

Roberto Bonomi
Chartered accountant and Auditor.

INDEPENDENT ACCOUNTANT'S AUDIT REPORT

To the Members of the Board

Associazione THE NOVAK DJOKOVIC FOUNDATION ONLUS

The undersigned Roberto Bonomi, born in Bergamo (BG) on April 16th, 1986 (Tax Code BNMRR86D16A794C) currently resident in Milano (MI), enrolled in the Milan Order of Chartered Accountants, at no. 8887 Section A, as from November 20th, 2013 and in the Register of Auditors, at no. 172972 as from July 3th 2014, was entrusted to act as independent auditor for the accounting and tax audit of the Association "The Novak Djokovic Foundation ONLUS" (Tax Code 97753100151), with registered office in Milan, Via Durini n. 18 (hereinafter referred to as "**the Entity**").

The review hereby carried out by the undersigned, as summarized in this report, was advisable as the Entity belongs to a group of non-profit international charitable entities, all of which are run by the same person and subject to different local regulations – as applicable in the relevant countries - that differ substantially from one another, with the aim of ensuring the maximum transparency vis-à-vis any third parties.

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By accepting this appointment, the Auditor hereby declares that he is independent of the Board of Directors of the Entity and has no direct interest in any transactions concerning the Entity's business. The auditing activity was carried out pursuant to the rules of conduct provided for in the document "Independent Control for Non-Profit Organizations and the Professional Contribution of the Chartered Professional Accountant and Accounting Officer" recommended by the Italian National Council of Accountants and Auditors on February 16th, 2011. Furthermore, the present audit was performed already taking into account the latest guidelines issued by the Italian Accounting Body (OIC) in connection with the Charitable entities belonging to the s.c. "Third Sector", still in draft as at the date of the present report.

I, the undersigned Auditor, have received all data, news and documentation from the Board of Directors of the Entity as well as from *Studio Corbella – Dottori Commercialisti Associati*, the accounting firm in charge of the preparation of the financial statement for FY 2020.

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More specifically, the audit carried out the following accounting and tax audits:

A) ACCOUNTING AUDIT

The Auditor hereby assess as follows:

- the administrative organization is consistent with the size and type of the activity carried out by the Entity;
- the administrative and accounting system duly represents the operations that have been performed during 2020;
- the accounting records are kept regularly and in accordance with the applicable legal regulations;
- the chart of accounts is set correctly pursuant to the type of activity and the nature of the Entity;

- the financial statements comply with the content provided for non-profit entities, in particular with the recommendations published by "Non-Profit Companies Commission" of the Italian National Council of Accountants and Auditors (CNDCEC) as well as with the guidelines for the "Third Sector" prepared by the Italian ONLUS Agency;
- all accounting items were properly identified and proper transparency thereof was given;
- the evaluation criteria adopted for accounting purposes are appropriate; more precisely, the auditor monitored the composition of receivables and verified their chargeability;
- the accounting records are consistent with the figures resulting from the financial statements.

B) TAX AUDIT

The Auditor hereby assesses as follows:

- The Association "The Novak Djokovic Foundation ONLUS" is a non-recognized (*non riconosciuta*) Italian association, established on June 7th, 2016, which was granted by the Regional Directorate of Revenue of Lombardy formal registration with the ONLUS Single Registry on June 14th 2016 ;
- the Entity is regularly included in the updated online list of the Revenue Agency website as at 31 December 2020¹;
- the Entity has all the requirements to be qualified as an ONLUS;
- the Entity operates in according with Legislative Decree 460/97, and lawfully uses the designation as ONLUS;
- the activity carried out by the Entity is compliant with the purposes set forth in its by-laws;
- the Entity's organization actually carries out the institutional activity envisaged in its by-laws;
- the Entity, as allowed by its by-laws, only carries out activities consistent with its institutional purposes;
- the ancillary activities carried out by the Entity are related to the institutional ones;
- said ancillary activities do not prevail over the institutional ones;
- income generated from the ancillary activities complies with the threshold of 66% over the total expenses sustained by the Entity;
- the Entity does not carry out any activities that are not provided for in its by-laws;
- the Entity pursues charitable and social solidarity purposes in accordance with the applicable regulations;
- the activity carried out by the Entity (i.e. charity) falls within those allowed by the regulations concerning Italian ONLUS;
- the Entity's by-laws are compliant with the provisions of art. 148, paragraph 8, of the Italian Income Tax Law;

¹ https://www.agenziaentrate.gov.it/portale/documents/20143/280383/LombardiaOnlus2020_Lombardia.pdf/aa00034b-2ab2-f07d-a935-8ced06fab4ab

- pursuant to art. 143, paragraph 3, para. A) of the Italian Tax Income Law, funds received by public collections are tax exempt;
- the accounting documents, in particular those relating to public fundraising, have been properly drafted in accordance with art. 20 of the Presidential Decree no. 600/1973;
- any revenues generated by the ONLUS management is used to achieve the Entity's institutional purposes;
- there is no indirect distribution of revenues;
- the Entity meets the requirements set forth by the law to maintain the status of a non-profit entity, accordingly the Entity is not subject to the scope of art. 149 of Italian Income Tax Law;
- the receipts and the other tax-related documents in connection with any cash donations made by both legal and natural persons have been appropriately issued and held;
- the costs incurred and budgeted were verified by the undersigned auditor and were considered consistent with the activity carried out by the Entity.

