

PANATHLON INTERNATIONAL – STATUTORY AUDITORS' REPORT ON THE  
FINANCIAL STATEMENTS AS OF 31/12/2020

The financial statements as of 31/12/2020 were duly submitted to the Statutory Auditors by the President Committee, jointly with the Treasurer's report on the operations for the period. This Auditors' Board, which took office last November, reviewed the accounting audits reports released in the previous quarters. Moreover, the Auditors' Board carried the mandatory periodic audits and reviewed the financial statement entries for the year 2020, as well as the accounting records. These activities were performed remotely to comply with the applicable anti-Covid19 regulations. That being said, the draft financial statements, hereby submitted to the International Board for approval, showed a net income for the period amounting to EUR 3,076.36.

Looking in more detail at the entries recorded in the financial statements, a marked decrease in overheads, staff costs and operating expenditure for the governing bodies was recorded in the period due to subdued activity resulting from the pandemic. As far as revenue is concerned, the most significant entries consisted of the membership fees (EUR 422,111.00) and of the IOC annual grant (EUR 91,000.00). On the other hand, under the expenses, it is worth noting the high level of provisions, totalling EUR 160,941.00, which reflect the economic impact of the pandemic on this peculiar year.

On the basis of the information received, the Auditors' Board hereby acknowledges that the Association executed its economic and financial operations in accordance with the principles of sound financial management. On the basis of the supervisory activity performed and of the information acquired, no risk of inadequacy was identified in the organisational, administrative and accounting structures, or in their functioning.

Furthermore, the Auditors' Board acknowledges that, so far, no tax assessment, additional assessment or penalty notices have been served, nor any notices associated with social security contributions and insurance. Finally, the Board is not aware of any visits or inspections initiated by the Judicial Authorities due to breach of law.

In conclusion, the Auditors' Board expresses its favourable opinion on the financial statements submitted to its review for the year 2020, while underlining that the Association carried out its operations in compliance with its statutory purpose. In agreeing with the President Committee's actions, the Auditors' Board hereby invites the International Board to approve the draft financial statements for the year 2020 as submitted.

12<sup>th</sup> April 2021

The AUDITORS' BOARD

Andrea Sbardellati, chairperson \_\_\_\_\_

Marino Albani, acting member \_\_\_\_\_

Giuseppe Ravasi, acting member \_\_\_\_\_