

ANNUAL REPORT 2017





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FAI – Fondo Ambiente Italiano

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Cover image: a view of the salt pans of the Saline Conti Vecchi (Conti Vecchi Saltworks) in Assemini (Cagliari), open to the public since May 2017 thanks to the enhancement partnership between FAI and the Ing. Conti Vecchi company

The boulevard of limes that leads to the 18th-century aedicule with frescoes by Giovan Battista Ronchelli (1715-1788) dedicated to Apollo Musagete, at Villa Della Porta Bozzolo, Casalzuigno (VA), a FAI property since 1989



FAI

FAI – Fondo Ambiente Italiano (the National Trust for Italy) is a non-profit foundation that operates for the safeguarding of Italy's natural and artistic heritage.

FAI has always drawn inspiration from the National Trust for England, Wales & Northern Ireland. It is a member of INTO – the International National Trusts Organization – and is recognized as a legal entity through Italian Presidential Decree No. 941 of 3/12/1975).

Since its foundation in 1975, FAI has been promoting a culture of respect for Italy's natural heritage, art, history and traditions. It protects a legacy that forms a fundamental part of the roots and identity of the Italian people by saving, restoring, opening to the public and making the most of Italy's monuments and natural sites.

OUR MISSION

FAI – Fondo Ambiente Italiano, with the contribution of everyone:

- **takes care** of special places in Italy for present and future generations.
- **promotes** education, appreciation, awareness and enjoyment of Italy's environment, landscape and historical and artistic heritage.
- **Monitors** the protection of Italy's natural and cultural assets, in the spirit of Article 9 of the Italian Constitution (*The Italian Republic promotes the development of culture and of scientific and technical research. It protect the landscape and the historical and artistic heritage of the Nation*).

OUR VISION

FAI in 2023

- The main focus of FAI's work is to look after the special places it either owns or manages so that they can be opened to the public. These places are viewed and treated as fulcrums within the landscape and social/cultural/economic systems in which they are located.
- Today, FAI's monuments and landscapes are located for the most part in the north of Italy. We want these to grow in variety and number, across all of the regions of Italy, particularly in Rome. It is crucial that we be able to guarantee their sustainability.
- FAI intends to increase its commitment to building on the relationship between the places in its care and the people and families who enjoy them, in order to respond to their various needs and desires.
- FAI intends to manage the properties and places in its care, granting decision-making autonomy to the property managers within a framework of rules; to do so, it relies on the organizational infrastructure and on the input of delegates and volunteers.
- Alongside its conservation work, FAI organizes national education events (FAI Spring Days) and monitoring events (Italian Places I Love), focusing on special places. Delegates and volunteers make an important contribution to conceiving and organizing these events.

In this spirit, FAI encourages the opening up to the public of certain "Italian Places I Love", within a framework of rules.

- FAI participates in the national debate on major themes concerning the environment, the landscape and cultural heritage, collaborating in this regard with the most active forces in civil society and with institutions. Local issues are addressed by the Delegations, again within a framework of rules.
- In this vision, FAI aims to attract 1.5 million visitors per year, 250,000 members and 50,000 volunteers, involved both in the management of its properties and in other local activities.
- To achieve this 10-year strategy (divided into three business plans 2015–2017, 2018–2020 and 2021–2023), FAI intends to target all of its operations towards its mission and vision, with a view to bringing about the integration of the different parts of the organization and avoiding any inefficiencies.

A glimpse of the garden, with views of Lake Como, at Villa del Balbianello, Tremezzina (Como), a FAI property since 1988



FAI Governance (April 2018)

FAI's governance structure is composed of the President, the Vice-President, the Board of Directors, the Executive Committee, the Board of Trustees, the Board of Auditors and the Appointments and Participation Committee. The President, Vice-President, Trustees, Auditors and Board Members do not have a specific mandate and receive no remuneration.

FAI'S GOVERNING BODIES		
Honorary President Giulia Maria Crespi	Board of Directors Mauro Agnoletti Barbara Candotti Andrea Carandini* Giulia Maria Crespi Bruno Ermolli Costanza Esclapon Marina Forni Senin Gabriele Galateri di Genola**	Board of Trustees Giulia Maria Crespi Giorgio Alpeggiani Giovanni Bazoli Francesco Saverio Borrelli Luca Paravicini Crespi Guido Peregalli Salvatore Veca
President Andrea Carandini	Vannoza Guicciardini Paravicini Andrea Kerbaker* David Landau* Marco Magnifico* Francesco Micheli Galeazzo Pecori Giraldi* Carlo Pontecorvo** Maurizio Rivolta* Flavio Valeri* Marco Vitale Anna Zegna**	Board of Auditors Franco Dalla Sega Antonella Bientinesi Francesco Logaldo Giovanni Rossi (Substitute) Andrea Bignani (Substitute) Stefano Danesin (Substitute)
Executive Vice-President Marco Magnifico		Auditor Deloitte & Touche S.p.A.
Director General Angelo Maramai		
<small>*Members of the Executive Committee</small>		
<small>**Members of the Appointments and Participation Committee (this Committee governs the process for the appointment of Board Members, the President and the Vice-President/s)</small>		

Otium



Andrea Carandini
President

2017 saw the end of the first Operational Plan, called “The New Targets”, and the results – as this Report illustrates – exceeded the objectives that we had set for ourselves (see p. 32). As President, I cannot help but be delighted that the right path has been taken and I am grateful for the considerable efforts made by the FAI staff and by the network of volunteers.

Over these past three years, which have marked the first stage in the implementation of our 10-year Strategic Plan for 2023, we have focused on identifying the characteristics of the new sectors of the public that we want to win over and on responding with increasing effectiveness to their diverse expectations. We have done so by putting immediately in place a process to overhaul our communications, with a view not only to rejuvenating the organization and coming up with a brand and a website that are more in synch with the times, but also to making more accessible and appealing to an ever-wider range of people a wealth of content with the potential to bring our properties to life and reinstate their full value, making them bona fide oases for the active leisure time of an increasingly large number of people. I’m referring to that otium that in the ancient world signified time given over to looking after oneself and bolstering one’s own wisdom, which we can perhaps call “high-quality free time”, set aside for the enjoyment of edifying, fulfilling and pleasurable cultural experiences.

The second Operational Plan that FAI is preparing to implement between now and 2020 focuses on improving engagement with the properties and on managing them more effectively. There are several, exciting objectives, starting from the enhancement of our special sites through descriptions of their “soul” and of the areas that play host to them, in order to offer visitors and the local communities alike a plethora of ever-changing reasons to become enamored of them and to return to them often, seeing them through new eyes each time. FAI wants to be open to all, and its original, recognizable style will be increasingly endowed with knowledge and narratives that concern not only places and property but also people. And above all it will be targeted at the people of today and tomorrow. It is a new, stimulating challenge that also encompasses organizational aspects, in that the properties will become little “companies”, afforded autonomy within a precise regulatory framework, guided by directors who will manage them in close partnership with FAI’s Milan offices, with the local areas and the local populace, while also benefitting from the support of the wonderful network of volunteers. In short, the gauntlet has been laid down: we have to take a more managerial approach to our indomitable culture while also taking a more cultured approach to management, within what is a special context in human and social terms, and which represents, without any doubt, the best of Italy, before whom I bow, honored to still be in a position to serve her.

Andrea Carandini

And now for a Poem...



Marco Magnifico
Executive Vice-President

I use a capital "P" because Giacomo Leopardi's Infinity is, for all Italians, a very special poem, and for FAI to have the good fortune to be appointed (by Recanati Local Council, the National Leopardi Study Centre and the World Poetry Centre) to restore and open to the public the very vegetable patch that Leopardi would visit in solitude and silence, and where that "hedgerow, which cuts off the view of so much of the last horizon" continues to prosper, is an honor that moves us and makes us very proud. So, within the ever-changing and always surprising world of FAI, after having restored and opened to the public the 2,700 hectares of the Saline Conti Vecchi in Cagliari last summer, we are now dealing with this less than half a hectare of garden in Recanati, on the topographical feature known as the "Hill of Infinity", where – using the cautious approach that is essential for such a "sacred" place – we are working hard to prepare for the re-opening, set for September 2019. It is a project that encompasses everything from the Sardinian sun and wind, to the lilies and artichokes of that humble enclosed garden that provided so much inspiration to Leopardi!

At one time, when as a youngster who had just turned 30 I worked as an assistant to two giants of FAI's history, Giulia Maria Crespi and Renato Bazzoni, I thought that "saving Italy" meant preserving only the great, solemn, monumental testaments that an overly generous past had left in the hands of a present impoverished from every perspective; I (we all) thought that FAI was created to save from neglect only large, imposing castles like Avio, lavish palaces like Masino, elegant villas like Balbianello or Bozzolo, Longobard monasteries like Torba or ancient shoreline abbeys like San Fruttuoso...

Then life opened our eyes: at a certain point, a tiny art deco barbershop in a Genoese alleyway was added to the portfolio, followed by a neo-Gothic newspaper kiosk in a beautiful Mantuan square and then a little bourgeois house in the center of Lavagna. They seemed like playthings tacked on to the "serious stuff"; but then came an ancient, magnificent little mill in a basin of the Val Brembana, and then mountain shelters with their grazing land in the upper Valtellina, and then even a fantastic citrus grove, reduced to a sewer and dumping ground at the foot of the Temple of Castor and Pollux in Agrigento. This was Italy "opening our eyes", offering us a multitude of possibilities to describe the country in different ways; we found ourselves obliged to deal with vineyards, cows, immense conifers in Sila, olive-pruning techniques, dry-stone walls and walled gardens in Liguria at Mesco in the Cinque Terre, and we even ended up studying, so as to explain it to the public, the path taken by the water off the coast of Cagliari, from the evaporating basins to the salt ponds. And now we have to address the issue, as old as mankind, of our relationship with Infinity.

What incredible variety! What a challenge for us all to work together, for the future of a country whose exceptional cultural and anthropological richness offers up every year, to those with its best interests at heart, an immense number of surprises.

We have to run around in a frenzy, but it really is a lot of fun!

Marco Magnifico

A successful year with great results



Angelo Maramai
Director General

2017 was an intense, exciting year, which once again saw a significant growth in our organization: the number of members rose to more than 170,000 (the figure was 150,000 in 2015) and FAI properties were visited by more than 860,000 people (775,000 in 2016).

We are immensely grateful to the enormous number of volunteers (more than 60,000) who all across Italy have become promoters, but I would rather call them the champions of Article 9 of the Italian Constitution; thanks to them, FAI has made itself heard throughout the country and has witnessed extraordinary events highlighting Italy's cultural heritage.

We like to think that these successful figures are the result of an effective way of working. 2017 marks the end of our first three-year Operating Plan (2015 - 2017), which we launched in 2015 in the aftermath of the approval of the 2023 Strategic Plan. In these three years we have implemented a number of major, innovative projects that have allowed FAI to give itself a new lease of life while remaining bound to the values and qualities it has had since the founding of our organization in 1975. The main objectives of our endeavor has been to attract new people so that they may share our passion, but above all so that they may visit and experience our rediscovered and restored properties, enriched by descriptions that are in-depth but designed to fascinate even those who are not experts or "culture professionals".

I cannot fail to refer to some of the extraordinary figures that you will find in this Annual Report: the total operating income, which this year exceeded €27 million (last year it was €24 million); the almost €4.5 million invested in restoration and emergency maintenance; and, naturally, our exceptional operating profit of around €1 million, which in itself is a testament to the efficiency of the organizational infrastructure. Our Board of Directors has already set aside these funds for the new challenge that awaits us in 2018, and so we can proceed with significant completion works and special new initiatives at our restoration sites of the Abbazia di S. Maria di Cerrate (Abbey of Santa Maria di Cerrate in Lecce), the Podere Case Lovara a Punta Mesco (Lovara farm complex in the Cinque Terre Park) and the initial works on the new project at the Colle dell'Infinito (Hill of Infinity in Macerata), a remarkable site where Giacomo Leopardi paused to reflect before coming up with what is one of the most famous of all Italian poems.

A profound vote of thanks goes to all those who helped us with their various contributions. Today more than ever, FAI is theirs, and we feel it is imperative not to betray their high expectations.

Angelo Maramai

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Walking through the Bosco di San Francesco (San Francesco Woodland in Assisi, Perugia), a FAI property since 2008. In the background, the Basilica of San Francesco



FAI properties (December 2017)

listed in chronological order of acquisition



- 1 Monastero di Torba**
Gornate Olona (Varese)
Donated by Giulia Maria Mozzoni Crespi, 1977
- 2 Castello di Avio**
Sabbionara d'Avio (Trento)
Donated by Emanuela di Castelbarco Pindemonte Rezzonico, 1977
- 3 Promontorio e Torre di Punta Pagana**
S. Michele di Pagana (Genoa)
Donated by the De Grossi Family, 1981
- 4 Abbazia di San Fruttuoso**
Camogli (Genoa)
Donated by Frank and Orietta Pogson Doria Pamphili, 1983
- 5 Castello della Manta**
Manta (Cuneo)
Donated by Elisabetta De Rege Provana, 1985
- 6 Baia di Ieranto**
Massa Lubrense (Naples)
Donated by Italsider, 1987
- 7 Casa Carbone**
Lavagna (Genoa)
Bequeathed by Emanuele and Siria Carbone, 1987
- 8 Castello e Parco di Masino**
Caravino (Turin)
Purchased from Luigi Valperga di Masino thanks to donations by FIAT, Cassa di Risparmio di Turin, Maglificio-calzificio torinese, 1988
- 9 Villa del Balbianello**
Tremezzina (Como)
Bequeathed by Guido Monzino, 1988
- 10 Villa Della Porta Bozzolo**
Casalzuigno (Varese)
Donated by the Bozzolo Family, 1989
- 11 Torre di Velate**
Velate (Varese)
Donated by Leopoldo Zambeletti, 1989
- 12 Castel Grumello**
Montagna in Valtellina (Sondrio)
Donated by Fedital, 1990
- 13 Antica barberia Giacalone**
Genoa
Purchased from the Giacalone family through a public appeal, 1992
- 14 Antica edicola dei giornali**
Mantua
Purchased from the Gandolfi family through a public appeal, 1992
- 15 Villa e Collezione Panza**
Varese
Donated by Giuseppe and Giovanna Panza di Biumo, 1996
- 16 Teatrino di Vetriano**
Pescaglia (Lucca)
Donated by Anna Biagioni, loaned by Pescaglia Local Council, 1997
- 17 Giardino della Kolymbethra**
Valle dei Templi, Agrigento
Loaned by Sicily Region, 1999
- 18 Villa Necchi Campiglio**
Milan
Donated by Gigina Necchi Campiglio and Nedda Necchi, 2001
- 19 Parco Villa Gregoriana**
Tivoli (Rome)
Loaned by the Italian Public Property Agency, 2002
- 20 Batteria Militare Talmone**
Palau (Olbia Tempio)
Loaned by the Autonomous Region of Sardinia, 2002
- 21 Casa Noha**
Matera
Donated by the Fodale and Latorre families, 2004
- 22 Mulino "Maurizio Gervasoni"**
Roncobello (Bergamo)
Purchased from the Gervasoni family thanks to a donation by Intesa Sanpaolo, 2005
- 23 Villa dei Vescovi**
Luvigliano di Torreglia (Padua)
Donated by Maria Teresa Olcese Valoti and Pierpaolo Olcese, in memory of Vittorio Olcese, 2005
- 24 Torre e Casa Campatelli**
San Gimignano (Siena)
Bequeathed by Lydia Campatelli, 2005
- 25 Giardino Pantesco Donnafugata**
Island of Pantelleria (Trapani)
Donated by Cantine Donnafugata, 2008
- 26 Bosco di San Francesco**
Assisi (Perugia)
Purchased thanks to a donation by Intesa Sanpaolo, 2008
- 27 Podere Case Lovara a Punta Mesco**
Levanto (La Spezia)
onated by Immobiliare Fiascherino s.r.l., 2009
- 28 Villa Fogazzaro Roi**
Oria Valsolda (Como)
Bequeathed by Giuseppe Roi, 2009
- 29 Negozio Olivetti**
Venice, Saint Mark's Square
Loaned by Assicurazioni Generali, 2011
- 30 Alpe Pedroria e Alpe Madrera**
Talamona (Sondrio)
Bequeathed by Stefano Tirinzoni, 2011

- 31 Collezione Enrico**
Villa Flecchia, Magnano (Biella)
Donated by Piero Enrico, 2011
- 32 Abbazia di Santa Maria di Cerrate**
Lecce
Loaned by the Province of Lecce, 2012 (currently under restoration)
- 33 I Giganti della Sila**
Spezzano della Sila (Cosenza)
Loaned by the Sila National Park, 2016
- 34 Saline Conti Vecchi**
Assemini, Cagliari
Loaned by Ing. Luigi Conti Vecchi Spa (Syndial, Eni), 2017 (date of official agreement)
- 35 Cala Junco**
Isola di Panarea
Arcipelago delle Eolie (Messina)
Donated by Piero di Blasi, 1976
- 36 Area boschiva sul Monte di Portofino**
Camogli (Genoa)
Donated by the Casana family in memory of Renato Casana, 1977
- 37 Area costiera**
Isola di Capraia (Livorno)
Donated by Ignazio Vigoni Medici di Marignano, 1978
- 38 Area boschiva sul Monte di Portofino**
Camogli (Genoa)
Donated by Carla Salvucci, 1981
- 39 Area costiera**
San Giovanni a Piro (Salerno)
Donated by Fiamma Petrilli Pintacuda, 1984
- 40 Area boschiva sul Monte di Portofino**
Camogli (Genoa)
Donated by Benito Brignola, 1986
- 41 Maso Fratton Valaja**
Spormaggiore (Trento)
Purchased from the Endrizzi family thanks to a donation by Bayer Italia, 1993
- 42 Villa San Francesco**
Varese
Bequeathed by Maria Luisa Monti Veratti (naked possession), 2001
- 43 Villa San Luca e Collezione Laura**
Ospedaletti (Imperia)
Donated by Luigi Anton and Nera Laura (naked possession), 2001
- 44 Area boschiva sul Monte di Portofino**
Santa Margherita Ligure (Genoa)
Donated by Ida Marta Oliva, 2001
- 45 Area collinare**
Island of Levanzo, Archipelago of the Aegadian Islands (Trapani)
Donated by Griseldis Fleming, 2001
- 46 Area costiera**
Isola di Ponza (Latina)
Donated by Franco and Bianca Maria Orsenigo, 2001
- 47 Antica pensilina del tram**
Vellate (Varese)
Donated by Zophiel, 2001
- 48 Area agricola**
Cetona (Siena)
Purchased thanks to a donation by Federico Forquet, 2013
- 49 Casa Crespi**
Milan
Donated by Giampaolo and Alberto Crespi (naked possession), 2013
- 50 Area boschiva sul Monte di Portofino**
Camogli (Genoa)
Donated by the Falconi family, 2015
- 51 Torre del Soccorso detta del Barbarossa**
Ossuccio (CO)
Bequeathed by Rita Emanuela Bernasconi, 2010
- 52 La Velarca**
Ossuccio (CO)
Donated by Aldo and Maria Luisa Norsa, 2011
- 53 Lazzaretto e area agricola sull'ansa dell'Adige**
Verona
Loaned by Venice City Council and donated by Renata Dalli Cani, 2014
- 54 Monte Fontana Secca e Col de Spadaròt**
Quero Vas (Belluno)
Donated by siblings Bruno and Liliana Collavo, 2015
- 55 Casa Macchi**
Morazzone (Varese)
Bequeathed by Marialuisa Macchi, 2015
- 56 Albergo Diurno Venice**
Milan
Loaned by Milan City Council, 2015
- 57 Casino Mollo**
Spezzano della Sila (Cosenza)
Donated by the Mollo family, 2016
- 58 Casa Bortoli**
Venice
Bequeathed by Sergio and Carla Bortoli, 2017
- 59 Colle dell'Infinito**
Recanati (Macerata)
Loaned by Recanati City Council and the Centro Nazionale di Studi Leopardiani, 2017

Other properties (December 2017)

listed in chronological order based on date of entrusting to volunteers and allocation of sponsorship



