and which can be divided over time, with advance or postponed competence with respect to the numerical and / or documentary event, regardless of the date of payment or collection. Accrued income and prepaid expenses at 31/12/2018 are € 6.

	Change exercising	End value exercise
Accrued income	6	6
Total accrued income and prepaid expenses	6	6

Capitalized financial charges

Pursuant to number 8, paragraph 1 of art. 2427 of the Italian Civil Code, among the costs for the year there are no interest expense deriving from loans entered into any item in the Balance Sheet Assets.

Other information on the balance sheet

Liabilities and shareholders' equity

The disclosure relating to the balance sheet liabilities items shown in the financial statements is illustrated below.

Net assets

Below is the information relating to the net items or the company's own means of support.

Changes in equity items

Pursuant to art. 2435-bis of the Civil Code, paragraph 5, the Foundation makes use of the exemption clause regarding the changes that have taken place in the amount of shareholders' equity items and the composition of the item other reserves.

Employee severance indemnity

The provision for severance indemnity represents the Foundation's debt to employees at the end of the year net of any advances. For terminated employment contracts, with payment expected before year end or in the following year, the related TFR was entered under item D14 "Other payables in the Balance Sheet Liabilities". The severance indemnity fund at 31/12/2018 is equal to € 95.

	Employee severance indemnity
Changes in the year	
Provision in the year	95

Total variations	95
Year end value	95

There are no further details to be provided on the composition of the item T.F.R ..

Debts

The information relating to payables is shown below.

Changes and maturity of debts

Pursuant to art. 2427, paragraph 1, number 6 of the Civil Code, the global breakdown of the Payables entered in the Liabilities by type and on the basis of the relative maturity is reported.

		Start of year value	Change in	Year end value	Poor within the exercise quota
Debts to other lenders	0	14.407		14.407	14.407
Tax payables	370	644		1.014	1.014
Payables to social security and social security institutions	0	316		316	316
Other debts	0	597		597	597
Total debts	370	15.964		16.334	16.334

Breakdown of debts by geographical area

Pursuant to art. 2435-bis, paragraph 5, of the Italian Civil Code, the Foundation makes use of the exemption clause regarding the information on the breakdown of debts by geographical area, pursuant to number 6, paragraph 1 of art. 2427 C.c ..

Tax payables

The item Tax payables contains certain tax payables such as payables to tax authorities for withholding taxes.

Income statement

This supplementary note provides information suitable for highlighting the composition of the individual items or for satisfying the requirements of art. 2427 of the Civil Code, with particular reference to financial management.

Production value

The breakdown of the production value, as well as the changes in value and percentage in the individual items, compared to the previous year are provided below:

	Previous Exercise value	Current Exercise value	Change	Change (%)
Production value:				
Other income				
Others	55.750	102.571	46.821	83,98
Total other revenues and income	55.750	102.571	46.821	83,98
Total production value	55.750	102.571	46.821	83,98

Production costs

Below is the information regarding the production costs.

	Previous Exercise value	Current Exercise value	Change	Change (%)
Production costs:				
for raw materials, subsidiaries, consumables and goods		5.750	5.750	0,00
For services	11.436	104.545	93.109	814,17
for the use of third party assets	342	5.600	5.258	1.537,43
for staff	0	2.032	2.032	0,00
depreciation and write-downs	446	445	-1	-0,22
different management charges	14.188	670	-13.518	-95,28
Total production costs	26.412	119.042	92.630	350,71

Financial income and expenses

Financial income and charges for the year amounted to € -856

Financial statement

Our Foundation has not prepared the cash flow statement, as it is exempted on the basis of art. 2435-bis, 2 comma, C.c ..

Other information

All the other information in the financial statements not related to the balance sheet and income statement items are shown below.

Employment data

The Foundation has hired a part-time employee.

Remuneration, advances and credits granted to directors and commitments made on their behalf.

Pursuant to number 16, paragraph 1 of art. 2427 of the Italian Civil Code, no compensation was paid to the directors during the year.