C) DONATIONS

The Auditor assesses that The Novak Djokovic Foundation ONLUS has registered revenues in the Profit and Loss Account for FY 2020 amounting to €250, sourced from donations received for the (envisaged) participation to the Milano Marathon 2020 (see *infra*).

In fact, as already reported in the Auditor Report for FY2019, the Entity entered into an agreement with the organizers of the Milano Marathon 2020, one of the most renowned charitable sport events in Milan, with the main purpose to give more visibility to the Novak Djokovic Foundation ONLUS in Italy and internationally as well as to raise funds for the carrying out of its charitable activity and for the support of selected charitable projects. The event was originally scheduled for the 5th of April 2020. However, due to the Covid-19 pandemic and the related restrictions, the event was postponed to May 2021.

In order to participate to such event, in FY2020 the Entity paid the first *tranche* of the participation fee, amounting to €1.950. The payment of the balance (amounting to €2.043) was due in the following year (i.e. in FY2021).

Due to the cancellation of the event, the aforementioned first payment entitled the Entity to take part to the Milano Marathon in the following year (in 2021) as well as in 2022.

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The audit was carried out by acquiring all the necessary elements to assess whether the financial statements contain any material errors and are reliable.

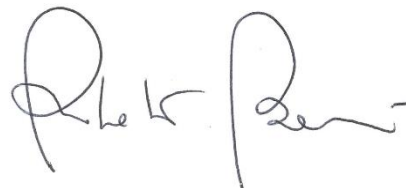
The Entity's Directors are responsible for preparing the financial statements, who must provide a true and fair representation in accordance with Italian accounting standards.

With regard to the auditing, the work carried out provides a reasonable basis for the issuing of a professional judgement.

In the opinion of the undersigned, there is no evidence to suggest that the financial statements fail to comply with the applicable accounting rules and to represent the balance sheet and the income statement for 2020 in a true and fair manner.

The audit also verified that the business carried out by the Entity, whose management responsibility is only attributable to its Directors, is compliant with the current applicable Italian regulations in relation to ONLUS and that, in accordance with Article 10, Legislative Decree 460/97 and Resolution 292 / E of 2002, the Entity has not allocated any funds or assets for any non-charity purposes.

Milan, 20 June 2021

A handwritten signature in black ink, appearing to read 'Roberto Bonomi', with a stylized flourish at the end.

The Chartered Professional Accountant

Roberto Bonomi

FINANCIAL STATEMENT 2020

BALANCE SHEET- ASSETS

		at		at	
		31/12/2020		31/12/2019	
B) FIXED ASSETS					
I - Intangible assets		€	-	€	-
	Total intangible assets	€	-	€	-
II -Tangible assets		€	-	€	-
	Total tangible assets	€	-	€	-
II -Financial assets		€	-	€	-
	Total financial assets	€	-	€	-
	TOTAL FIXED ASSETS (B)	€	-	€	-
C) CURRENT ASSETS					
II - Receivables					
From clients					
From others					
Payables various – ordinary income		€	2.730	€	2.730
	Total receivables	€	2.730	€	2.730
	Total receivables	€	2.730	€	2.730
IV - Cash					
Bank c/c		€	258.361	€	260.351
	Total cash	€	258.361	€	260.351
	TOTAL CURRENT ASSETS (C)	€	261.091	€	263.081
	TOTAL ASSETS	€	261.091	€	263.081

BALANCE SHEET – LIABILITIES

A) EQUITY

Endowment fund	€	-	€	-
Surpluses from previous years	€	260.543	€	335.491
Result for the financial year	-€	4.591	-€	74.947
TOTAL EQUITY	€	255.953	€	260.543

D) PAYABLES

7) Payables:

suppliers	€	-	€	-
invoices to be received	€	5.139	€	2.538
Total payable to suppliers	€	5.139	€	2.538
TOTAL PAYABLES	€	5.139	€	2.538

TOTAL LIABILITIES	€	261.091	€	263.081
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SIMPLIFIED FINANCIAL STATEMENT 2020**INCOME STATEMENT**

at 31/12/2020 at 31/12/2019
(Values express in Euros) (Value expressed in Euros)

A) OPERATING PROFIT**I – FORM ORDINARY
ACTIVITY**

Proceeds	€	-	€	-
Other donations	€	250	€	-
Total ordinary activity proceeds	€	250	€	-

TOTAL OPERATING PROFIT (A)	€	250	€	-
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B) OPERATING LOSS

7) Services:

Auction fees	€	-	€	-
Organisation costs – Milano Marathon	€	1.950	€	-
Legal consultancy fees	€	-	€	-
Audit fees	€	-	€	-
Tax and management consultancy	€	2.601	€	2.538
Donations	€	-	€	72.000
Bank charges	€	313	€	430
Total services cost	€	4.864	€	74.968

14) other operating loss:

Extraordinary expenditure	€	-	€	-
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Total other operating loss	€	-	€	-
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TOTAL OPERATING LOSS (B)	€	4.864	€	74.968
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DIFFERENCE BETWEEN PROFIT AND LOSS (A-B)	-€	4.614	-€	74.968
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C) FINANCIAL INCOME AND COSTS

16) Other financial income

Bank interest income	€	24	€	20
Total others financial income	€	24	€	20

17) Other financial
costs

Total others financial costs	€	-	€	-
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TOTAL FINANCIAL INCOME AND COSTS (C)	€	24	€	20
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RESULTS BEFORE TAXES	-€	4.591	-€	74.947
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20) Income taxes	€	-	€	-
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21) RESULTS FOR THE FINANCIAL YEAR	-€	4.591	-€	74.947
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