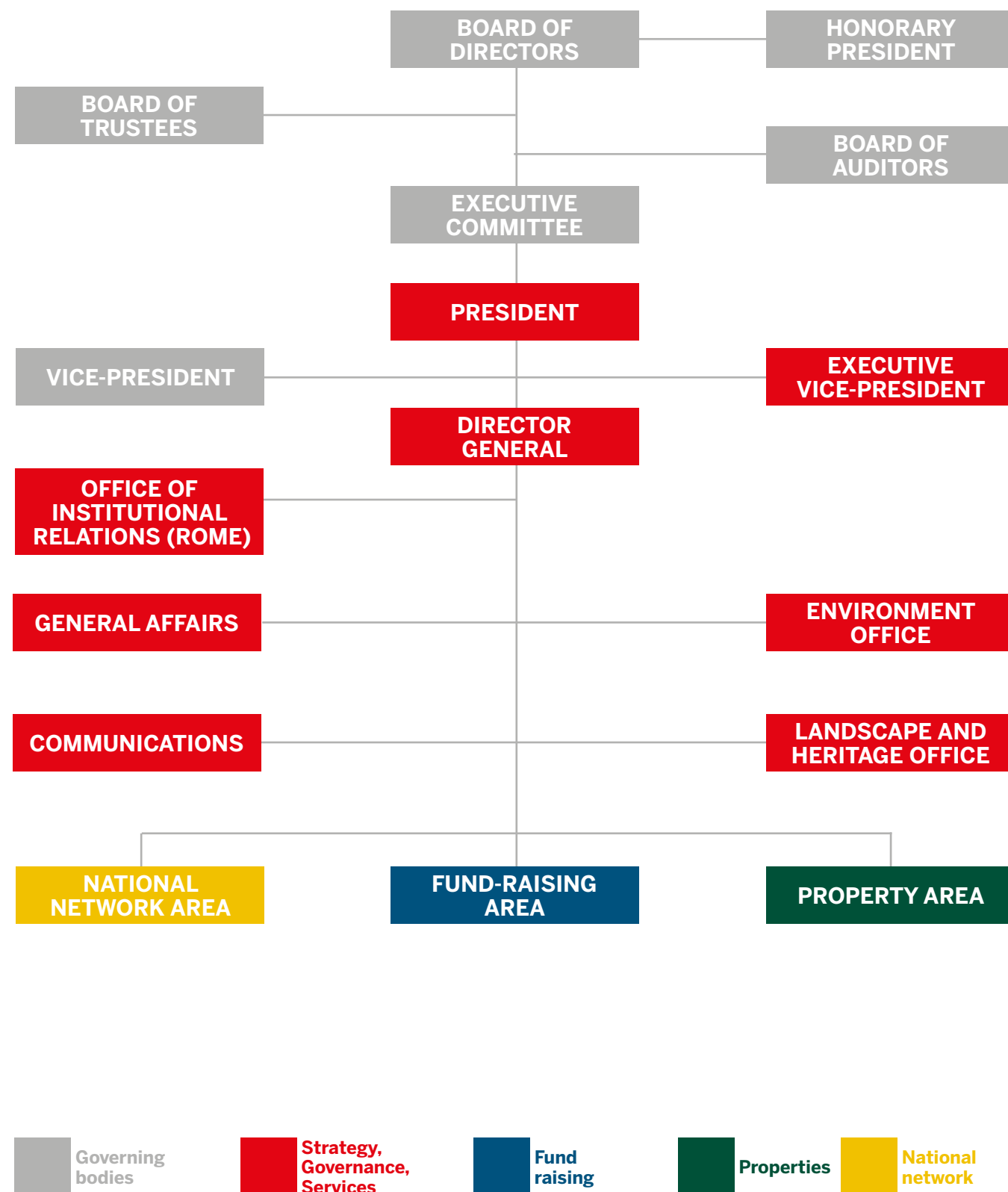
- 1 Chiesa di S. Margherita**
Bisceglie (Barletta-Andria-Trani), 2015
- 2 Palazzina Appiani**
Milan, 2015
- 3 Area Archeologica delle Terme Romane**
Vasto (Chieti), 2016
- 4 Battistero di San Giovanni e Pieve di San Lorenzo**
Settimo Vittone (Turin), 2016
- 5 Chiesa dei Ss. Niccolò e Cataldo**
Lecce, 2017
- 6 Palazzo San Giorgio**
Genoa, 2017
- 7 Parco Sorgenti di Riardo**
Riardo (Caserta), 2011
- 8 Oasi Zegna**
Trivero (Biella), 2014

- Properties promoted by FAI volunteers
- Properties under FAI patronage



The traditional straw-mat windbreakers on the pergolas used for the cultivation of citrus fruits at the Baia di Ieranto (Ieranto Bay) at Massa Lubrense, Naples, a FAI property since 1987

Organization Chart



Staff and Volunteers

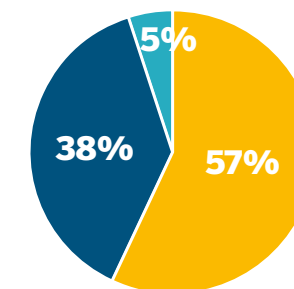
The ethical, passionate, professional approach taken by our staff and volunteers constitutes an asset that, although intangible, is crucial for our whole organization. Everyone has a part to play in changing FAI and helping it to grow.

Staff

2017 was the year of the **organizational development of the territorial model**, based on a strategy of **marked decentralization in the management of the properties**. This has led to a redefinition of the macro-infrastructure through the establishment of territorial areas entrusted to **Area Managers**, who are called upon to promote the properties, manage the local relationships in partnership with the local Delegations, and organize events.

The process, supported by the National Trust for England, Wales & Northern Ireland, and implemented through strategic meetings at central level and local inspections at the properties, focused on redefining the key profiles of the Area Manager and the Property Manager and on the creation of the new position of the Welcome & Visit Manager. At central level, there was a **reinforcement of the study and enhancement operations** geared towards restoration and towards the

STAFF IN FAI OFFICES



Headquarters	141	57%
Properties	95	38%
Regional Offices	12	5%
TOTAL	248*	100%

* Full time equivalent

AVERAGE EMPLOYEE AGE

43

Staff under 30	16	6%
Staff under 40	108	44%

GENDER

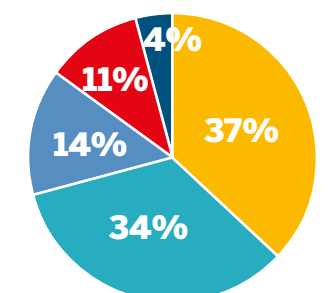
Female	173	70%
Male	75	30%
TOTAL	248	100%

EDUCATIONAL LEVEL



Bachelor's Degree	172	69%
High-School Diploma	76	31%
TOTAL	248	100%

PROFESSIONAL QUALIFICATIONS



Junior Professional	85	34%
Professional	91	37%
Senior Professional	35	14%
Manager	28	11%
Senior Manager	9	4%
TOTAL	248	100%

“ I have always worked in communications, and I have always adored our beautiful country. In 2011, I became a FAI volunteer in the Milan Delegation. I chose FAI because it makes me feel like I am making a real contribution to the wonderful project it has been engaged on from day one: to make all Italians aware of this country's beauty and its landscapes, so that they will love them and want to safeguard them. Why am I still so enthusiastic? Because seeing the happiness of the people I meet at the events makes me proud that I chose the right path. ”

Clarissa, volunteer at FAI's Milan Delegation

The FAI staff at Villa Della Porta Bozzolo, Casalzuigno (Varese), a FAI property since 1989

plan for the sustainable development of the properties.

Moreover, **training was provided on the key operations within the properties and at the Delegations**: management of volunteers, increasing FAI memberships, welcoming visitors, etc. In parallel, work continued apace on the **reorganization of other primary processes** such as fund-raising, with a view to responding effectively to the increased number of FAI members. Last but not least, the **job descriptions were re-written**: this operation, which leveraged the entire organizational culture, led to the streamlining of the tasks applicable to each role, redefining them on the basis of areas of responsibility and skill sets.

Volunteers

The volunteers give their time and expertise to FAI free of charge, demonstrating their pro-active commitment to the safeguarding of Italy's heritage. FAI makes available to them an ongoing **training** plan on the themes of the environment and the landscape, schools, communications and fund-raising. In addition to the classroom-based training, an **e-learning programme** makes it possible to reach volunteers right across the country and to strengthen the links with FAI's mission and values. To consolidate the team spirit, the Delegations also organise social occasions, exclusive guided tours and initiatives reserved for the volunteers.

In 2017, the ranks of the **local Delegations**, composed of **2,425 year-round volunteers**, were swollen by around **11,500 volunteers** for major national events such as the “FAI Spring Days” and the “FAI Autumn Day”, as well as for local initiatives. Thanks to them, FAI has been able to grow over the years to become an organization that is embedded and listened to throughout the country.

2017 also saw the consolidation of the numbers and activities of volunteers in the FAI properties: a full 17 properties – including the Cavallerizza (FAI's headquarters, in Milan) – can count on teams of regular volunteers.

Over and above the 1,000 **volunteers at the properties**, in 2017 there were 700 **students undergoing work-related learning** – a vital, youthful contingent who, through this experience, are getting their first taste of the world of work in a highly structured, educational environment. A particularly noteworthy contribution was made by the around 20 “**transversal volunteers**” who, not satisfied simply by helping out on a regular basis at a property, also make themselves available for custom missions, even at properties some distance from their home area. They normally deal with landscaping operations, occasionally throwing themselves into projects concerning accessibility to the properties or assisting in the training of foreign citizens.

Corporate volunteering

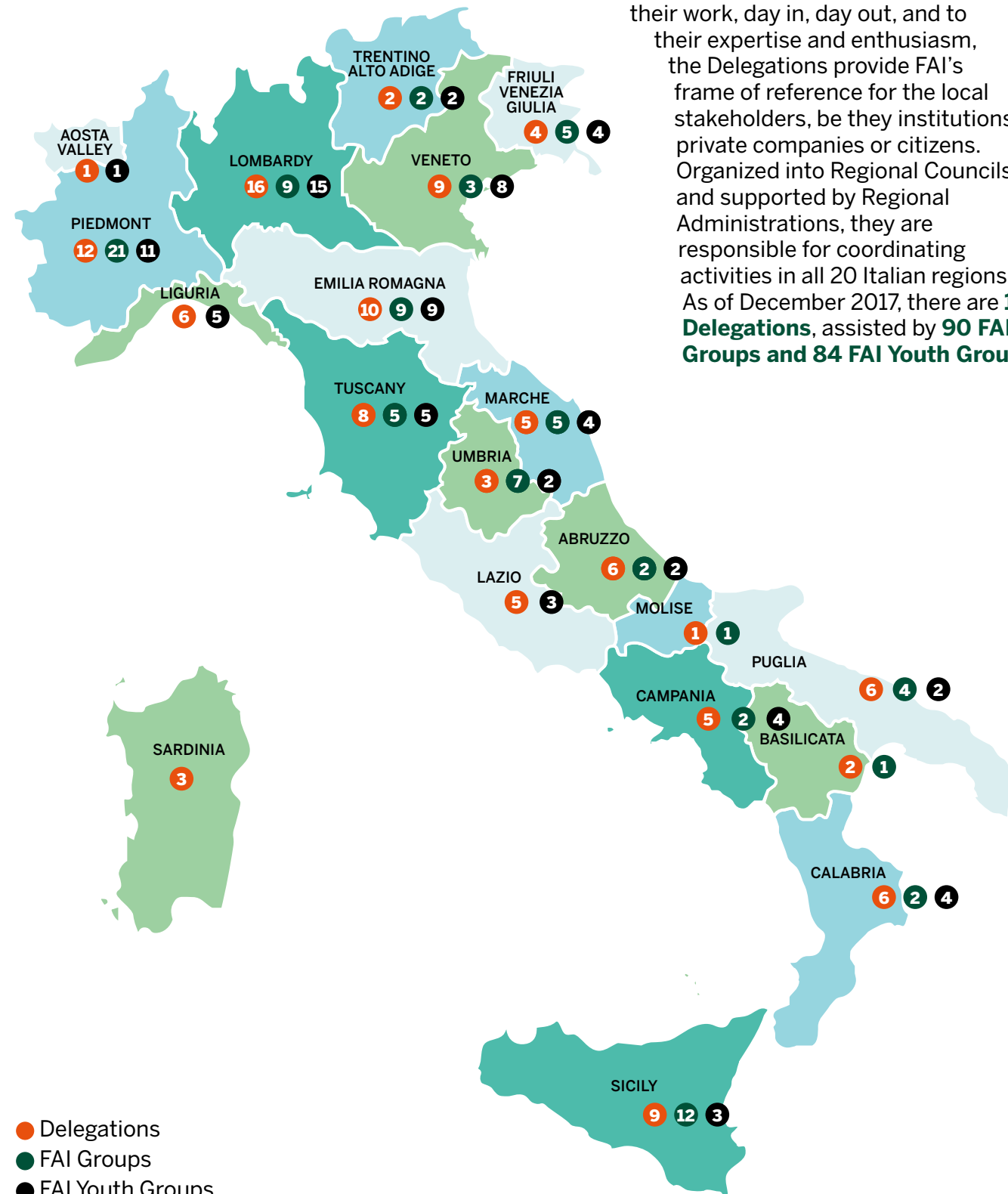
For years, FAI has made available its properties, its staff and its skills in order to build – together with partner companies – **corporate volunteering and team-building** days to increase the sense of cohesion and belonging within the work group and to raise the team members' awareness of themes relating to the protection of Italy's culture and landscape. In 2017, **13 companies and a full 240 employees** engaged with the project.



FAI's network in Italy: the Delegations

(December 2017)

The Delegations – an extensive network of well-organized, pro-active volunteers in Italy's major towns and cities – are FAI's engine across the country, and they contribute to the embedding of FAI nationwide, working to spread its values and its operations. Thanks to their work, day in, day out, and to their expertise and enthusiasm, the Delegations provide FAI's frame of reference for the local stakeholders, be they institutions, private companies or citizens. Organized into Regional Councils and supported by Regional Administrations, they are responsible for coordinating activities in all 20 Italian regions. As of December 2017, there are **120 Delegations**, assisted by **90 FAI Groups** and **84 FAI Youth Groups**.



ABRUZZO

President: Massimo Lucà Dazio
Delegations: Chieti, L'Aquila, Lanciano, Pescara, Teramo, Vasto
FAI Groups: Marsica, Penne
FAI Youth Groups: Pescara, Teramo

ALTO ADIGE

President: Simona Kettmeir Altichieri
Delegations: Bolzano
FAI Youth Groups: Bolzano

AOSTA VALLEY

President: Maria Cattaneo Leonetti
Delegations: Aosta
FAI Youth Groups: Aosta

BASILICATA

President: Maria Xenia d'Oria
Delegations: Matera, Potenza
FAI Groups: Tricarico

CALABRIA

President: Anna Lia Paravati Capogreco
Delegations: Catanzaro, Cosenza, Locride e Piana, Pollino, Reggio Calabria, Vibo Valentia
FAI Groups: Santa Severina, Rossano
FAI Youth Groups: Catanzaro, Cosenza, Reggio Calabria, Vibo Valentia

CAMPANIA

President: Maria Rosaria de Divitiis
Delegations: Avellino, Benevento, Caserta, Naples, Salerno
FAI Groups: Aversa, Nola
FAI Youth Groups: Avellino, Benevento, Naples, Salerno

EMILIA ROMAGNA

President: Marina Senin Forni
Delegations: Bologna, Cesena, Ferrara, Forlì, Modena, Parma, Piacenza, Ravenna, Reggio Emilia, Rimini
FAI Groups: Imola, San Lazzaro di Savena, Pieve di Cento, Bassa Modenese, Bobbio, Bagnacavallo, Faenza, Lugo, Cervia
FAI Youth Groups: Bologna, Ferrara, Forlì, Modena, Parma, Piacenza, Ravenna, Reggio Emilia, Rimini

FRIULI VENEZIA GIULIA

President: Tiziana Sandrinelli
Delegations: Gorizia, Pordenone, Trieste, Udine
FAI Groups: Spilimbergo, Cividale del Friuli, Gemona del Friuli, Tolmezzo, Palmanova
FAI Youth Groups: Gorizia, Pordenone, Trieste, Udine

LAZIO

President: Valeria Grilli Carandini

Delegations: Frosinone, Gaeta Latina, Rieti, Rome, Viterbo
FAI Youth Groups: Frosinone, Rome, Viterbo

LIGURIA

President: Roberta Cento Croce
Delegations: Albenga-Alassio, Genoa, Imperia, La Spezia, Portofino-Tigullio, Savona
FAI Youth Groups: Genoa, Imperia, La Spezia, Portofino-Tigullio, Savona

LOMBARDY

President: Andrea Rurale
Delegations: Alta Brianza, Bergamo, Brescia, Como, Cremona, Lecco, Lodi-Melegnano, Mantua, Milan, Milan North-West, Monza, Oltrepò Pavese, Pavia, Seprio, Sondrio, Treviglio, Varese
FAI Groups: Crema, Castiglione delle Stiviere-Alto Mantovano, Franciacorta-Sebino, Milan North-East, Milan North-West, Milan South-East, Milan South-West, Vimercatese, Valcuvia, Vallecambonica
FAI Youth Groups: Bergamo, Brescia, Como, Cremona, Lecco, Lodi-Melegnano, Mantua, Milan, Monza, Oltrepò Pavese, Pavia, Seprio, Sondrio, Treviglio, Varese

MARCHE

President: Alessandra Stipa Alesiani
Delegations: Ancona, Ascoli Piceno, Fermo, Macerata, Pesaro e Urbino
FAI Groups: Jesi e Vallesina, Fabriano, Fano, Senigallia, San Benedetto del Tronto
FAI Youth Groups: Ancona, Ascoli Piceno, Fermo, Pesaro e Urbino

MOLISE

President: Massimo Lucà Dazio
Delegations: Campobasso
FAI Groups: Isernia

PIEDMONT

President: Maria Cattaneo Leonetti
Delegations: Alessandria, Asti, Biella, Casale Monferrato, Cuneo, Ivrea e Canavese, Novara, Turin, Tortona, Verbano-Cusio-Ossola, Vercelli, Valle di Susa
FAI Groups: Alto Novarese (Borgomanero), Bassa Valle Tanaro, Bra, Castellazzo Bormida, Colline dal Po al Monferrato, Colline dell'Orba, Diversamente Abili, Fiumi della bassa valle, Fossano, Lago d'Orta-Cusio, Lago Maggiore-Arona e Vergante, Monte Regio (colline novaresi), Mornese, Novi Ligure, Saluzzo, Savigliano, Strada Franca, Terre tra Tanaro e Po, Ticino, Valsesia, Via Emilia Scauri
FAI Youth Groups: Alto Novarese, Asti,

Biella, Casale Monferrato, Cuneo, Ivrea e Canavese, Novara, Valsesia, Turin

PUGLIA

President: Dino Borri
Delegations: Andria-Barletta-Trani, Bari, Brindisi, Foggia, Lecce, Taranto
Groups: Altamura, Monopoli, Lucera, Martina Franca
FAI Youth Groups: Bari, Taranto

SARDINIA

President: Monica A. G. Scanu
Delegations: Cagliari, Nuoro, Sassari

SICILY

President: Giulia Miloro
Delegations: Agrigento, Caltanissetta, Catania, Enna, Messina, Palermo, Ragusa, Siracusa, Trapani
FAI Groups: Acireale, Alcamo, Bagheria, Caccamo, Caltagirone, Carini, Corleone, Giardini Naxos Taormina, Marsala, Mineo, Nicosia, Scicli
FAI Youth Groups: Catania, Messina, Siracusa

TUSCANY

President: Sibilla della Gherardesca
Delegations: Arezzo, Florence, Grosseto, Livorno, Lucca-Massa Carrara, Pisa, Prato-Pistoia, Siena
FAI Groups: Maremma, Massa, Pistoia, Sansepolcro, Volterra
FAI Youth Groups: Arezzo, Florence, Pisa, Pistoia, Siena

TRENTINO

President: Giovanna degli Avancini
Delegations: Trento
FAI Groups: Val di Fiemme-Val di Fassa, Val di Sole
FAI Youth Groups: Trento

UMBRIA

President: Nives Maria Tei Coaccioli
Delegations: Lago Trasimeno, Perugia, Terni
FAI Groups: Assisi, Città di Castello, Foligno, Gualdo Tadino, Gubbio, Spoleto, Todi
FAI Youth Groups: Perugia, Terni

VENETO

President: Ines Lanfranchi Thomas
Delegations: Bassano del Grappa, Belluno, Padova, Portogruaro, Rovigo, Treviso, Venice, Verona, Vicenza
FAI Groups: delle Basse, Mestre, Mirano
FAI Youth Groups: Belluno, Padova, Portogruaro, Rovigo, Treviso, Venice, Verona, Vicenza

FAI's worldwide network: FAI International

With more UNESCO World Heritage sites than any other country on the World Heritage List, Italy's artistic, cultural and natural heritage is envied the world over and greatly appreciated by those who care about safeguarding it. Promoting FAI abroad is a crucial part of the effort to reach out to those who consider themselves to be guardians of this heritage, regardless of their nationality; because the beauty of Italy has no borders.