Commitments, guarantees and contingent liabilities not resulting from the balance sheet

There are no commitments, guarantees and potential liabilities not resulting from the balance sheet, as governed by number 9, paragraph 1 of art. 2427 C.c ..

Information on related party transactions.

Pursuant to number 22-bis, paragraph 1 of art. 2427 of the Italian Civil Code, the Foundation has not carried out transactions with related parties, as defined by the International Accounting Standard no. 24 and in any case were concluded at normal market conditions, both in terms of price and choice of the counterparty.

Information on agreements not shown in the balance sheet

Pursuant to art. 2427, paragraph 1, number 22-ter of the Italian Civil Code, no agreements or other deeds have been entered into, even related to each other, the effects of which are not apparent from the Balance Sheet.

Information pursuant to art. 1, paragraph 125, of the Law of 4 August 2017 n. 124

Based on the provisions of Law no. 124, it should be noted that the Foundation has not received any subsidy, contribution, paid assignment and in any case economic benefits of any kind from public administrations.

Proposal to allocate profits or to cover losses

It is proposed that the losses achieved are covered by the reserves accumulated in previous years.

These financial statements, comprising the Balance Sheet, Income Statement and Notes to the Financial Statements, truthfully and correctly represent the balance sheet and financial position as well as the economic result for the year and correspond to the results of the accounting records.

The President
Dr. Francesco Cerritelli

Non-Profit Foundation C.O.ME. Collaboration

Legal office VIALE VESPUCCI, 188 - PESCARA

Fiscal code 91128450680

Endowment funds Euro 50.000,00 fully deposited

2018 Final balance at glance

Date: 31/12/2018

BALANCE SHEET ASSETS	31/12/2018	31/12/2017
B) Fixed assets		
I - Intangible fixed assets	574	1.020
II - Tangible fixed assets	0	0
III - Financial fixed assets	5.750	5.750
Total fixed assets (B)	6.324	6.770
C) Current assets		
II - Receivables		
due within the next financial year	6.565	19.985
Total receivables	6.565	19.985
IV - Cash availability	75.837	63.245
Total current assets (C)	82.402	83.230
D) Accruals and Prepayments	6	
TOTAL BALANCE SHEET ASSETS	88.732	90.000

BALANCE SHEET LIABILITIES AND NET EQUITY	31/12/2018	31/12/2017
A) Net Equity		
I - Endowment funds	50.000	50.000
VI - Other reserves	0	1
VIII - Retained earnings (losses)	39.630	10.501
IX - Profit (loss) for the year	-17.327	29.128
X - Negative reserve for treasury shares in portfolio		
Total Equity	72.303	89.630
C) Employee severance indemnity	95	
D) Payables		
due within the next financial year	16.334	370
Total debts	16.334	370
Total passive	88.732	90.000

INCOME STATEMENT

31/12/2018

31/12/2017

A) Production value		
5) other revenues and income		
Others	102.571	55.750
Total other revenues and income	102.571	55.750
Total production value	102.571	55.750
B) Production costs		
6) raw materials, subsidiaries, consumables and goods		
	5.750	0
7) services		
	104.545	11.436
8) cost of rents and leases		
	5.600	342
9) Staff		
a) wages and payrolls	1.920	0
b) social charges	17	0
c), d), e) severance indemnity, retirement benefits, other costs of staff	95	0
c) severance indemnity	95	0
Total personnel costs	2.032	0
10) Amortization, depreciation and write-downs		
a), b), c) amortization of intangible and tangible fixed assets, other write-downs of fixed assets	445	446
a) amortization of intangible assets	445	446
Total amortization and write-downs	445	446
14) Different management charges		
	670	14.188
Total production costs	119.042	26.412
Difference between Production value and Production costs (A-B)	-16.471	29.338
C) Financial income and expenses (15 + 16 - 17 + - 17-bis)		
17) interest and other financial charges		
Others	857	210
Total interest and other financial charges	857	210
17-bis) exchange gains and losses		
	1	0
Total financial income and charges (15 + 16 - 17 + - 17-bis)	-856	-210
Result before taxes (A - B + - C + - D)	-17.327	29.128
21) Net income (loss)		
	-17.327	29.128