As of late 2017, there are four support groups defending and supporting FAI's mission around the world: **Friends of FAI, FAI SWISS, FAI UK – Italian Heritage Trust and FAI FRANCE.**

Friends of FAI, a public charity based in New York, fosters increased awareness and appreciation of Italy's culture and artistic heritage in the United States, and contributes to its protection through the organization of events, trips, conferences, seminars, exhibitions and concerts in the USA.



"FRIENDS OF FAI" GOVERNANCE

Honorary Chairwoman Marella Agnelli	Board of Directors
International Chairwoman Bona de' Frescobaldi*	President James M. Carolan
Chairwoman of the Balbianello Circle Maria Manetti Shrem	Vice President Sharleen Cooper Cohen
	Treasurer Nicolò Foscari Widmann Rezzonico
	Secretary Celine Crosa di Vergagni
	Giovanna Loredan Bonetti Andrea Carandini Bona de' Frescobaldi* Vannozza Guicciardini
	* Founder

“ Like so many British people, I love Italy. Being a trustee of FAI UK has given me a connection with places I might otherwise never have known about. FAI UK membership essentially enables us here in the U.K. to profit from a sense of being a participant; of not only being able simply to enjoy the architectural pleasure of Italy when we visit, but of belonging, of knowing that we are part of the drive to preserve irreplaceable treasures that might otherwise be lost to us all. ”

Catrin Treadwell, FAI UK Trustee



FAI Swiss, a foundation under Swiss law, based in Lugano, was established on November 29, 2012. FAI's presence here is intended to incentivize cultural exchange between Switzerland and Italy, with a view to safeguarding and emphasising the virtues of Italy's art and landscape.

"FAI SWISS" GOVERNANCE

Honorary Presidents Mario Botta Alfredo Gysi Marco Solari	Members of the Founding Committee Paola Boselli Foglia Anna Gotti Chiara Grassi Béatrice Groh-de-Tavernost Enzo Pelli Isabella Puddu Alessandra Varisco	Secretary of the Founding Committee Paolo Bernasconi
President Simona Garelli Zampa		
Vice-President Patrik J. Carroll		



Since the beginning of 2015, FAI Swiss has had a delegation in the francophone area of Switzerland: **FAI Suisse Romande**

"FAI SUISSE ROMANDE" GOVERNANCE

President Sofia Cattani	Delegation Members Luisa Cassaro Regina Feuerwerker Grazia Lombardi Galli della Loggia Mara Marino	Giuseppina Piérard Chrystèle Schoenlaub Frédérique Viani
Honorary Presidents Eleonora Lucangeli Serra Florence Notter		



FAI UK - Italian Heritage Trust is a registered British charity set up to foster greater international awareness of Italy's artistic heritage and natural landscape, and to promote public education on cultural heritage, supporting in particular (but not exclusively) the mission of FAI. .

"FAI UK – ITALIAN HERITAGE TRUST" GOVERNANCE

Chairman Alain Economides	Board of Trustees Maria Carolina di Valmarana	Gaia Servadio Anna Somers Cocks OBE Catrin Treadwell
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FAI France is a French association established in Paris in mid-2014 and geared towards spreading FAI's message in France through the staging of conferences, events and fundraising initiatives dedicated to the salvaging and restoration of Italy's precious artistic and natural heritage.

"FAI FRANCE" GOVERNANCE

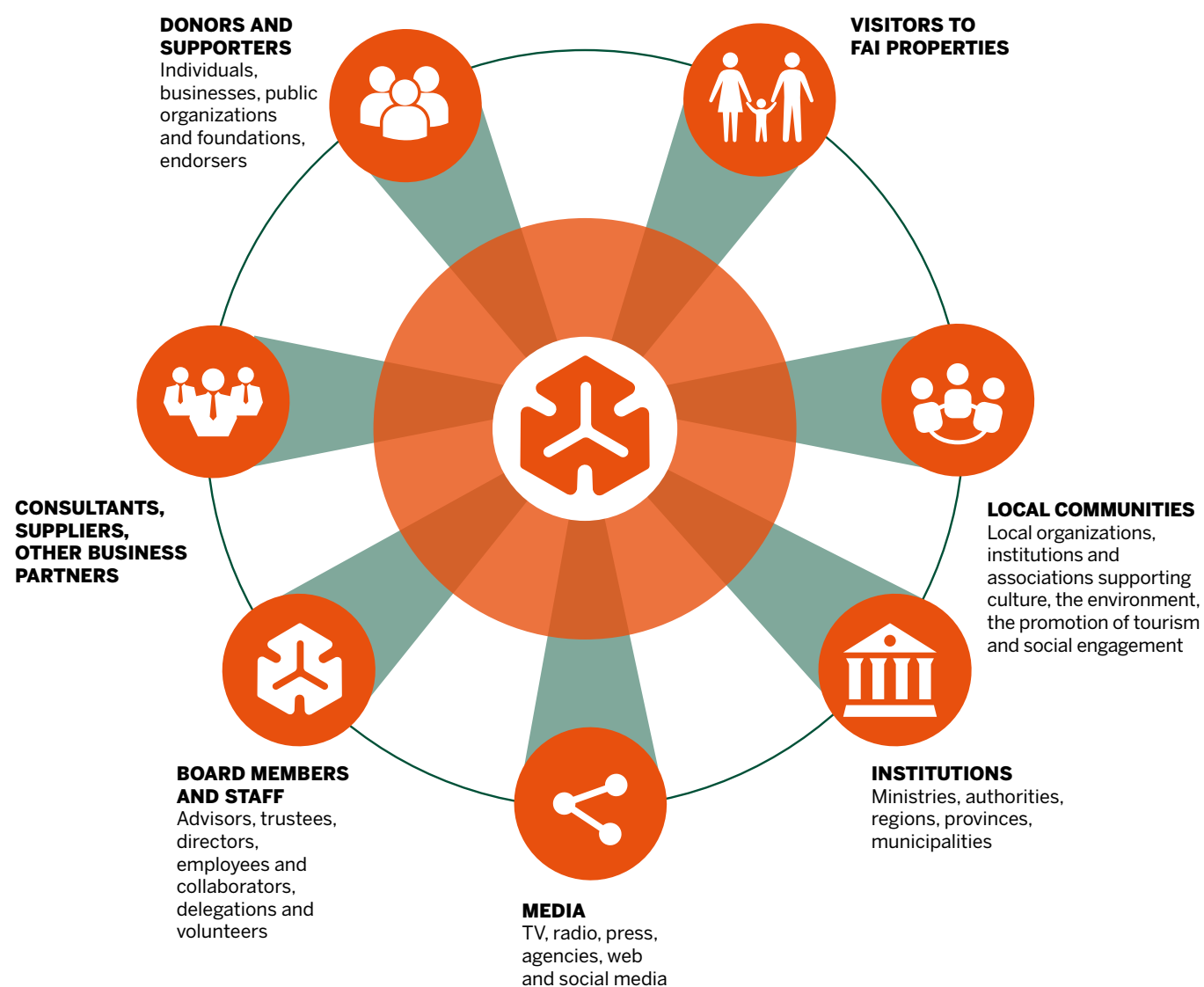
President Romano Ferrari	Committee Members Paola Gagliano Vezza Elena Rossi Gallo Sylvie Lainé	Borna Scognamiglio Patrice Simonnet Rosanna Talarico Elia Alessandra Varisco
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FAI's stakeholders

FAI's day-to-day relations with its stakeholders are guided by the desire to enact and uphold the spirit of Article 9 of the Italian Constitution: "The Italian Republic promotes the development of culture and of scientific and technical research. It protects the landscape and the historical and artistic heritage of the Nation".

FAI shares with its stakeholders a commitment to making Italy's landscape and historical and artistic heritage an asset that is open to everyone, now and forever.

■ Italy's cultural heritage is a public asset, and protecting it is a civil responsibility that requires the personal involvement of the citizens. **Many individuals, businesses, foundations, associations and authoritative endorsers** do their bit to help FAI, together constituting a generous community of supporters who express their love for Italy and its treasures by selflessly giving their time and money to the cause.



FAI Vice-President Marco Magnifico during the event "Recounting the past to imagine the future" held in January 2017 to share with the institutions and citizens of Verona the project for the restoration and enhancement of the Lazzaretto (former leper hospital), a property on loan to FAI since 2014

■ **With the visitors to our properties** – current and potential – we share a commitment to providing constructive, satisfying, joyful experiences tailored to our visitors' different needs: from families with children and lovers of the outdoors, to schools and everyone with an interest in culture.

■ **Local communities** in the areas surrounding FAI properties play a key role in building the country's renaissance. It is not just the monuments themselves that need protecting: we must rediscover the entire cultural, social and economic fabric of these places, developing the relationship between the FAI properties and the local contexts, fostering new dynamics between hubs and systems, so that they can work together, supporting and stimulating one another.

■ FAI collaborates with various **institutions, ministries, authorities and local organizations** including policy makers, providers of public assets, and partners or distributors of financial resources.

■ Our relationship with the **media** is important, since it is our duty to provide credible, ongoing communications on the natural and artistic heritage, so as to foster an ethical and aesthetic awareness in the public mind. We want to drive forward the debate on the environment in a systematic way and to promote the related aspects of cultural, education and prevention.

■ All those who work for FAI, in whatever capacity. From our **Board members** to our directors, from our **employees and collaborators** to the **volunteers** in the Delegations and in the properties themselves. With their expertise and passion, our team members have made FAI an efficient and innovative cultural organization. We work hard every day to consolidate its position and make it more sustainable.

■ Our **suppliers and consultants** also play an important role: they supply specific goods and services to the properties and provide FAI with appropriate, timely assistance.

2017's highlights



Casa Bortoli, Venice

JANUARY

FAI receives as a bequest from Sergio and Carla Bortoli an aristocratic apartment situated within a historic Venetian palazzo (Cà Contarini) overlooking the Grand Canal.

FEBRUARY

FAI signs a memorandum of understanding with Comacchio local council (Ferrara) and the Emilia-Romagna Region Po Delta Park for the enhancement of the historical centre and the valleys of Comacchio.

The 21st FAI National Conference is held in Turin. Entitled "Con i piedi per terra" ("With our feet on the ground"), it focuses on the theme of earthquakes and is geared towards making a tangible contribution to educating the public on the phenomena, through the promotion of good practices that allow for effective actions in support of the entire population.

MARCH

The results are announced of the 8th "Italian Places I Love" survey, which receives more than 1.5 million votes.



Castello di Sammezzano, Reggello (Florence), the property that received the most votes in the 2016 "Italian Places I Love" survey.

On the occasion of the 25th edition of the "FAI Spring Days", 1,000 sites in 400 areas across Italy are opened to the public. Thanks to the input of 7,500 volunteers, 119 Delegations, 87 FAI Groups and 83 FAI Youth Groups, the event engages with 750,000 visitors.

APRIL

Together with the Archaeological Park of the Valley of the Temples, FAI inaugurates a new underground walkway that links the Giardino della Kolymbethra (Kolymbethra Garden) to one of the gates in the ancient city walls of Agrigento.

MAY

The Saline Conti Vecchi in Cagliari are opened to the public after a restoration and enhancement operation implemented by FAI on the basis of a partnership agreement between FAI and Syndial, an Eni company that provides integrated services in the field of environmental regeneration.



Saline Conti Vecchi, Assemini (Cagliari)

A first, important phase of restoration of the Abbazia di San Fruttuoso (Abbey of San Fruttuoso, Genoa) is completed, with conservative interventions to the bell tower, the facades and the beach areas, and with the reinstatement of access to the ancient freshwater source, which had been concealed for more than 30 years.

JUNE

The second edition of the "FAI Summer Evenings" is launched. This major international celebration of FAI's properties sees the special evening opening of more than 60 properties, to offer the public the opportunity to discover and experience special places in a new light.

The new installation by Robert Wilson, "A winter fable", becomes part of the Panza Collection, housed in Villa Panza in Varese.



Colle dell'Infinito, Recanati (Macerata)

JULY

In Recanati (Macerata), an agreement is signed between FAI, the local council, the National Centre for Leopardi Studies and the "Giacomo Leopardi" World Centre for Poetry and Culture, thanks to which FAI is entrusted with cultural enhancement and management of a part of the spaces of the National Centre of Leopardi Studies and that portion of the "Colle dell'Infinito" ("Hill of Infinity") known as the "Orto delle Monache" ("Nuns' Vegetable Garden").

OCTOBER

The "FAI Autumn Day" (the former "FAI marathon"), organized by the FAI Youth Group volunteers in partnership with the Delegations, engages 200,000 participants on 170 themed itineraries across more than 600 sites throughout Italy. As part of the People4Soil international co-operative agreement for a European directive on the limitation of soil consumption, FAI - together with the members of the national coordination team - delivers 82,000 signatures to the President of the Senate (a sufficient number to meet the Italian quorum).



The iconic image of the European campaign against soil consumption, "People4Soil"

NOVEMBER

The 6th edition of the "FAI Winter Mornings", cultural visits for schools led by the Apprentice Tour Guides, sees more than 200 sites being opened up across 120 Italian cities, attracting more than 45,000 students.

Thanks to a significant donation by the Sforzi family, the collection of Guido Sforzi (1935-1975) - composed of 21 works on paper drawn by some of the pre-eminent artists of the 20th century - becomes part of the permanent collections of Villa Necchi Campiglio (Milan).

As part of the events to mark the centenary of the end of the First World War, FAI presents at the town hall in Quero Vas (Belluno) the project for the restoration and enhancement of Monte Fontanasecca and Col de Spadaròt, donated to FAI by siblings Bruno and Liliana Collavo in 2015. It was the scene of one of the most dramatic battles of the Great War.



"Nudo accosciato" (squatting nude) by Amedeo Modigliani, one of the 21 drawings from the Sforzi collection, donated for Villa Necchi Campiglio (Milan) by Clara Lavagetti Sforzi and Guido's daughters Bianca and Maria Chiara

In Bologna, FAI stages the conference "Acqua a catinelle o mancanza d'acqua" ("It never rains but it pours"), held by Romano Prodi (President of the Foundation for Collaboration between Peoples) as a prelude to the national awareness-raising campaign entitled "Salva l'acqua" (Save Water) that FAI will promote in 2018.

FAI announces the list of the 24 "Italian Places I Love" that are worthy of salvage operations supported by FAI in partnership with the Intesa Sanpaolo banking group.

2017's facts and figures



59
properties
throughout Italy



120
delegations
(+2% vs 2016)



172,671
members
(+15% vs 2016)



30.2
million euros in income from
fund-raising activities
(-4% vs 2016)

2
newly acquired
properties

6.7 million
m² of landscape
protected

90
FAI Groups
(+5% vs 2016)

861,200
visitors to the properties
(+11% vs 2016)

12.5
million euros invested in the
management of the properties
(+14% vs 2016)

1
new property open
to the public

84
FAI Youth Groups
(+8% vs 2016)

750,000
visitors to the
25th "FAI Spring Days"
(+7% vs 2016)

4.4
million euros invested in the
restoration and conservation
of the properties
(-6% vs 2016)

11,400
volunteers
(+53% vs 2016)

200,000
participants in the
6th "FAI Autumn Day"
(former "FAlmarathon")
(+43% vs 2016)

93.4%
of the costs of property
management and scheduled
maintenance covered
by direct income
(89% in 2016)

248
members of staff
(+8% vs 2016)

291,000
students engaged
(+11% vs 2016)

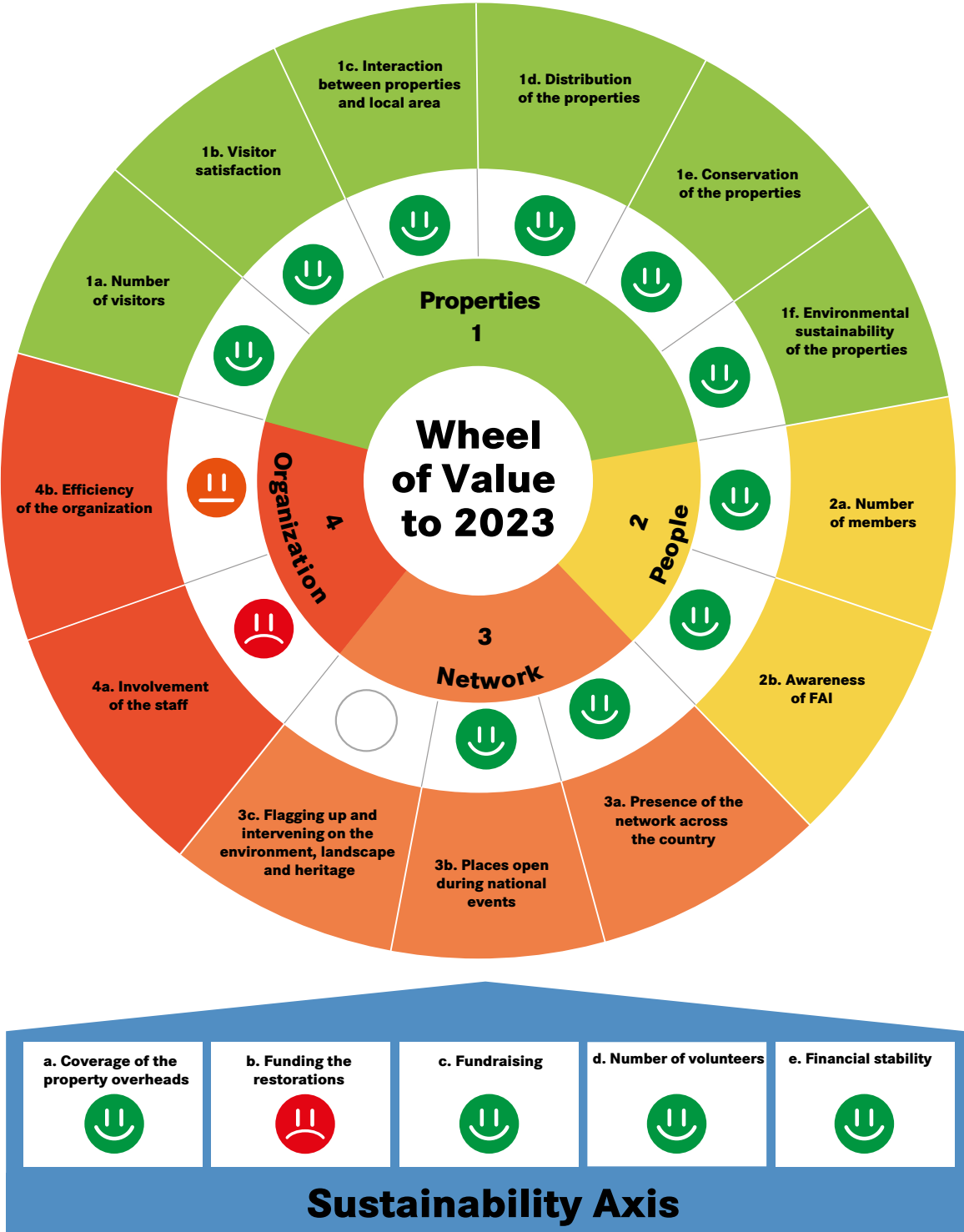
1,573,032
votes cast in the
"Italian Places I Love" survey
(-5% vs 2014)

1
million Facebook fans
(+10% vs 2016)

A close-up of the
frescoes in the dining
room at Villa Fogazzaro
Roi, Oria Valsolda
(Como), a FAI property
since 2009

2015-2017 Operating Plan

In December 2017, the 2015 – 2017 Operating Plan came to an end. "The new targets", as it was called, was geared towards creating a new relationship between FAI and the people. The project – the first of the three operating plans that compose the "FAI 2023" Strategic Plan – serves as the launch pad for the implementation of the Vision defined by FAI in 2014 (see p. 4). Thanks to the Value Wheel, it is possible measure and evaluate the extent to which the results achieved in 2017 are aligned with the pre-set objectives.



Key Performance Indicators

	KPI'S	Description	2014	2016	2017 objectives	2017	2023
1 Properties	a. Number of visitors	The indicator measures the number of people visiting FAI properties and represents the capacity to attract visitors	576,000	775,000	750,000	861,200	1,500,000
	b. Visitor satisfaction	The indicator measures overall visitor satisfaction through a visitor questionnaire	4.39	4.52	4.45	4.58	4.50
	c. Interaction with local area	The indicator measures the average number of agreements made by each of the properties with local institutions and businesses	-	598	718	722	-
	d. Property distribution	The indicator expresses the ratio between the provinces with at least one FAI property against the total number of provinces in Italy	29%	30%	29%	30%	40%
	e. Property conservation	The indicator expresses compliance with the planned maintenance standards and the quality of services, with a score from 1 to 5	-	4.34	4.27	4.36	-
	f. Environmental sustainability of the properties	The indicator expresses the percentage energy-saving achieved in one year in the properties open to the public in December 2014	0%	-0.9%	-5%	-5.9%	-15%
2 People	a. Number of members	The indicator expresses the number of members as of December 31 of each year	101,571	149,558	135,000	172,615	250,000
	b. Profile of FAI	The indicator measures public awareness of the existence of FAI	25%	25%	30%	32%	40%
3 Network	a. Local network presence	The indicator measures the number of active groups across Italy	237	282	282	295	350
	b. Places open to the public during nationwide events	The indicator measures the number of properties open to the public on "FAI Spring Days" and other initiatives	1,661	1,552	1,340	1,792	-
	c. Reports and interventions on environment, landscape and heritage	The indicator measures the number of votes cast for the "Italian Places I Love" survey	1,650,000	1,573,000	-	-	-
4 Organization	d. Staff involvement	The indicator measures the level of motivation and involvement of all collaborators using the Hay Group consultancy model	-	-	59	51	-
	e. Organizational efficiency	The indicator measures the ratio between institutional activity spending against total spending	68%	68%	70%	68%	70%
Sustainability axis	a. Property expenditure coverage	The indicator measures the percentage of property running costs covered by direct income and represents the property's self-financing ability	86.6%	88.7%	85%	93.4%	100%
	b. Funding of restorations	The indicator expresses the percentage of restoration costs covered and represents FAI's capacity to raise investment	89%	100%	100%	73%	100%
	c. Fundraising	The indicator measures the total funds raised (in thousands of euros) and represents FAI's fund-raising capacity	19,050	23,714	24,454	26,814	36,000
	d. Number of volunteers locally and at major events	The indicator measures the number of volunteers active locally, in FAI properties and in nationwide campaigns	26,990	48,519	35,000	61,974	50,000
	e. Financial stability	The indicator measures the financial result of the profit and loss account (in thousands of euros)	307	739	1,065	1,033	-

FAI'S MISSION

Since its founding in 1975, FAI (the National Trust for Italy) has drawn inspiration from the National Trust for England, Wales & Northern Ireland, and is a member of INTO – the International National Trusts Organization.

FAI – Fondo Ambiente Italiano, with the contribution of everyone:

- 1. TAKES CARE** of special places in Italy for the benefit of present and future generations.
- 2. PROMOTES** education, appreciation, awareness and enjoyment of Italy's environmental, natural, historic and artistic heritage.
- 3. MONITORS** the protection of Italy's natural and cultural assets in the spirit of Article 9 of the Italian Constitution.

Castello di Avio (Avio Castle),
Sabbionara d'Avio (Trento),
a FAI property since 1977



FAI's properties in 2017

A heritage of beauty accessible to everyone for culture-rich leisure time that is enjoyable, fulfilling and designed to meet different sets of needs

In 2017, FAI **acquired two new properties: Casa Bortoli** in Venice, an apartment within the 15th-century palazzo of Cà Contarini in Venice (see p. 46) and the **Colle dell'Infinito**, in Recanati (Macerata), the cultural exploitation of which was entrusted to FAI by Recanati Local Council and by the National Centre for Leopardi Studies and the "Giacomo Leopardi" World Centre of Poetry and Culture (see p. 47).

2017 also saw the **opening to the public of a new** property: the **Saline Conti Vecchi** in Assemini, just outside Cagliari – an immense natural landscape and a site of industrial archaeology within a still-operational manufacturing facility (see p. 48).

As of December 31, 2017, there are **59 FAI properties throughout Italy** (see p. 14) – treasures of art and nature, special places, jewels large and small that embody Italy's history – of which **34 are open to the public, 16 are safeguarded and 9 are currently being restored.**

Alongside them are **another 8 properties** (see p. 17), of which **6 are supported by the volunteers** and 2 **are sponsored.**



Every day, FAI pays a great deal of attention to each of these places. This level of commitment is essential to protect their beauty and their soul, defending them from damage over time and delivering them to future generations, working passionately on their restoration and maintenance, through operations targeted towards new utilization and the adoption of materials and techniques that are compatible with the current situation and the historical character of the places.

Every restoration operation is conceived and implemented by professionals with specialist skills – architects, archaeologists, agronomists, landscape architects and artisans – guided by the desire to reach the levels of excellence that have always been a cornerstone of FAI's approach.

In 2017, FAI invested **€4,438,572** (+6% vs 2016) in restoration.

INVESTMENTS IN RESTORATION AND INTERVENTIONS ON PROPERTIES IN FAI'S CARE, OWNED, ON LOAN AND THIRD-PARTY PROPERTIES IN 2017 (IN EUROS)	
Abbazia di S. Maria di Cerrate (Lecce)	774,911
Castello della Manta (Manta, Cuneo)	379,161
Podere Case Lovara (Levanto, La Spezia)	370,917
Saline Conti Vecchi (Assemini, CA)	318,645
Parco Villa Gregoriana (Tivoli, Rome)	238,104
Abbazia di San Fruttuoso (Camogli, Genoa)	220,312
Villa Necchi Campiglio (Milan)	200,954
Castello e Parco di Masino (Caravino, Turin)	182,220
Other FAI Properties	1,501,099
Italian Places I Love	151,713
Operations on third-party properties	100,537
Total cost of operations	4,438,572

The FAI team that managed the restoration and enhancement project on the scaffolding of the church at the Abbazia di Cerrate, Lecce, a property on loan to FAI since 2012

The sum set aside for property management was **€12,525,662** (+15% vs 2016). In line with FAI's policy of economic sustainability, 2017 saw an increase in the level of the management and scheduled maintenance costs of the properties being covered through direct income alone (rising to **93.4%**). This provides confirmation of the **capacity of the properties to self-finance**, thanks to the income from ticket sales (€4,984,208, +25% vs 2016), the shops (€1,283,261, +31% vs 2016) and from the use of the properties for private events (€2,356,233, +12% vs 2016).

To carry out its restoration, conservation and property management operations as effectively as possible, FAI invests time and resources into **projects intended to enhance** its artistic and natural assets, linking up its two fields of action: **knowledge** and **communication**. In relation to the former, FAI aims to develop and deepen the understanding of each property and the surroundings in which it is located, whereas in relation to the latter, FAI produces displays and implements initiatives that are capable of describing the property's entire history, purpose and value, with a cultural offering that is appropriate for, and accessible to, the largest possible audience.

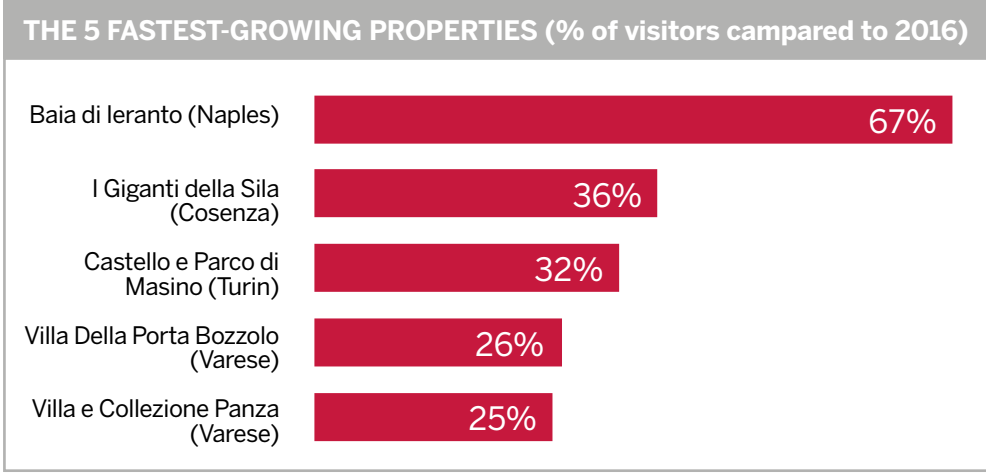
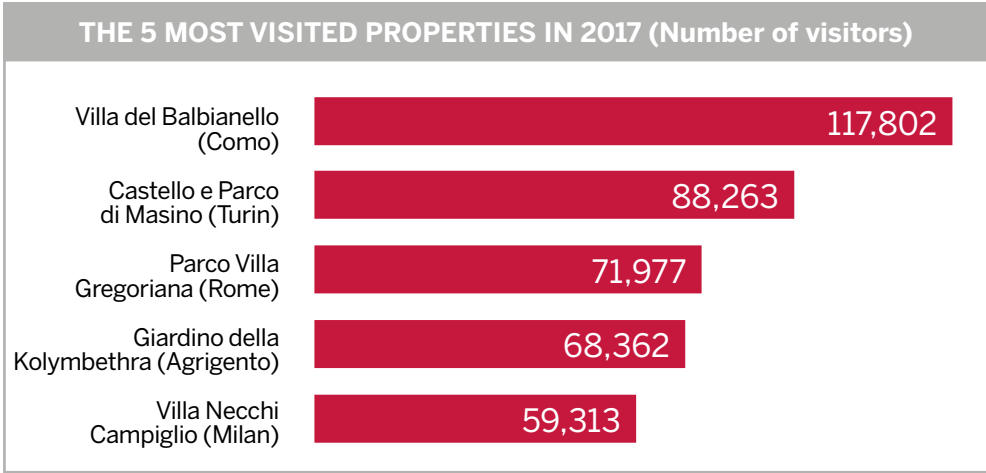
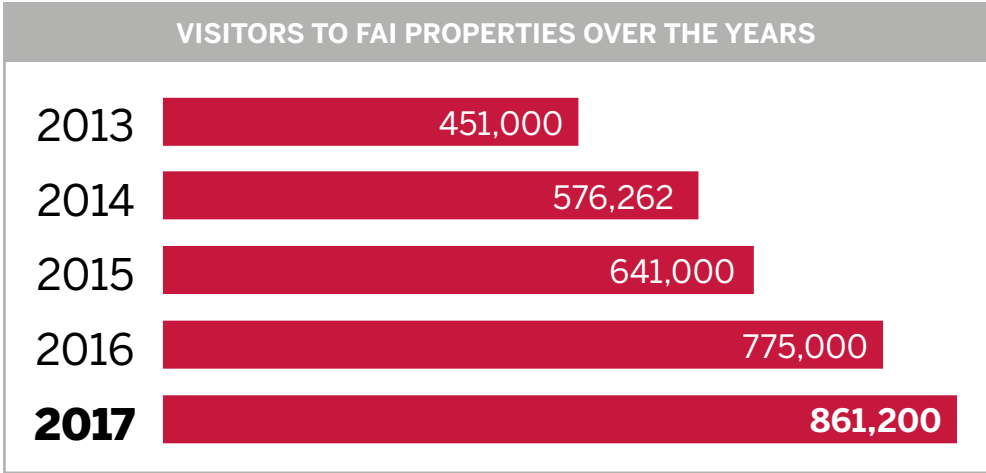
Underpinning FAI's enhancement activities are the **"knowledge workshops"**: multi-disciplinary research and study projects that explore the history and nature of the site – the property and its context – to arrive at a definition of its identity and vocation and to put together an ordered, exhaustive and up-to-date wealth of knowledge on which to construct the property's cultural offering – i.e. the content of the visit.

In 2017, the enhancement operations included the continuation of the project to map the cultural and economic relations that FAI properties have with local organizations and businesses in order to assist in the development of the **"Fulcrums and systems"** strategy, which lies at the base of the properties' visitor offerings. In 2017, FAI **properties received 861,200 visitors**, an increase of 11% on 2016.

The immersive video screened in the former workshop of the Saline Conti Vecchi, Assemini (Cagliari), a property on loan to FAI since 2017



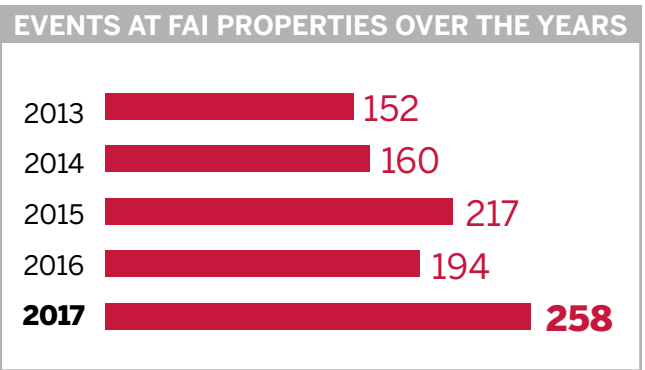
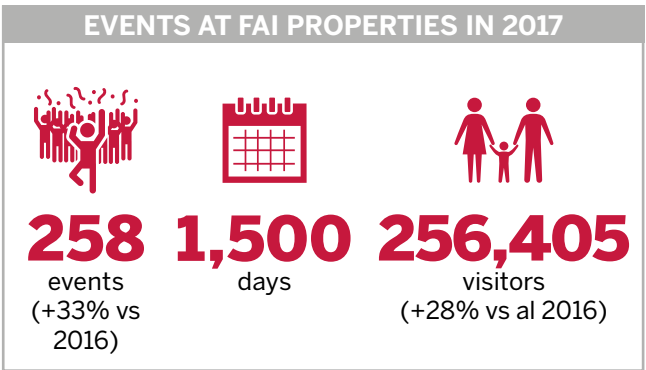
At FAI properties, visitors find cultural events and leisure-time activities that offer them reasons to become emotionally attached to the properties and to return to them time and again. The experiences are designed for groups with different needs and expectations: from art shows to exhibitions-cum-markets, themed visits to creative workshops for children. All of these experiences are geared towards a culture-rich use of free time that is edifying, fulfilling and joyful at the same time.



In 2017, the **events at FAI properties** began to structure themselves around specific formats, extending the successful formats to other properties and promoting them on a wider scale thanks to customized marketing campaigns. Examples include the picnics held on Easter Monday, April 25, May 1, June 2 and August 15 at 10 properties, welcoming a total of 20,000 participants. Or the **“Olympics of Forgotten Games”**, which were previously staged in 2016 at the Monastero di Torba (Torba Monastery, Varese), the Bosco di San Francesco (San Francesco Woodland, Perugia) and the Parco Villa Gregoriana (Villa Gregoriana Park, Rome), and were rolled out in 2017 to the Castello di Masino (Masino Castle, Turin) and the Castello della Manta (Manta Castle, Cuneo). Another rather surprisingly successful format was that of the children-focused visits around Halloween. On this occasion our castles and villas become the perfect backdrop for fantastic tales of witches and ghosts, and in late October 2017 a total of 4,500 young visitors made their way to eight properties in the north of Italy.

Another major opportunity for visits to the network of properties is afforded by **Christmas**. In 2017, FAI’s historical residences were decked out in the style of their original period, complete with dining tables set for the Christmas meal, vintage nativity scenes, beautiful Christmas trees, Christmas concerts and traditional markets selling locally made products. The 10 properties, which are normally closed to the public at

Villa dei Vescovi, Luvigliano di Torreglia (Padua), a FAI property since 2005



this time of year, were visited by around 10,000 people.

Last of all, there are the **“FAI Summer Evenings”**, a new initiative that had a successful test-run at 5 properties in 2016. In 2017 it was expanded greatly to all of the weekends in June, involving 16 properties and attracting more than 9,000 visitors in total. The aim is for this to become a **high-profile national event**, and in 2017 it was made even more evocative thanks to performances by young musicians from 11 different Italian conservatoires.

Due to the increasingly rich calendar of events, FAI’s properties are becoming more and more like **local cultural hubs**, offering members of the public a host of high-quality alternative options for their leisure time.

For the 4th year running, FAI asked visitors to evaluate their level of satisfaction by filling out a questionnaire. Starting in 2017, with a view to facilitating and speeding up the process of compiling and analyzing the data, visitors were offered mobile devices with which to give their feedback. In 2017, **average visitor satisfaction** in relation to the visitor experience was rated at **4.58 out of 5**.



The courtyard of Villa Panza
opening onto the garden, with
"Cone of water" by Meg Webster
(2015)

**A Venetian salon
with a unique view
over the Grand
Canal**

NEW
ACQUI-
SITION

Casa Bortoli in Cà Contarini, Venice

Bequest of Sergio and Carla Bortoli, 2017

The apartment within the 15th-century Cà Contarini palace in Venice was donated to FAI by Mr & Mrs Bortoli in order that – as stated in their bequest – “it may be used as a **special type of museum**, bearing witness to 20th-century life in Venice... so that its beauty, which we have happily enjoyed for many years, may continue to be appreciated in the years to come by a great many more people”.

The apartment is located at the sides of the specific type of Venetian hallway known as a portego, which here affords access to three large rooms looking down over the Grand Canal: the central room, the dining room and a lounge. This aspect is surely the building's most valuable asset. The central room, in particular, with its large windows and balcony, **offers an extraordinary view of the city**, with one of Venice's most recognizable landmarks, the Basilica della Salute, very much front and center. The interior design of the residence, which was the work of Mr & Mrs Bortoli, who purchased it in 1989, **accurately captures a conservative, upper-middle-class take on elegance**, replete with Venetian and English furnishings, 18th-century Venetian paintings, ceiling frescoes, pastel-coloured decorations in the Venetian rococo style and a substantial set of functional items including a stunning silverware collection.

The first operation carried out in 2017 was to compile an inventory of all the furniture: paintings, sculptures, objets d'art, silverware and porcelain were documented and photographed with a view towards future restoration and the planned opening of the property in late 2018.

The drawing room at Casa Bortoli (Venice), a FAI property since 2017, facing out over the Grand Canal and the church of Santa Maria della Salute



**The little vegetable
garden – the
so-called "nuns'
garden", where
Giacomo Leopardi
composed his most
famous poem**

NEW
ACQUI-
SITION

Colle dell'Infinito, Recanati (Macerata)

On loan from Recanati Local Council and the National Centre for Leopardi Studies, 2017

A simple, transparent, essential place, the “Hill of Infinity” invites visitors to reflect upon the words of the poem entitled Infinity by renowned Italian poet Giacomo Leopardi: the “spirit” of the Colle dell'Infinito is the main focus of the operations being carried out by FAI, which was entrusted with the cultural enhancement (and subsequently awarded a license for the management) of a part of the spaces of the National Center for Leopardi Studies and of the portion of the hill that is known as the “Nuns’ Vegetable Garden”.

The planned work includes the **botanical regeneration of the grounds and the structural and architectural salvaging of the buildings**, and the aim is to **reinstate the original, country simplicity** of the site, emphasising the sense of lightness and Romantic abandon. It is a place of peace and silence, where members of the public can decide to walk around or pause as they summon up Leopardi's experience.

After the signing of the agreement between FAI, Recanati Local Council, the National Study Center for Leopardi Studies and the “Giacomo Leopardi” World Center for Poetry and Culture, on July 27, 2017, FAI set to work on the regeneration of the vegetable garden – a 4,000m² space that had previously been tended only between 1928 and 1937 to mark the centenary of the poet's death. The project, launched in October 2017, was assigned to the landscape architect Paolo Pejrone, a long-time FAI partner. Plans are in place for the structural and architectural salvaging of the chapel, the aedicule, the outbuilding and the perimeter walls, before renovating the entrance to the vegetable garden and reinstating the facade of the Convent. Starting in autumn 2018, the National Center for Leopardi Studies will then be restored, becoming the fulcrum of the Colle dell'Infinito project.

The view of the Sibylline Mountains from the outcrop of the Colle dell'Infinito (Recanati, Macerata), a property on loan to FAI since 2017

A journey through salt at the gateway to Cagliari

NEWLY
OPENED

Saline Conti Vecchi, Assemini (Cagliari)

Since 1931, the saltworks has been entrusted, through a mining license, to the Ing. Luigi Conti Vecchi company (100% owned by Syndial, an environmental offshoot of Italian oil and gas giant Eni). Thanks to a partnership with Syndial/Eni, since 2015 FAI has been dealing with the historical/cultural enhancement, landscape regeneration and museum management of the site.

On 26 May, 2017, Ing. Luigi Conti Vecchi and FAI opened the Saline Conti Vecchi to the public. This extensive natural oasis, contained within the Assemini site, **seamlessly combines the production of salt and chlorine with the area's vocation as a wilderness and tourist hotspot.**

The Saline Conti Vecchi, situated within one of the largest and most important wetlands in Europe, were loaned by the Italian Public Property Agency in 1931 to engineer Luigi Conti Vecchi to allow him to implement his futuristic idea of creating a modern "salt factory".

Today, the Ing. Luigi Conti Vecchi company manages both the saltworks of the same name, which encompasses a surface area of around 2,700 hectares in the municipalities of Assemini, Capoterra and Cagliari, and the Assemini plant for the production of salt and chlorine.

Thanks to the partnership between Syndial/Eni and FAI, 2015 saw the launch of a project for enhancement and promotion, with a view to rendering visitable what is a **truly special place in which the work of nature and the will of mankind have been living together in harmony for almost 100 years.**

Specifically, Syndial/Eni supported the restoration of the historic buildings carried out by FAI, which was also responsible for the cycle track and the little electric train link that takes visitors to the saltworks along an evocative route composed of white hills, flocks of pink flamingos and the cobalt shades of the sea as it merges on the horizon with the sky.

The Saline Conti Vecchi are showcased to the public through the time-honored buildings, the workshop and the shop floor, all fitted out with vintage machinery along with historical documents and multimedia content that reconstructs the evolution of the manufacturing operations, the landscape and those who were at the forefront of its development. To this end, Syndial/Eni and FAI worked in partnership with local experts and academics, but also with former and current employees of the saltworks. The original functions have been reinstated in the relevant rooms, complete with machines, memorabilia and historic furnishings – restored on-site – to allow visitors to immerse themselves in the atmosphere of the early 20th century, surrounded by offices, workshops and the shop floor. From the inauguration date up to December 31, 2017, in just 7 months the Saline Conti Vecchi saltworks has attracted a total of **10,950 visitors.**



The Salento area has an ancient heart

Abbazia di Santa Maria di Cerrate, Lecce

On loan from the Province of Lecce since 2012

An important example of Puglian Romanesque architecture, the church of Santa Maria di Cerrate – the fulcrum around which the history and life of the entire abbey complex rotates – was the focus of the restoration works carried out in 2017. The initial operations concerned the roofs and the stone facades, before moving on to the decorative elements of the **13th-century portico**, the **rose window** and the **portal**, which is surmounted by high reliefs of exceptional quality that reproduce scenes from the New Testament. Work then proceeded with the **restoration of the frescoes within the church**: in the nave, the aisles, the intradoses and the apses. A challenging, complex site, with a large quantity of scaffolding, some of it accessible to visitors, the restoration of the frescoes of the church of Santa Maria di Cerrate lasted more than a year and saw the deployment of important synergies and collaborations between those involved in the management of cultural assets: restorers, art historians, architects, archaeologists and diagnostics experts. The results were significant and led to the rediscovery of a cycle of frescoes that render Cerrate a **true one-off in the Byzantine world.**

2017 also saw the installation of the new ticket office and the new shop, and in the mill room (sala del mulino) a restored vintage millstone was put in place. Moreover, a loggia was installed to allow the public to take in wonderful views of the entire complex.

The project to enhance the property, which in 2017 benefitted from the addition of a new "knowledge workshop" thanks to a partnership with the University of Lecce, aims to let visitors appreciate the extraordinary layering of knowledge and history that the abbey has built up over the centuries. Indeed, through a **new visitor route**, members of the public are guided to discover the many aspects that make this corner of the Salento area utterly unique.

A restorer at work on the frescoes of the Abbazia di Cerrate, Lecce, a property on loan to FAI since 2012

Stories and miracles of the Fountain of Youth in the Marquisate of Saluzzo

Castello della Manta, Manta (Cuneo)

Donated by Elisabetta De Rege Provana, 1985

In October, work got under way on the **“Le Ducs des Alpes / I Duchi delle Alpi”** project, which promotes an itinerary on the history of the Savoy dynasty, with three crucial nodes: the Castello della Manta (Cuneo), the Abbey di Hautecombe (close to Aix-les-Bains in the Savoy area of France) and the Castello di Racconigi (Cuneo). Each of the properties covered by the project will be subject to structural works intended to make them more attractive to visitors. At the Castello della Manta, the restoration will focus on the **Gallery of Grotesques, the farmstead and the space currently used as the ticket office and bookshop.**

Over the course of the year, the **roof of the southern building** was restored. This roof is exceptional both in terms of its scale and its geometry, and the ancient, imposing oak trusses, stretching up to 10 meters in length, were badly degraded, particularly at the attachment points to the walls. At the same time, the work also concentrated on the **conservation of the facades, while five infilled apertures in the attic space were re-opened** to fill the space with light and air – elements that are also beneficial to the wooden components. This intervention also made it possible once more to gaze in wonder through the windows at what is known as the “King of Stone”, Mount Viso.

Roofers at work restoring the roof of the southern section of the Castello della Manta, Manta (Cuneo), a FAI property since 1985

Last but not least, **consolidation works were completed on a part of the supporting walls** of the castle's garden, which displayed major, worrying cracks in line with the large barrel vault. During the year, the rich calendar of events helped the site to attract a total of **31,590 visitors** (+2% vs 2016).



A clifftop farm, set within the Cinque Terre Park

Podere Case Lovara a Punta Mesco, Levanto (La Spezia)

Donated by Immobiliare Fiascherino srl, 2009

After its partial opening to the public in 2016, which marked the first phase in the restoration of the farm, 2017 saw the completion of the restoration of the **Casa Rossa** (Red House) and the **Casa Bianca** (White House), and work then focused on the clearing of the farmland, the reinstatement of the traditional dry-stone walls and the planting out of **the vegetable gardens**, the **orchards** and the **vineyards**. The vegetable gardens and the orchards were expanded, while the soil and the dry-stone walling of the 1,600m2 area under vine, planted out in early 2017, were both subject to upgrading. The clearing of the farmland revealed a pleasant surprise: suffocated by the blackberry bushes, there were a number of olive trees and perfectly preserved dry-stone walls. Podere Case Lovara has thus gained a **new olive grove**. A major phase in the restoration project witnessed the implementation of a system for the **collection, purification and storage of water**, initially intended purely for irrigation, but in 2018 it will be rendered drinkable. The cisterns, which are essential in rainy periods for the accumulation of water reserves, were buried underground, and the technical room was completed for the management of the services. Towards the end of the year, work began on the restoration of the **Casa Nuova** (New House), a support building for use by FAI staff. December saw the end of the first **three scholarships provided in partnership with the University of Genoa**, geared towards embedding oral traditions and memories, as well as exploring both the documentation on the property stored in the local archives and the history of cultivation on the terraces. In 2018, further investigative archaeological work will be implemented, as planned out with the academics during the course of 2017.

The vegetable gardens of the Podere Case Lovara at Punta Mesco, Levanto (La Spezia), a FAI property since 2009

Visitor numbers in 2017 reached **2,855** (+25% vs 2016).

A unique location, surrounded by Roman temples, with the roar of the Tivoli waterfalls in the background

Parco Villa Gregoriana, Tivoli (Rome)
On loan from the Agenzia del Demanio (Italian Public Property Agency), since 2002

The Parco Villa Gregoriana was always been a **property strongly associated with water**, due to its striking location in a continually evolving natural environment. For this reason, constant maintenance works are required with a view to conserving the uniqueness of the site and ensuring visitor safety, starting with intensive geological analyses.

In those tracts in which sediment tends to accumulate, FAI planted new shrubs in the uncovered areas and carried out pruning aimed at reducing the weight of vegetation on the rocks below. In addition, work was done on the **renovation and consolidation of the trails** and the consolidation of the masonry parapets.

2017 also witnessed the completion of the works to **reopen the views** between the two edges of the park through operations to contain the vegetation, in order to allow the public to enjoy breathtaking vistas over the temples, the Miollis tunnel and the waterfalls. **The historic ticket office was restored and expanded** and work was also done to facilitate visitor flow by modifying the access routes to the building and creating a larger and more functional space.

During the year, the number of **visitors** to the park reached **71,977** (+7% vs 2016), thanks to the varied calendar of guided tours and events, including the **Easter Monday picnic**, which attracted more than 2,700 visitors on that day alone.

One of the waterfalls of the River Aniene in the Parco Villa Gregoriana, Tivoli (Rome), a property on loan to FAI since 2002



A corner of paradise on the coast near Portofino

Abbazia di San Fruttuoso, Camogli (Genoa)
Donated by Frank and Orietta Pogson Doria Pamphilj, 198

Begun in 2016 and lasting throughout 2017, the operation to **restore the facades of the abbey** building made it once again possible to admire the frontage in all of its beauty. This was followed by a conservative, non-invasive restoration, in harmony with the surroundings and, therefore, almost imperceptible to anyone but an industry expert. The restoration site, which was a potential eyesore, in fact afforded a valuable opportunity to get a close look at the work in progress. It was even possible for visitors to make their way onto the scaffolding and access the site, finding out more about the project and the ongoing intervention.

Also in 2017, **plans to restore the facades of the rectory and the Doria tower** were drafted, along with plans for two property units contained within them. The works are scheduled for 2018 and 2019.

On October 6, 2017, FAI signed a new Memorandum of Understanding with Camogli Local Council and the Portofino Park Authority, which takes its cue from a European project for the implementation of a **pilot programme on rainwater harvesting**. The project will make it possible to slow down, in the event of floods, the river water that flows downstream and arrives in the vicinity of the Abbazia di San Fruttuoso; through the compilation and processing of environmental, technical and sociological data by the park authority, the project also aims to enhance the ability of the public institutions to prevent and manage a number of specific local risks deriving from climate change.

During the year, **six scholarships** named after Ludovico degli Uberti were provided in partnership with the University of Genoa, to explore the history of the abbey in greater depth, and to analyze its decorative elements and the architecture of the complex as a whole.

In 2017, the property welcomed **51,827 visitors** (+20% vs 2016).

A shot of the “Open for restoration” days – visits to the construction sites guided by those in charge who, in this case, were illustrating the cleaning and renovation works being carried out on the facade of the Abbazia di San Fruttuoso (Abbey of San Fruttuoso, Camogli, Genoa), a FAI property since 1983

A thousand-year-old royal palace that overlooks the Canavese area

Castello e Parco di Masino, Caravino (Turin)

Acquired from Luigi Valperga di Masino thanks to a donation from FIAT, Cassa di Risparmio di Torino and Maglificio-calzificio torinese, 1988

The gallery that plays host to the portraits of the Earls of Valperga, named by the historical inventory-takers as the **Sala degli Antenati** underwent a restoration of each of the walls. In addition, thanks to a delicate operation carried out on the old wall lamps, the room is now lit once again in the way it used to be, offering visitors – whose journey of discovery of the 1000-year-old royal palace in the Canavese area starts here – an authentic experience of the so-called Ancestors' Room. During the year, a **conservative restoration of the plasterwork on the northern front and the internal facades** was carried out, and the **time-worn textiles, facings and drapes** were restored, completing a three-year project begun in 2015, which encompassed all of the rooms in the castle and all of the furniture coverings. Restoration work was carried out on the **windows and doors** in the Ancestors' Room, the Austrian Ambassadors' Room and the Tribune apartment, as well as the windows and doors on the ground floor of the Palazzo Carrozze (carriage building). Moreover, the old, malfunctioning **smoke-detection system** was replaced. A major initiative that was enthusiastically received by the public was the **rendering safe of the "Strada dei ventidue giri"** (Road of 22 Bends), which had been damaged by violent storms.

During the year, **visitor numbers** to the castle reached **88,263**, a figure that puts it as the second most visited FAI property in 2017 and the third in terms of the increase over 2016 (+32%). This success was also due to the full calendar of events, including the two traditional flower shows: **"Three days for the garden"** and **"Two days for the autumn"**, which attracted 22,365 and 11,168 visitors, respectively.

One of the exhibitors at the "Two Days for the Autumn" event held at the Castello e Parco di Masino, Caravino (Turin), a FAI property since 1988



Mementos of exploits and adventures, housed in this treasure trove jutting out into Lake Como

Villa del Balbianello, Tremezzina (Como)

Bequeathed by Guido Monzino, 1988

2017 saw the drafting of the **definitive design** for the installation of an all-new **air-conditioning system** at the Villa. A system had originally been commissioned in the 1970s by Count Guido Monzino but was dismantled by FAI over recent years due to its failure to comply with current legislation. The new system makes it possible to reduce to a bare minimum the energy consumption required for the air conditioning of the villa and to regulate effectively the internal temperatures, keeping them constant. In 2018, the first batch of works was carried out, concentrating primarily on the Expedition Museum, and in 2019 the new conditioning system in all of the other rooms of the villa will be completed. Again with a view to boosting energy-saving and energy-efficiency, an **energy audit** was commissioned to analyze and evaluate the use of the utilities, with a view to taking action in the future to render them more efficient.

In 2017, a number of preventative conservation operations were completed on the villa's wealth of **textiles**: the Beauvais tapestries made between the 16th and 18th centuries that are hung in the dining room and the significant collection of rugs throughout the home were subject to cleaning and localized restoration by specialists. The restorations also included the **pair of 18th-century French armchairs** in the green lounge. Moreover, checks were made of the villa's clocks and scientific instruments.

A restorer at work on the fabrics of the furnishings at Villa del Balbianello, Tremezzina (Como), a FAI property since 1988

Once again in 2017, Villa del Balbianello was the most-visited of all FAI properties, with visitor numbers reaching **117,802** (+6% vs 2016). This success was due in part to its renown amongst non-Italian visitors, for whom it remains one of the principle tourist attractions on Lake Como.

A “living museum that adds luster to Morazzone”

Casa Macchi, Morazzone (Varese)
Bequeathed by Marialuisa Macchi, 2015

On 4 May, 2017, a **Plan Agreement** was signed by **Lombardy Region, Morazzone Local Council and FAI** relating to the revitalization and urban regeneration of the historical center of Morazzone and to the restoration and enhancement of Casa Macchi and its garden.

The agreement serves as a virtuous model of **public-private collaboration** that, starting from the overhaul of Casa Macchi, will facilitate the enhancement and bolstering of the tourist and culture offering of this municipality in the province of Varese. This agreement will help to reverse the process of depopulation of the historical centers of Italy’s towns and cities.

FAI will deal with the **restoration and revamping** of Casa Macchi and its garden, which with its opening to the public will become a “living museum that adds luster to Morazzone”, as per the wishes set out in the will of its final owner, Marialuisa Macchi. The property and the garden will be restored, and every surface, furnishing, painting and piece of furniture will be put back in its original position, in a valiant attempt to simulate the charm of a world gone by.

One of the phases of the clearing out and inventory-taking activities implemented in preparation for the sampling operations, to be conducted prior to the restoration of Casa Macchi, Morazzone (Varese), a FAI property since 2015

In the second half of 2017, a number of **samples of the restorations** were taken in order to validate the methods being deployed and, from there, to complete the definitive project and working drawings for the conservative restoration and the upgrading of the services and utilities, as well as the preliminary design for the fit-out and enhancement operations. Even though the property is not yet open to the public, FAI has organized the **regular maintenance of the garden and the grounds** and has carried out a number of checks on the state of the roofs.



A corner of the Middle Ages in the silence of the Varese-area woodlands

Monastero di Torba, Gornate Olona (Varese)
Donated by Giulia Maria Crespi, 1977

In September 2017, the **fourth campaign of archaeological research** got under way at the Monastero di Torba (Torba Monastery), led by FAI in partnership with the Faculty of Archaeology at Padua University.

Pickaxes in hand, the group of students, hosted by FAI, got back to work on that same area where, a year before, a new building was brought to light, which has now been identified as a **blacksmith’s workshop** dating from the late mediaeval period.

The objective of the restoration was to **complete the analysis of this area** and to launch another two investigations on the basement of the tower and the farmstead, proceeding as far down as possible and, therefore, probably arriving at even earlier remains.

During the year, a plan was drafted for the **shooting of an animated video** on the history of the property and of Torba. to be screened on the walls of the room on the ground floor of the tower. The period of the storyboard covers the entire arc of the life of the property, from its Longobard origins, through the arrival of FAI, all the way to the latest projects and the recent archaeological digs.

In 2017, the monastery welcomed **22,282 visitors** (+14% vs 2016), who had the opportunity to savor the fascination of this place, thanks also to the numerous events laid on here for adults and children alike.

A shot of the archaeological digs at Torba Monastery, Gornate Olona (Varese), a FAI property since 1977
On the following page: the promontory of the Dosso di Lavedo jutting out into the waters of Lake Como, on which rises Villa del Balbianello, Tremezzina (Como), a FAI property since 1988



A 1930s art deco icon in the heart of Milan

Villa Necchi Campiglio, Milan

Donated by Gigina Necchi Campiglio and Nedda Necchi, 2001

In January 2017, the **collection of Guido Sforzi** (1935-1975), an unseen set of drawings by major 20th-century European artists, was donated to FAI by Clara Lavagetti Sforzi, the collector's wife, and their daughters Bianca and Maria Chiara. The 21 drawings on paper by some of the leading lights of 20th-century art (Lucio Fontana, Mario Sironi, Piero Marussig, Amedeo Modigliani, Henri Matisse and Pablo Picasso) required that the rooms be made compliant with the most modern museum standards, and to this end **new air-conditioning and lighting systems** were installed. The works can now be visited by the public with a **new permanent exhibition** that has enriched the villa's artistic offering.

In 2017, FAI also received a donation of a group of **10 watercolor drawings by Guglielmo Ulrich** (1904 - 1977) to be hung at Villa Necchi Campiglio (1935), at the behest of Giacinta and Giancorrado Ulrich, in memory of Luca Scacchetti.

The operations on the furnishings in 2017 included the restoration of a Louis XV-style chest-of-drawers, dating from the early 18th century, and of another large group of furnishings, comprising a bed, bedside tables and a table, dating from the 1930s. The annual check of the villa's clocks was also conducted.

In 2017, the number of **visitors** to Villa Necchi Campiglio reached **59,313** (+2% vs 2016), thanks to the numerous successful events staged during the year, including **"A breath of spring"** and **"Agrumi"**, **"FAI Summer Evenings"**, **"Playrooms"** at Christmas and the annual event conceived by Angelica Guicciardini and the Cologni Craft Foundation, entitled **"Manualmente"**, which in 2017 focused on wood.

Two works by Pablo Picasso featured in the Sforzi Collection, donated to FAI in 2017 by Clara Lavagetti Sforzi and daughters Bianca and Maria Chiara, for Villa Necchi Campiglio, a FAI property since 2001. Left, "Les déjeuners sur l'herbe: Le déjeuner", 29.6.1961, I, 1961; right, "Les déjeuners sur l'herbe: étude pour la baigneuse", 11.8.1959, IV, 1959



1000 years of history in a family tower-house

Torre e Casa Campatelli, San Gimignano (Siena)

Bequeathed by Lydia Campatelli, 2005

Following its opening to the public on April 13, 2016, the property was subject only to **scheduled maintenance operations** geared towards maintaining and conserving the furnishings and the areas that suffered the most damage from the visitor flow. The **decorated floor of the "Salottino della Torre"** (Tower Lounge) underwent consolidation and the decorative scheme was renovated since it had become damaged by the visitor traffic. The **services were upgraded** in the rooms on the piano nobile and in the attic spaces.

During the year, the property received **17,978 visitors** (+7% vs 2016).



A "Little World of the Past" facing the Italian shore of Lake Lugano

Villa Fogazzaro Roi, Oria Valsolda (Como)

Bequeathed by Giuseppe Roi, 2009

Thanks to the **replacement of the old oil boiler with a water-condensing heat pump**, the villa now uses the water of Lake Lugano for heating, resulting in a far lower level of pollution. This very positive result bears witness to FAI's commitment to the use of sustainable technologies intended to save energy and work in harmony with the landscape and surrounding environment.

The conservation operations carried out in 2017 included the restoration of a group of works on paper by the painter **Giovanni Fattori** (1825-1908), dating from the late 19th century, on display in the Marquis's Study, whereas the work by Paolo Pagani (1655-1716), "Study of male and female nudes", housed in the main room, was restored and inserted into a new display case specifically designed to allow it to be shown to the public.

In 2017, the villa welcomed **7,213 visitors**, in line with the figures for 2016.

Left: Torre e Casa Campatelli (Campatelli Tower-House), San Gimignano (Siena), a FAI property since 2005

Right: "Study of male and female nudes", by Paolo Pagani (1655 - 1716), on display in the "Siberia" room at Villa Fogazzaro Roi, Oria Valsolda (Como), a FAI property since 2009

On Biumo Hill in Varese, an 18th-century villa housing 20th-century art

The video-portrait by Robert Wilson featuring the actor Robert Downey Jr., inspired by the Rembrandt painting "The Anatomy Lesson of Dr Nicolaes Tulp" (1632). The work was shown during the "Robert Wilson for Villa Panza. Tales" exhibition staged at Villa Panza, a FAI property since 1996

Villa e Collezione Panza, Varese

Donated by Giuseppe and Giovanna Panza di Biumo, 1996

The two large **Old Carriage Houses** on the ground floor of the outbuildings, which were overhauled in 2015 to serve as new exhibition spaces for the villa, underwent a **number of new fitting-out operations** in 2017. Moreover, the year saw the continuation of the renovation of the fire-detection system (a project that began in 2016), with a second batch of works dealing with the ground floor of the outbuildings, whereas early 2018 will see the completion of the works (started in 2017) to regenerate the lake area.

The preventative conservation and restoration operations carried out on the Panza collection included the restoration of a number of works by the Abruzzan artist **Ettore Spalletti** (1940), displayed in two dedicated rooms on the first floor of the villa. During the year, the villa played host to the exhibition "**Robert Wilson for Villa Panza. Tales**", previously inaugurated in November 2016 with curation by Noah Khoshbin and Anna Bernardini, director of the Panza Collection – a significant homage to one of the great masters of contemporary visual and performance culture. After the exhibition, the collection permanently acquired the two site-specific works: "A house for Giuseppe Panza" and "A winter fable".

In 2017, the Villa e Collezione Panza (Villa Panza and the Panza Collection) welcomed **58,194 visitors** (+25% vs 2016).



A "villa of delights" just a stone's throw from Lake Maggiore

Villa Della Porta Bozzolo, Casalzuigno (Varese)

Donated by the Bozzolo family, 1989

In 2017, another important batch of works were completed on the **Rose Garden**, conceived with a view to informing visitors about the history of this flower by offering a spectacular rose display to appeal to everyone, as well as a collection of rare varieties intended for enthusiasts and experts.

Also in 2017, in addition to the preventative conservation and maintenance operations carried out on the collections and the checking of the clocks and scientific instruments, the 18th-century **four-poster bed** was restored.

The villa was also enriched by a beautiful **tapestry** made in Beauvais in the 18th century, depicting a "Landscape with chivalric scene", donated to FAI by Anna Fontana Recordati.

Visitor numbers in 2017 amounted to **25,246**, 25% up on the previous year. This increase was also due to the laying on of new initiatives geared towards making the most of the property, such as the "**May in Bloom**", "**May Roses**" and "**Camellia Days**" events.



A designer house built on a gondola on Lake Como

Velarca, Tremezzina (Como)

Donated by Aldo and Maria Luisa Norsa, 2011

Left: a glimpse of the rose garden within the Secret Garden at Villa Della Porta Bozzolo, Casalzuigno (Varese), a FAI property since 1989.

Right: work on the framework of the hull of the Velarca – a FAI property since 2011 – which began in February 2018

In 1958, Aldo and Maria Luisa Norsa placed the order for the Velarca with the renown BBPR design studio in Milan, requesting that the firm come up with an original house-boat to be moored permanently at Ossuccio, on the western shore of Lake Como.

In September 2017, the **preliminary operations got under way at the Velarca's restoration** and the timber required for the reconstruction of the hull was purchased, with a view to starting work in January 2018, to be followed by the installation of the original interiors, once restored.

To explore the history of the house-boat in more detail, FAI worked with the "Vittorio Antonini" Public Library in Tremezzina on the publication of the book *Velarca, una casa-barca sul Lago di Como*.

An Art Deco treasure underneath Milan

Albergo Diurno Venezia, Milan
On loan from Milan City Council since 2015

In May 2017, together with the University of Milan and the Politecnico di Milano, FAI published the book "The Venezia Daytime Hotel. History, architecture and memories underneath Milan". This monograph brings together the results of the multi-disciplinary research conducted by the two universities on the Albergo Diurno Venezia with a view to undertaking a **project to salvage and enhance** the "Daytime Hotel" in the hope of seeing it opened up once again to the general public, making the most of its nature, history and vocation. The 30 lecturers and academics who collaborated on the production of the book gave rise to a veritable "knowledge workshop" that is feeding into the re-birth of this elegant subterranean service center, which was designed in part by the Milanese architect Piero Portaluppi (1888-1967).

The cultural and "sentimental" attachment to the Albergo Diurno Venezia had always derived to some extent from the charming state of dilapidation in which it was wallowing: out of this arose the idea for an **"invisible restoration"**, capable of stopping the rot without, though, going on to reinstate perfectly the original appearance of the building by taking it back in time to its earliest days. 2017 saw the development of a **proposal to retrofit the site** in such a way as to freeze the atmosphere of the place as it appears now while equipping it with the necessary infrastructure to allow to welcome guests and once more to serve its original purpose.

In 2017, thanks to periodic openings to the public, the Daytime Hotel welcomed a total of **22,380 visitors** (+21% vs 2016), most of whom attended during "Senso 80", an exhibition project conceived by **Flavio Favelli** and staged in conjunction with Miart, which proved very popular.

A close-up of the Lobby of the Albergo Diurno Venezia ("Venezia" Daytime Hotel) in Milan, a property on loan to FAI since 2015, featuring the works of Flavio Favelli for the "Senso 80" exhibition



The home of the sirens, facing the sea stacks of Capri

Baia di Ieranto, Massa Lubrense (Naples)
Donated by Italsider, 1987

Work came to an end on the **restoration of the compressor room building**. In early spring, an operation was implemented to renovate the foundations of the paths and the limestone steps; in addition, the rainwater collection and purification tanks were cleaned. Certain portions of the dry-stone walls that had collapsed were re-erected, and the rainwater channeling system in the olive grove was overhauled. 2017 also saw the completion of the project initiated in 2016 to **clear the terracing on Punta Capitello**.

September saw the **harvesting of the olives** used to produce extra-virgin olive oil, and certain trees on the quarry floor were cut back to improve the legibility of the space, limit fire risk and promote the re-growth of the olive grove on Punta Capitello.

Visitor numbers to the Baia di Ieranto (Ieranto Bay) in 2017 amounted to **15,684** (+67% vs 2016).



The Renaissance on the Euganean Hills

Villa dei Vescovi, Luvigliano di Torreglia (Padua)
Donated by Maria Teresa Olcese Valoti and Pierpaolo Olcese, in memory of Vittorio Olcese, 2005

2017 saw the **restoration of a very steep section of the perimeter wall** that was heavily exposed to the action of rainwater. As every year, great care was taken over the task of preparing the garden to take on the winter months; to this end, the fleabane beds were covered over to protect the flowers from the winter humidity, and the lemons were removed and taken to the Scamozzi cave.

In 2017, the number of **visitors** to the Villa dei Vescovi amounted to **37,026** (-6% vs 2016), thanks to a calendar of events designed to offer a different event every weekend, with a view to giving the public an ever-changing range of leisure-time options at the villa. The initiatives included the **"Chic-nic"**, a cultural aperitif with food-and drink tours, workshops, music and creative exhibitions that on its own attracted more than 3,600 people.

Left: the olive trees cultivated on the terraces of the Baia di Ieranto, Massa Lubrense (Naples), a FAI property since 1987.

Right: a panoramic view of Villa dei Vescovi, Luvigliano di Torreglia (Padua), a FAI property since 2005

Memories of the Great War amid the woodlands of Monte Grappa

Monte Fontana Secca e Col de Spadaròt, Quero Vas (Belluno)

Donated by siblings Bruno and Liliana Collavo, 2015

History is deeply intertwined with the land in the province of Belluno, which plays host to Monte Fontana Secca and Col de Spadaròt. The front line of the Italian army reached this point in 1917 and 1918, during what were the hardest years of the resistance against the Austrians in the First World War. And it was also to here, following the defeat at Caporetto (October 24, 1917), that the Italian army retreated, to halt the enemy's advance. A century on, Quero Local Council partnered up with FAI to commemorate the fallen with a **flag-raising ceremony**. In the run up to this event, the **three buildings were made safe**, as were the ruins of the old stables and the external space of the Malga Fontana Secca mountain hut. During the year, work began on the **renovation of the forest access road** and the pastureland through the preparation of the **grazing area**. The complete project for the renovation of the landscape and the environment here encompasses the **reinstatement of the Alpine pasture**, with the improvement of the quality of the grazing land on Monte Fontana Secca and the reintroduction of native cattle breeds, including the original Burlina, which is currently facing extinction. As well as being a center for traditional grazing activities, the mountain hut will also become an important **stop-off** on the path of the Alta Via degli Eroi ("Upper Route of Heroes"), offering essential accommodation and bivouac facilities. The project also envisages the renovation of the trail along the ridge of Monte Fontana Secca, taking in views of the Dolomites, the River Piave and the Venetian plain all the way to Venice. Along this **panoramic mule-track** there are caves and trenches excavated by the Italian and Austrian armies that are still full of rubble, through which jut out pieces of scrap metal and the remains of weapons.

A panoramic view of the mountain cottages on Monte Fontana Secca and Col de Spadaròt, Quero Vas (Belluno), a FAI property since 2014



The other half of Assisi

Bosco di San Francesco, Assisi (Perugia)

Acquired thanks to a donation from Intesa Sanpaolo, 2008

Over the course of the year, the **"Osteria del Mulino"** café was subject to emergency maintenance. Specially, the roof of the external area was replaced to improve the drainage of rainwater and to render it watertight once more, following weather damage.

The church of Santa Croce was enriched by a major new set of **terracotta pieces by the sculptor Mario Viti** (Volterra 1882 – Florence 1976), donated to FAI by the artist's grandsons, Mario and Ruggero Longari. The work in question is a Via Crucis, formed by 14 tiles and by a sculpture representing the face of Saint Francis.

Over the past year, the property has been subject to a reorganization of the personnel that, while it has enabled the staging of various events such as the "Olympics of Forgotten Games" and the "FAI Summer Evenings", has inevitably reduced the number of activities. This has led to a temporary drop in visitor numbers, which in 2017 amounted to **19,380** (-25% vs 2016).

Walkers at the entrance to the "Osteria del Mulino" in the San Francesco Woodland (Perugia), a FAI property since 2008

Amid the green pastures of the Valtellina foothills

Alpe Pedroria e Alpe Madrera, Talamona (Sondrio)

Bequest by Stefano Tirinzoni, 2011

September 2016 saw the launch of the project to **render the Alpe Pedroria and Madrera (Pedroria and Madrera Alps) productive once again, and to regenerate the area as a teaching and training center** for the benefit of the local community.

The abandonment of grazing and forestry here has had a multitude of negative effects on the ecology of the mountain environment, leading to the impoverishment of biodiversity and the deterioration of the landscape of the Alpine valleys, which deprives the local communities of testaments to their past and makes it harder for them to create a narrative to interpret their history and their identity.

Against this backdrop, the intervention – which envisages the **full involvement of the community** – aims to configure a model that will serve as a stimulus for the reinstatement of grazing and specifically of the production of the traditional Bitto cheese. The plan is then to start up new business to provide employment to the local youngsters, adopting positive practices geared towards the conservation of the pastoral landscape, with downstream benefits in terms of sustainable tourism. In 2017, work got under way on the project to reinstate the **pastureland** and the **path network**, particularly the section the links the Alpe Pedroria to the Baita Eterna mountain lodge.

Props were put in place to shore up the **roof of the Baita Eterna**, which will be restored in 2018 along with two calècc – buildings designed specifically for the production of Bitto cheese.

The mountain huts on the Alpe Madrera, Talamona (Sondrio), a FAI property since 2011, which is the departure point for the Baita Eterna



An earthly paradise in the heart of the Valley of the Temples

Giardino della Kolymbethra (Valley of the Temples, Agrigento)

On loan from Sicily Region since 1999

Early 2017 saw the conclusion of the operation to **open up to the public the underground system of Kolymbethra-Porta V**, one of the most typical of the chambers underneath the garden, which has several significant features in terms of its natural history, archaeology, geology and speleology. The operation concerned the works to make the chamber safe and provide access via the entrance. In 2017, several defensive operations were carried out, using methods of integrated pest management, to counter the infestation of blackfly, whitefly and scale insects on the citrus trees. Other activities included organic fertilization using organic soil across the entire garden; pruning of the ancient olive trees and foliar fertilization to stimulate the formation of new productive foliage; the implementation of pruning geared towards the certified organic production of citrus fruits; an emergency irrigation plan to combat the summer heatwave, which saw temperatures rise well above the seasonal average; and the chopping back of the rushes on the riverbed with a view to keeping fires in check.

The various events of 2017 included **“Teresa tells the story: the Master without rules”**, which attracted almost 1,000 people and served as an excellent example of how to work with local bodies. The partnership with the Agrigento Valley of the Temples Archaeology Park made it possible to welcome comedian **Teresa Mannino**, who gave a talk about her experiences with the novelist Andrea Camilleri, whom she met during the making of the documentary *Il Maestro senza regole*, about which she reminisced before introducing a screening of the film.

In 2017, Kolymbethra Garden attracted **68,362 visitors** (-18% vs 2016).

The entrance to the underground chambers of the Giardino della Kolymbethra (Kolymbethra Garden), in the Valley of the Temples, a property on loan to FAI since 1999

A 20th-century icon in St Mark's Square

Negozio Olivetti, Piazza San Marco, Venice

On loan from Assicurazioni Generali since 2011

Every year, the Negozio Olivetti (Olivetti Showroom) is subject to planned and unplanned maintenance intended to conserve the delicate, precious spaces designed by Carlo Scarpa. In 2017, these focused on three aspects: the plasterwork and changing the color of the grouting on the facings and monoliths made of Aurisina marble, which had been badly affected by the Venetian high tides and by rising damp; the cleaning of the two brass plaques bearing the "Olivetti" name outside the showroom; and the wax coating of Alberto Viani's sculpture *Nudo al sole*.

During the 57th Venice Art Biennale and in partnership with the Charles Zana Architecture Studio, the Negozio Olivetti played host to **"Dialogo"**, the second in the series of exhibitions dedicated to the extensive oeuvre of the revolutionary Italian architect and designer **Ettore Sottsass** (1917-2007). The exhibition, curated by the architect Charles Zana, celebrated the centenary of the birth of the great, visionary artist, documenting his multifaceted ceramic output in the period 1957 to 1969. The 70 works on show included vases, plate and his famous menhirs in dialogue with the volumes designed by Carlo Scarpa for the Negozio Olivetti in 1957. In this way, the two giants of Italian design found themselves united under the aegis of the enlightened entrepreneur Adriano Olivetti, who in that period entered into intensive partnerships with both of them.

In 2017, the Olivetti Showroom welcomed **17,184 visitors** (-29% vs 2016).

A close-up of the works on show at the Negozio Olivetti (Olivetti Showroom) in St Mark's Square in Venice, a property on loan to FAI since 2011, during the "Dialogo" exhibition on Ettore Sottsass (1917-2007), marking 10 years since his death



Amid the monumental trees of the Sila National Park

Giganti della Sila e Casino Mollo, Spezzano della Sila (Cosenza)

The former is on loan from the Sila National Park, whereas the latter was donated by Giovanna, Beatrice and Maria Silvia Mollo, 2016

In 2017, the Casino Mollo saw the start of the drafting of the **preliminary plan for the restoration of this hunting lodge** and for the **retrofitting of the interiors**.

The building will be restored and renovated by FAI as a traditional hunting lodge of the Sila forest, and will tell the story – through the traditional furnishings and relics of the past, alongside sophisticated multimedia technology – of this corner of the rural landscape of southern Italy, from the 17th century to the present day.

In 2017, the total number of **visitors** to the reserve of the Giganti della Sila (Giants of the Sila) was **22,965** (+36% vs 2016).



A fortress on the threshold of the Trentino region

Castello di Avio, Sabbionara d'Avio (Trento)

Donated by Emanuela di Castelbarco Pindemonte Rezzonico, 1977

On the basis of an agreement Avio Local Council, the **definitive plan** was drafted for the implementation of the works to renovate the **pedestrian path that leads to the castle**.

This project will benefit from a financial contribution made by the Autonomous Province of Trento, which in 2018 will carry out – at no cost to FAI – all of the landscape engineering works.

As part of the scheduled maintenance of the property, work was completed on the buildings intended for donation to the Castelbarco family; specifically, maintenance and renovation works were implemented on the roof of the Picadora tower.

In 2017, **visitor numbers** reached **24,888** (+27% vs 2016) thanks to a wide-ranging offering, designed above all for **families**.

Left: children visiting the reserve of the Giganti della Sila, Spezzano della Sila (Cosenza), a property on loan to FAI since 2016.

Right: the Castello di Avio (Avio Castle), Sabbionara d'Avio (Trento), a FAI property since 1977

A coastal shelter across from the Maddalena archipelago

Left: the dormitory of the barracks at the Batteria Militare Talmone (Talmone Gun Battery), Punta Don Diego, Palau (Olbia-Tempio), a property on loan to FAI since 2002.

Right: *Little herd (Pasture)* by Carlo Pittara, late 19th century, Enrico Collection at Villa Flecchia in Magnano (Biella), a FAI property since 2011

Batteria Militare Talmone, Punta Don Diego, Palau (Olbia-Tempio)

Loaned by the Autonomous Region of Sardinia, 2002

2017 saw the drafting of the **project to convert the barracks into a marine shelter** capable of accommodating up to 25 people, who can use the dormitory once utilized by the soldiers, as well as the adjacent rooms. The project aims to ensure the **energy self-sufficiency** of the site with a view to achieving **environmental sustainability**, and is based on the use of renewable energy. Specifically, the project envisages the generation of electrical energy through the installation of photovoltaic panels, the purification of rainwater into drinking water by channeling it along the naval-style drainpipes in the old tanks sited under the facility, and the treatment of waste by means of the installation of a purification system that transforms the waste water from sinks, showers and toilets into water for use in irrigation.

Alongside the retrofitting of the barracks, the laundry will be restored and the other buildings in the complex will be made safe. In 2017, the number of **visitors** to the property reached **509** (+26% vs 2016).



Artistic landscapes atop the Serra Morenica d'Ivrea

Collezione Enrico a Villa Flecchia, Magnano (Biella)

Donated by Piero and Franca Enrico, 2011

The old oil-powered boiler was replaced with a **new LPG-powered condenser system**, which allows consumption to be reduced by at least 15% compared to a modern traditional boiler.

In 2017, the collection welcomed **745 visitors** (+6% vs 2016).

Two twin castles in a unique site in the Valtellina

Left: a panoramic view of the Castello di Grumello (Grumello Castle), Montagna in Valtellina (Sondrio), a FAI property since 1990

Right: the central temple of the Lazzaretto (Leper Hospital) in Verona, a property on loan to FAI since 2014.

Castel Grumello, Montagna in Valtellina (Sondrio)

Donated by Fedital, 1990

In 2017, work began on the **first urgent operation** to check the condition of the masonry of the eastern tower. The inspection highlighted the very critical situation of the two internal wooden frameworks, the supporting beams of which had been seriously compromised by constant exposure to the weather. As such, the frameworks were **temporarily shored up**, in preparation for a comprehensive maintenance operation, scheduled for 2018.

At the same time, the rest of the castle's masonry will be inspected, on the basis of which a multi-year programme will be drafted for the conservative restoration of the top sections of the walls and the leaves, with a view to removing organic infestations, fixing in place large elements that are not well-anchored, plastering over cracks and sealing courses, and applying mortar to the roofs.

In 2017, the castle received **1,526 visitors** (-19% vs 2016).



A place of memory for the re-birth of an entire area

Complesso monumentale del Lazzaretto, Verona

On loan from Verona City Council, 2014

As part of the scheduled maintenance of the property, in 2017 cleaning operations were carried out alongside weeding and the cutting down of diseased trees.

In addition, a **preliminary project for the future enhancement of the monumental complex** and its grounds was launched.



The "Hall of the Gods" at the Castello e Parco di Masino, Caravino (Turin), a FAI property since 1988

The extensive national network

A network of special individuals who translate FAI's values into tangible actions

In late 2017, FAI's Delegations numbered 120, distributed across all of the Italian regions, with 90 FAI Groups helping to pursue FAI's mission throughout the country, assisted by 84 FAI Youth Groups composed of volunteers aged 18 to 35.

The annual **National Conference** of FAI Delegates and Volunteers is the most important occasion on which the whole network comes together to compare and contrast experiences. The 2017 event was entitled "With our feet on the ground. Watching over the territory, with the territory, for the territory". It was held in Turin on February 4 and 5, 2017, and focused on the prevention of earthquakes.

Delegates and volunteers are responsible for major national events, they adopt local artistic and natural monuments and they organize local events to raise awareness on the protection of the local culture. Alongside the national events, which are great catalysts, in 2017 the volunteers set up **around 1,000 local events**, either for FAI members or open to all, ranging from cultural visits and botanical walks to musical performances to conferences on art and architecture, attracting more than **30,000** people.

Three initiatives in particular are noteworthy, since they were designed to showcase elements of the countryside or of the center or the outskirts of cities, in the north, center and south of Italy: in Piedmont, the FAI Delegation of Cuneo, in partnership with "Incontri d'Autore", staged **"Summer Encounters"**, four opportunities to discover ancient

Volunteers from the Rome FAI Youth Group during the "FAI Spring Day" at Palazzo Corsini



“ As a FAI volunteer I set myself the objective of helping to describe and enhance the spectacle of our artistic and natural heritage through the passion and commitment that drive all of us as volunteers. I'm enthusiastic about giving my free time to activities that serve such an important social and civic purpose for Italy while also allowing us to bring to light forgotten places and to transmit respect for the environment”

Luca Siciliano, Head of the FAI Youth Group of Locride and Piana (Calabria)

villas, time-honored farmsteads and a nature park, which ended with an open-air concert; in the Marche region, the FAI Delegation of Pesaro Urbino organized a series of events entitled **"Afternoon at..."**, to enable participants to discover, through special visits and shows, six local towns and cities; lastly, the Puglia region saw the staging of the **"Paesi che FAI, bellezze che trovi"** (Towns you visit, beauty you find") initiative – five events conceived by FAI's Lecce Delegation to focus attention on five local small towns off the tourist trails, which play host to little treasures of art and architecture.

Again in 2017, the **"Casting the Spotlights"** initiative – which sees FAI Delegations flagging up places that embody Italy's collective identity but find themselves at risk – raised public awareness on the need to protect the shared heritage. There are **more than 70 projects** ongoing or recently completed, including salvage, conservation and enhancement operations.

With the **"Properties promoted by FAI volunteers"** project, the Delegations made possible the opening (with guided tours) of six beloved properties, which would otherwise have remained closed (see map on p. 14).

By the end of 2017, the **FAI Youth Groups** had staged around 300 events all across Italy throughout the year, in which more than 18,000 people participated. A very large number of young volunteers contributed actively to the organization of social and cultural events, coming up with innovative formats. On example is **"FAI un giro in Villa"** ("Take a trip round a villa"), a series of guided tours organized by the **FAI Youth Groups of the Veneto Region**, with the objective of making the most of the cultural heritage of the celebrated Villas of the Veneto. 5,000 people visited the seven open villas thanks to the input of 150 volunteers.

FAI encourages young volunteers through its **FAI Summer Camps**, now recognized as being an important part of the nationwide offering of summer experiences. The camps allow young people aged 20-26 to spend a week at a FAI property, helping to take care of every part of it. Seven properties were involved in 2017, with support from a total of 150 participants.

	THE DELEGATIONS OVER THE YEARS	FAI GROUPS OVER THE YEARS	FAI YOUTH GROUPS OVER THE YEARS
2013	116	48	52
2014	115	64	59
2015	117	73	70
2016	118	86	78
2017	120	90	84

The “FAI Spring Days”

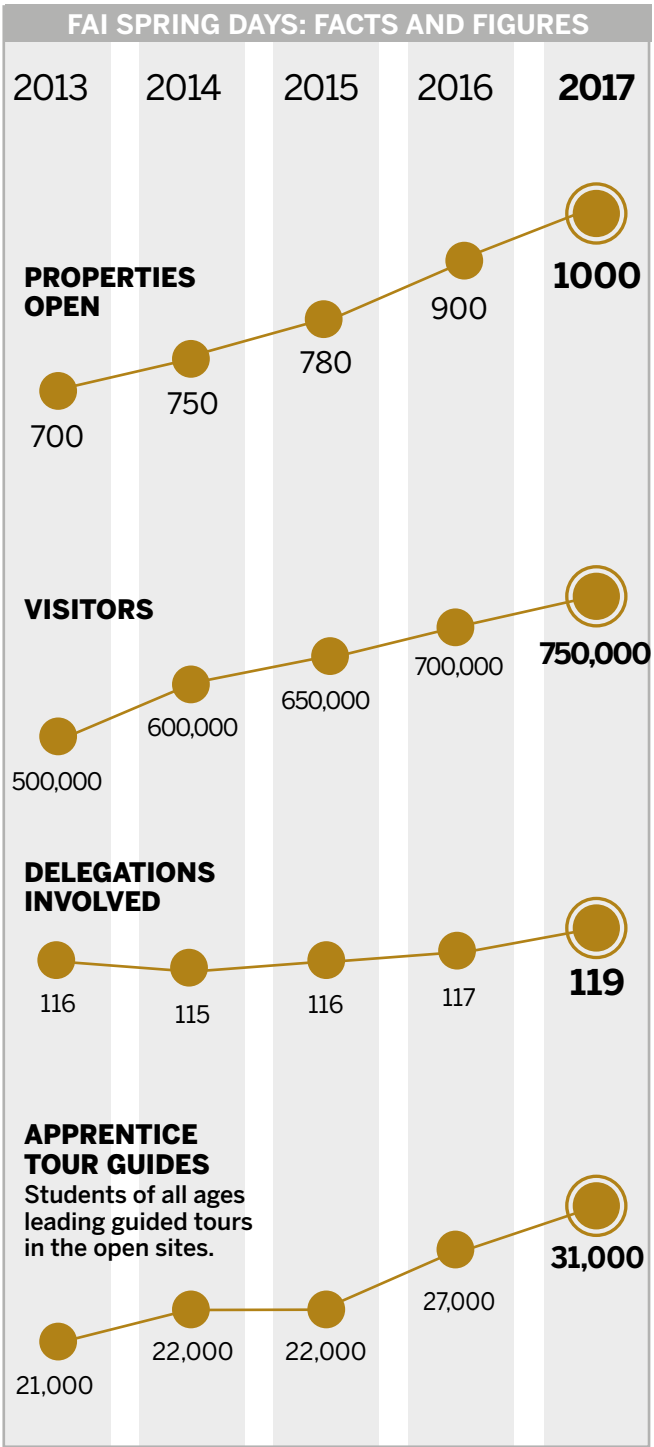
A major national event, one of the main fixtures in the Italian cultural calendar, which every year achieves higher numbers and greater success

When in 1993 the first edition of the "FAI Spring Days" was held (with 50 sites open to the public across 30 or so cities), it would not have been easy to imagine that it would become one of the most important fixtures in the Italian cultural calendar. Encouraged by the levels of participation and enthusiasm generated, year after year the number of events has increased and the number of visitors has multiplied: over the 25 years in which the initiative has been staged, more than 11,000 places have been opened in 4,700 towns and cities, attracting around 10 million visitors, with input from more than 123,000 volunteers and more than 242,000 youngsters and passionate Apprentice Tour Guides. The 2017 edition afforded the opportunity for 750,000 Italians to have their breath taken away once again by their own country and its hidden beauty: 1,000 properties open (+11% vs 2016) at 400 sites in every region, including churches, villas, villages, palaces, archaeological areas, castles, gardens and much more besides. This extraordinary celebration is made possible thanks to the extensive national network and to the crucial support of over 7,800 volunteers and more than 31,000 Apprentice Tour Guides. The success of the FAI Spring Days is confirmed not only by the visitor numbers but also by the levels of satisfaction recorded via a survey of a representative sample of the visitors, 87% of whom stated that they were very satisfied by the experience.

But defending and loving Italy’s artistic and environmental heritage does not just concern the Italian people. For this reason, through the project entitled "Arte. A bridge between cultures" and the involvement of 130 volunteers of non-Italian origin, guided tours were offered at 41 sites, allowing foreign citizens to leverage culture as another tool for social integration, promoting the understanding and sense of community that are so essential in Italy today. For the third year running, the "FAI Spring Days" came at the end of the week devoted by Italian state broadcaster RAI to cultural assets, staged in collaboration with FAI. From March 20 through 26, RAI programs focused on places and histories that are testaments to the variety, beauty and uniqueness of Italy’s heritage. The purpose of this marathon TV event was not only to raise funds for FAI (see page 93), but also to foster knowledge of and love for Italy, and above all to promote active participation on the part of the country’s citizens.

THE 10 MOST VISITED PROPERTIES IN 2017 (number of visitors)

Montorsoli lighthouse (Florence) and Messina dry dock	20,000
Underground route through the Sassi di Matera	9,000
Varignano Fortress (Portovenere, La Spezia) and Palazzo San Michele in Bari	8,000
The Monumental Cemetery of Pisa and Comacchio (Ferrara)	7,000



“Let’s Remember to Save Italy” and “FAI Autumn Day”

Youngsters do their bit to show off Italy at its best

“ I really appreciate the work of the young people who get involved in this type of volunteer work because respecting the environment means respecting all of our lives. Every time I take part in the FAI days I end the day with a smile and a I feel enriched. Thank you.”

A visitor to the “FAI Autumn Day”

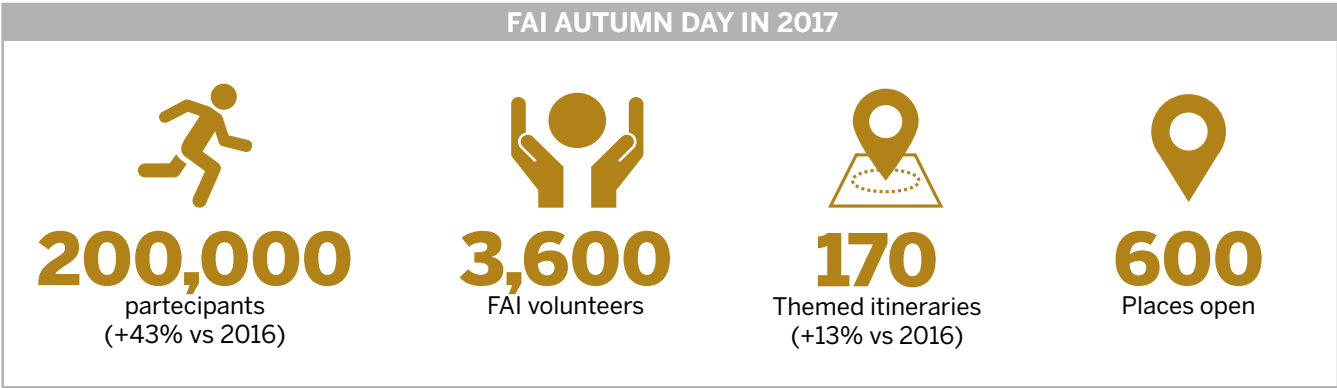
The initiative launched in 2012 is FAI’s second main fund-raising event. Previously known as the FAIMARATHON, in 2017 the name of the initiative was changed to the “FAI Autumn Day ” and, for the second year running a very significant role was played by the FAI Youth Groups who, with their passion and enthusiasm, and in close partnership with the Delegations, accompanied members of the public to discover the innumerable, priceless places of artistic/social interest and landscapes that encapsulate the identity, history and traditions of this country. On Sunday, October 15, 3,600 FAI volunteers and more than 5,000 Apprentice Tour Guides welcomed, guided and raised the awareness of 200,000 people (+43% vs 2016), helping them to “recognize” their own towns and cities, through 170 original routes allowing them to uncover places of knowledge, of artisanal activities and of music, which are either generally inaccessible or are far from fully utilized.

The event, which is the heart of the SMS fund-raising campaign “Let’s remember to save Italy”, staged throughout the month of October, marked the end of the RAI awareness-raising week.

As with the “FAI Spring Days”, the “FAI Autumn Day” was also very well received, with 82% of a representative sample declaring themselves to be very satisfied by the experience.



A young volunteer learning the ropes during the “FAI Autumn Day”. On the following page: visitors to Palazzo Corsini during the “FAI Autumn Day” in Rome



THE 10 MOST POPULAR ITINERARIES IN 2017 (number of visitors)	
ROME From peak to valley: nature and culture between the Janiculum Hill and the Via della Lungara	13,323
MILAN AnteWeb. The conservation of knowledge prior to the digital era in libraries and archives	10,000
MATERA The green heart of architecture	9,000
BOLOGNA Music in the city: 50 years of music festivals in Bologna	6,453
BRESCIA Sacred Love and & Profane Love	6,120
FLORENCE Royal farmsteads on the island, past, present and future	5,340
NOVARA A trip through time: Novara from the Sforzas to Julius Caesar	5,000
NOVI LIGURE The Pernigotta, Campanetta, Lina and Ricarda villas open their gardens to welcome the autumn	4,800
BARI Bari with views from the rediscovered castle	4,750
CATANIA On the roofs of Catania: Walking through the clouds	4,500

The “Italian Places I Love” Survey

24 restoration and enhancement operations approved to revitalize the places that occupy a special place in Italians' hearts

Launched in 2003, the **“Italian Places I Love”** survey has been, for some time now, not just a survey but a permanent project – one that, alongside the phases of voting and announcing the results, also includes the management of the operations to be implemented on a selection of the places that receive the highest number of votes.

It is **the most important Italian project geared towards raising awareness of the value of Italy's heritage** in terms of popular mobilization – more than 5 million votes are cast, of which 1,573,032 in the 2016 survey – and in terms of the number of places surveyed and their geographical distribution: more than 35,000 in almost all of Italy's 8,000 municipalities. Thus far, FAI has intervened in support of 92 places of art and nature across 17 regions, often triggering significant virtuous circles.

In 2017 – a year in which the survey was not carried out – the activities for the “Italian Places I Love” initiative concentrated on three areas:

1 announcement of the results of the 2016 survey, dedicated to the archaeologist Khaled al-Asaad, the hero of Palmyra, at the national press conference held on February 24: **1,573,032 votes cast for 20,000 places; 316 committees; 450,000 votes cast online** (compared to 288,000 in 2014); **6,003 municipalities involved; winners of the survey** (1st place: Castello di Sammezzano, Reggello, Florence – 50,141 votes; 2nd place: Complex of Santa Croce at Bosco Marengo, Alessandria – 47,319; 3rd place: Grotte del Caglieron, Treviso – 36,789 votes);

2 selection of the places subject to intervention by FAI, through the “Guidelines for the definition of interventions”, introduced for the first time in 2013 in partnership with MiBACT: approval of **24 interventions covering restoration, enhancement** and investigation (out of 77 submissions) across **15 regions** (Abruzzo, Calabria, Campania, Emilia Romagna, Friuli Venezia Giulia, Lazio, Liguria, Lombardy, Piedmont, Puglia, Tuscany, Sicily, Trentino Alto Adige, Umbria and Veneto) amounting to **€400,000 in total**, of which €125,000 for the winners and €275,000 on the guidelines; suspension of the intervention on the winner of the survey, Sammezzano Castle, while ownership is defined. **For the first time**, an intervention concerns the sea, with an innovative project to benefit the “Pelagos” International Sea Mammal Sanctuary. The chosen sites range from archaeological areas, such as Capo Colonna in Crotone and the Augusta Amphitheatre in Lucera (Foggia), to 20th-century architectural assets that have considerable historical and social value, such as the Amideria Chiozza in Ruda (Udine) and the Forum Boarium in Forlì. Churches and monasteries also featured strongly, as did military complexes, parks and beaches and, in the year dedicated to small villages, there was a wonderful jewel in the form of the mediaeval borgo of Monterano (Rome);

3 launch and conclusion of a series of interventions promoted over the previous years. In particular, 7 interventions were begun (restoration of the Organo Antegnati, Brescia; enhancement of the Abbey of Sant'Andrea, Vercelli; regeneration of a route on Passetto beach, Ancona; restoration of the Small Cloister of the Certosa di Calci, Pisa; consolidation works on Calatubo Castle, Trapani; enhancement operations on the village of Uglianaldo, near Pizzo d'Uccello, Casola in Lunigiana, Massa-Carrara; and launch of the restoration of the church of Santa Croce della Foce, Gubbio (Perugia). In addition, **7 interventions were concluded** (restoration of the monumental portal of the Filangieri Museum, Naples; enhancement of the pedestrian thoroughfare within the village of Bellissimi, Imperia; restoration of the Domus dei Coiedii at the Suasa Archaeology Park, Ancona; restoration of the roof of the Jacquard Theatre, Schio, Vicenza; restoration of the Small Cloister of the Certosa di Calci, Pisa; renovation of the garden of the Monastery of the Orsoline, Calvi dell'Umbria, Terni; and repair of roof of the central building of the Gabelli School, Belluno).

The “Pelagos” International Sea Mammal Sanctuary in the Ligurian Sea, one of the 24 sites subject to intervention by FAI, as part of the “Italian Places I Love” national survey



Education projects

The first decisive step in spreading a culture of respect for and protection of Italy's treasures

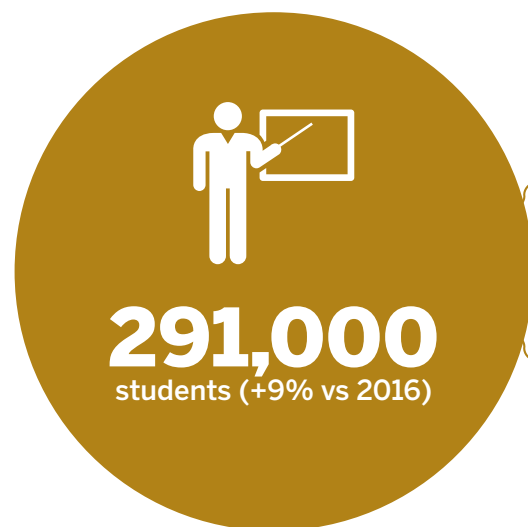
FAI set itself the objective, from the outset, of educating the new generations about the safeguarding of Italy's cultural heritage, in the conviction that this is the first step in disseminating a culture of respect for the beauty of Italy. FAI's projects for schools are based on five guidelines: 1. **experiences in the field** embodied by the **Apprentice Tour Guide** project; 2. interdisciplinary projects of **environmental education** and sustainability; 3. **school visits** both to FAI Properties and during the **"FAI winter mornings"**; 4. FAI class memberships; 5. school trips to FAI properties.

■ The **Apprentice Tour Guides** project saw the participation, in 2017, of 45,000 students engaged on welcoming and accompanying visitors – both adults and youngsters alike – during major national events organized by FAI or in the properties managed by FAI. Thanks to this experience, young people of all ages have been involved in the cultural and economic life of the community, serving as an example to other youngsters as part of an educational exchange with their peers

■ Through the **environmental education and sustainability** project more than 1,700 teachers have completed online and classroom-based training and 41,000 students have been involved in study and research experiences focusing on the Italian landscape, in an educational process geared towards promoting responsible behavior.

■ The "FAI Winter Mornings" event has seen the participation of 45,000 students on visits, accompanied by the Apprentice Tour Guides at 210

EDUCATIONAL PROJECTS IN 2017



45,000

"Apprentice Tour Guide" students (+41% vs 2016)

41,000

students involved in environmental education projects, together with

1,700

teachers trained

80,000

students who visited FAI properties (+14% vs 2016)

45,000

students who participated in "FAI Mornings" (+12% vs 2016)

80,000

students who were FAI members with their class (-5% vs 2016)

places specifically for them. The initiative has brought a host of young people to the many hidden treasures that Italy has to offer.

■ In 2017, 80,000 students from 2,829 classes, with their **FAI subscription**, expressed their support for the effort to safeguard and enhance Italy's heritage of art and nature, which FAI has been committed to protecting day in, day out.

■ Last, thanks to engaging educational activities, creative workshops, and a warm, competent welcome, 80,000 students (+14% vs 2016) have chosen one of FAI's properties for their **school trip**: this figure goes against the grain with respect to school tourism at national level.



Young students during a trip to the Castello di Avio, Sabbionara d'Avio (Trento), a FAI property since 1977

“ I found out about FAI during my time at high school thanks to the wonderful Apprentice Tour Guide project. My passion for history of art, which started coming to the fore in those years, has grown even more through sharing it with others. Although I was only 15, I felt part of something important, I felt useful.

Day after day, my love for FAI has grown, so that now it is a lifestyle choice: and so today I'm celebrating my first month's work at FAI. ”

Angelisa Balzani, FAI Property Volunteer Office

FAI International and cultural trips

Thanks to a network of passionate supporters residing overseas, we can emphasize the virtues of Italian culture even beyond Italy's borders, and we propose trips to discover the world through different eyes

“The first time it was like choosing a book by a well-known author whom you had never read. You're skeptical, but you're attracted by the theme. I was interested in the destination, so I went. Once I'd set off, I discovered that at the centre of the journey there was a great narrator, more exhilarating with every page. Not just that. While I was swept up by what I was seeing and hearing, there was someone who was taking care of me. A one-off? Well, I look for another title, another destination, another narrator. And it's always like the first time. Just wonderful.”

Paola, 4 viaggi FAI

Again in 2017, FAI's foreign groups were actively involved in promoting FAI outside Italy and, with it, Italy's heritage of art, culture and nature.

■ **Friends of FAI** (see p. 26) enabled the members of the **Balbanello Circle** to visit the Abbazia di Santa Maria di Cerrate in Lecce, chosen for the second time as a project for restoration during the year. During the course of the year, Friends of FAI organized various awareness-raising and fund-raising events through the **Young Friends** group, in partnership with other New York-based bodies, the mission of which is to defend culture and knowledge of Italy's heritage in the United States.

■ For several years now, **FAI Swiss** has been devoting its efforts to the growth of membership and to the provision of a rich cultural offering both in the Canton Ticino and in the FAI properties in the nearby Lombardy region. Again in 2017, FAI Swiss chose to support Villa Fogazzaro Roi (Como), with a contribution targeted towards a number of necessary restoration works in preparation for a wider opening to the public.

The **Délégation Suisse Romande** (FAI's Delegation in Francophone Switzerland) continues to work very pro-actively to spread the message and mission of FAI through its partnerships with the UN, the Orchestre de la Suisse Romande, the Geneva Center for Contemporary Art and the Geneva Museum of Art and History, with the support of the Apprentice Tour Guides of the “Pareto” Italian Lycée in Mies. The activities in Francophone Switzerland had as their objective the raising of funds for the restoration of the Abbazia di Santa Maria di Cerrate (Lecce).

■ For **FAI UK**, 2017 began in front of an audience of more than 150 people with James Stourton's presentation “Why the English love Italy”, delivered in partnership with Sotheby's. During the year, several fund-raising operations were carried out in support of the restoration works at the Abbazia di Santa Maria di Cerrate (Lecce) and the promotion of Italian culture in Britain.

■ The operations of **FAI France** concentrated in 2017 specifically on the world of schools, with competitions and study grants that allowed the provision of information and awareness-raising initiatives for the benefit of teachers, young people and their parents in the two largest Italian schools in the Paris area.

■ Together with its mission to highlight the virtues of Italy's art and nature, FAI also carries out awareness-raising activities targeted at the global cultural heritage. Art, architecture, archaeology, history, music and nature are the themes that, every year, FAI proposes to its members as part of a rich calendar of cultural tools in Italy and overseas, in search of new routes and special places, with passionate, expert guides. Again in 2017, the calendar of trips offered to FAI members was very varied and stimulating, with a total of **39 trips** scheduled and implemented, and **545 travelers**, of whom 192 were taking their first FAI vacation (an increase of 20% with respect to 2016).

Other initiatives

Side projects that help to satisfy the increasing need for beauty and knowledge

In 2017, FAI's “**Art Wednesdays**” continued with a dedicated course entitled “The lives of Titian. Chromatic alchemy”: a series of lessons at which young academics, along with young actors from Milan's Piccolo Teatro theater, put on plays with plots that included explanations and readings of contemporary accounts.

In 2017, the training provided by the **Bequests Office** (see p. 94) and targeted at solicitors, lawyers and accountants, saw an audience of more than 500 people participate in two conferences on highly topical matters that have been subject to recent legislative changes. In October, set against the prestigious backdrop of the National Museum of the Movement for Italian Unification in Turin, a conference was held with the following theme: “**Not-for-profit foundation and profit-driven business: worlds in opposition or intertwined destinies?**”.

For its part, the traditional conference in Milan featured a lively round table that played host to in-depth discussions on the major legislative reforms to family law. The conference was entitled “**Succession under new family law. Alimony and different families.**”

Participants on the guided tours entrusted to, and targeted at, citizens born outside of Italy, as part of the “Art. A bridge between cultures” project organized by the “Amici del FAI” Association, which from 2018 onwards will be rolled out across Italy

The **Amici del FAI Onlus** non-profit organization pressed ahead, along with FAI, on the touring of the exhibition “**Knowing and loving Italy: the transformations of the country through the photographs of Renato Bazzoni, father of FAI**”, staged in 2017 at two impressive venues: the Villa Reale in Monza and the Teatro Feronia in San Severino Marche. On November 28, the organization signed a licensing agreement on the project “Art. A Bridge Between Cultures” with FAI. FAI will disseminate the project across Italy through the creation of new local “**FAI. A bridge between cultures**” groups made up mostly of volunteers hailing from outside Italy.



Landscape Emergencies

The landscape is a living organism and, as such, should be safeguarded and protected for our present and our future

FAI monitors and intervenes at the administrative and political levels both locally and nationally, serving as the spokesperson for the interests and demands of civil society on the safeguarding of the communal assets of the environment, the cultural heritage and the landscape. FAI focuses its efforts on three areas: legislation, environmental politics and territorial disputes.

■ Legislative area

In 2017, FAI intervened on 15 legislative provisions. These included the **first soil regulation, section 460 of the Italian Budget Law**, known as **#salvaisuolo**, which came into force on January 1, 2018, and which puts an end to the perverse mechanism that promoted the selling-off of land and the issuing of construction permits simply to swell the local authority coffers. The regulation was under serious threat of being watered-down or even postponed, but FAI reacted immediately and decisively and, thanks in part to an endorsement from the Italia Prime Minister, its input led to a successful conclusion.

FAI made its voice heard in relation to the proposed legislation on the **governing of the demolition of buildings erected in contravention of planning regulations**. The failure of this bill was a positive result for FAI, which objected to a number of sections, including the repeated attempt to introduce and validate the concept of “necessary planning contraventions”.

FAI supported the **Decree Law on Small Municipalities**, which was approved on September 28, 2017, and which established a fund for the structural, economic and social development of small municipalities, with amounts to be set aside for the regeneration of old town centers.

For several years now, FAI has been following the progress of the **reform of the framework law on protected areas** and intervened at the hearing on the final text as approved by the Senate. In 2016, following the modification of the governance of the **Stelvio National Park**, a **Monitoring Unit** was set up with nine associations in order to supervise the effects of the tripartite sub-division of the management of the park between Lombardy Region and the Provinces of Trento and Bolzano.

Having taken part in the international **People4Soil** project in support of a European directive on the limitation of soil consumption, FAI delivered a document containing **82,000 signatures** to the President of the Italian Senate, Pietro Grasso. The European quorum of 1 million signature was not reached, though the **Italian quorum** was surpassed by a large margin – a clear sign of the increasing level of awareness of the issue in Italy.

Alongside 45 Italian signatories, FAI adhered to the European Citizens Initiative (ECI) whereby the European Commission was asked not to renew the licensed use of **glyphosate: the quorum was exceeded**, with 1,070,865 signatures (of which 72,928 were collected in Italy). The European Commission renewed the license for 5 years rather than the envisaged 15, and in Italy the use of glyphosate was banned in green spaces open to the public and in agriculture prior to harvesting.

■ Environmental and landscape policy area

For two years, FAI has been engaged on an education and awareness-raising campaign. With **#salvaisuolo** – geared towards making citizens more conscious of the value of this resource – FAI has created a dedicated web area, **ilfaichevigila.it**, provided news across all media and implemented specific training for volunteers, who have organized public awareness-raising events across the country.

FAI is active in the **#stopglifosato** campaign and participates in the **#cambiamoagricoltura** coalition, made up of eight organizations (specializing in environmental protection, biology and doctors for the environment), which it has implemented the **Europe-wide “Living Land” campaign** to contribute to the reform of the upcoming Common Agricultural Policy.

FAI is an active member of the **National Monitoring Unit on Landscape Quality**, instituted at the Italian Ministry of Cultural Heritage and Activities (MiBACT) and presided over by the Undersecretary, the Right Honorable Ilaria Borletti Buitoni. The Monitoring Unit drafted the first **Report on the Status of Policies on the Landscape**, on the basis of which Environment Summits were held in Rome on October 25 and 26, with FAI President Andrea Carandini chairing the fifth session.

At its properties, FAI implements **energy-efficiency measures to reduce its ecological footprint**, with a view to reaching its objective of a 15% reduction of its consumption by 2023 (compared to 2013 levels) by reducing its CO2 emissions through the replacement of oil-powered boilers with heat pumps, and the completion of the replacement of traditional bulbs with LED equivalents.

■ Territorial disputes area

In 2017, a total of **93 reports** were submitted by citizens, local associations, public-sector administrators and agencies. Most of the reports concerned the protection of the cultural and natural heritage and the landscape, but did not neglect the salvaging of degraded landscapes and the abandonment of the cultural heritage. The reports included the (now overcome) danger of a multi-story car park under the 14th century walls of Montepulciano (Siena), and the enormous parceling of land in the vicinity of Catajo Castle (Padua).

2017 FACTS & FIGURES OF THE “LANDSCAPE EMERGENCIES” CAMPAIGN



29

legislative interventions



4

national campaigns



136

landscape emergency reports

FUND-RAISING AND COMMUNICATION

The generosity and trust of our supporters are what encourage us to continue doing what we believe in, because, increasingly, this is what the people believe in, too.

This section provides an overview of the funds raised thanks to our supporters who make our mission possible.

■ **INDIVIDUALS** who subscribe to FAI, make donations or make bequests

■ **COMPANIES** that establish partnerships with FAI, sponsor specific projects or become Corporate Golden Donors

■ **ORGANIZATIONS AND FOUNDATIONS** that provide us with financial support.

With their tangible actions, all of our supporters express their love for Italy and its treasures and contribute to making FAI increasingly solid, helping us protect the wonderful places in our care and the wellbeing of the people who will enjoy them into the future.



Subscriptions and donations

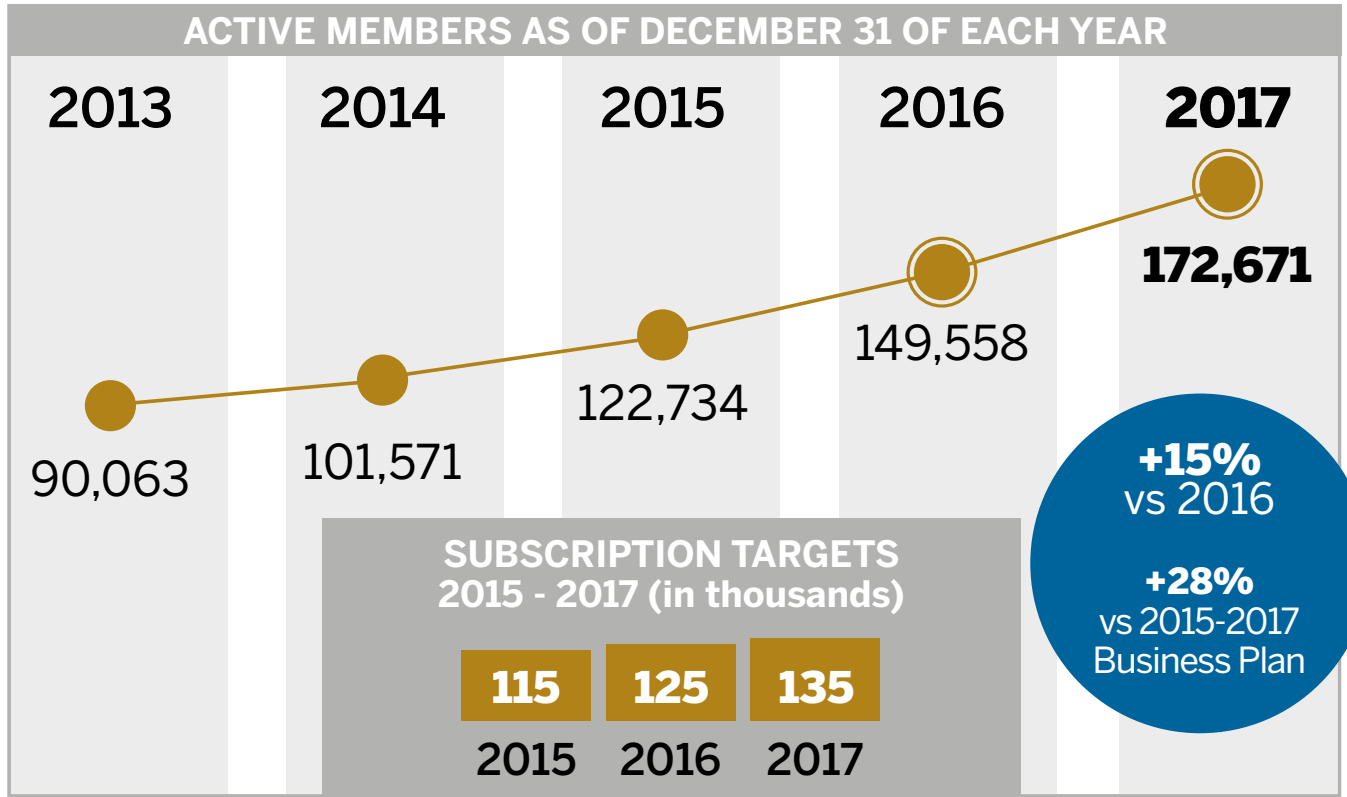
The number of Italians who put their trust in FAI for the protection and utilization of Italy's heritage of art and nature continues to increase

In 2017, FAI's income from individuals amounted to €20,377,021, both through subscriptions and through donations, accounting for 68% of the total annual income. Leaving aside the sum ring-fenced for restoration, which amount to around €2 million, the funds raised from individuals increased by 18% with respect to 2016.

The number of members reached 172,671, 23,000 higher than the previous year (+15%) and more than 37,000 higher than the objective set for 2017 (+28%). In terms of economic value, the growth was 19% (€4,753,230 as opposed to the €3,992,078 figure for 2016).

During 2017, the income from online activities increased by 25%, confirming that the web is one of the main channels both for the recruitment of new members and their subsequent retention. The recruitment operations at the properties also delivered very positive results (+31%). Lastly, the introduction of the "FAI Autumn Day" bolstered the increase in the number of subscriptions taken out via the Delegations (+10%).

Alongside the members there are the donors, who – particularly during national events – make a contribution to support FAI's projects, albeit often lower in value than the cost of membership. In total, the number of donors is falling (7,584, -21% vs 2016). This leads us to believe that people are tending more towards becoming FAI members than towards making occasional donations. The contributions made via the 5 per mille campaign in relation to the tax declarations for 2015 increased slightly (+2.6%) with €1,135,375 received and 21,794 signatories.



Public fundraiser statement



FAI SPRING DAYS and RAI CULTURE WEEK DEDICATED TO FAI
March 2017

PURPOSE OF THE "FAI SPRING DAYS" EVENT
The purpose of the event is a raise awareness and funds for FAI's corporate objects, by opening to the public over 1,000 places over the weekend of March 25 and 26, 2017, thanks to FAI's volunteers.

PURPOSE OF THE "RAI CULTURE WEEK DEDICATED TO FAI"
The purpose of the fund-raising project is to protect and enhance the cultural and landscape assets for which FAI is responsible so that everyone may enjoy them.

The numerous awareness-raising and communications operations (free advertising space, TV/radio/press advertising, web marketing, etc.) are carried out in preparation for the nationwide event.

RESULTS OF THE FUND-RAISING OPERATIONS
The overall amount raised of €1,504,550.98 was achieved thanks to the synergy of various initiatives:

- March 20 through 26, thanks also to the partnership with RAI, the sum of €241,711.75 was raised via the donation line;
- The FAI Spring Days raised €1,262,839.23 with the various fund-raising activities from private sponsors, charitable donations from public-sector bodies, banks and members of the public.

Specifically, during the March campaign, the sum of €767,487.78 was raised through charitable donations from individuals, 23,065 subscriptions and 6,910 "Amici FAI".

USE OF RESOURCES
The funds raised, net of costs, amounting to €1,114,133.47, were used to pursue FAI's corporate objects and for scheduled maintenance operations of the FAI properties that are open to the public.

INCOME (IN EUROS)	
Charitable donations by individuals	767,488
Charitable donations by legal entities	20,250
Charitable donations by public institutions and banks	71,540
Event sponsorship	403,562
SMS fund-raising	241,712
Total income	1,504,551
EXPENDITURE (IN EUROS)	
Communication costs	- 226,410
Dedicated staff costs	- 45,350
Other campaign costs	- 118,657
Total expenses	- 390,418
NET RESULT	1,114,133

FAI AUTUMN DAY and "LET'S REMEMBER TO SAVE ITALY" CAMPAIGN
October 2017

PURPOSES OF THE "FAI AUTUMN DAY" EVENTS
The purpose of the event is a raise awareness and funds for FAI's corporate objects, by opening to the public over 600 places on Sunday, October 15, 2017, thanks to FAI's volunteers.

PURPOSE OF THE "LET'S REMEMBER TO SAVE ITALY" CAMPAIGN
The purpose of the fund-raising campaign is to protect and enhance the cultural and landscape assets for which FAI is responsible to keep them open to the public and to carry out educational activities across the country and actions to safeguard the landscape. The fund-raising campaign was promoted by:

- advertising thanks to the concession of free advertising by TV/radio/press
- TV features within the Mediaset and LA7 schedules
- FAI Autumn Day events held in squares
- web marketing and online communication
- raising funds from partner companies and their clients

RESULTS OF THE FUND-RAISING OPERATIONS
The overall amount raised of €591,554.12 was achieved thanks to the synergy of various initiatives:

- October 6 through 23, 2017, the sum of €22,954 was raised via the donation line.
- the FAI Autumn Day raised €310,833.12 with the various fund-raising activities from private sponsors, charitable donations from public-sector bodies, banks and members of the public.

Specifically, during the October campaign, the sum of €308,472.12 was raised through charitable donations from individuals, 27,796 subscriptions and 897 "Amici FAI".

USE OF RESOURCES
The funds raised, net of costs, amounting to €361,952.11, were used to pursue FAI's corporate objects and for scheduled maintenance operations of the FAI properties that are open to the public.

INCOME (IN EURO)	
Charitable donations by individuals	308,472
Charitable donations by legal entities	75,888
Charitable donations by public institutions and banks	7,240
Event sponsorship	177,000
SMS fund-raising	22,954
Total income	591,554
EXPENDITURE (IN EUROS)	
Communication costs	- 195,888
Dedicated staff costs	- 8,645,53
Other campaign costs	- 25,069
Total expenditure	- 229,602
NET RESULT	361,952

Endowments, bequests and commemorative donations

Gestures to remember and be remembered, setting an example for the present and the future

“Years ago, when I was invited by my bank to take out a Life Policy, I had thought of someone who was dear to me. A few months back, I had a re-think, and decided that the person in question did not really need my money, so why not change the beneficiary? I had to hand the pamphlet “Ensuring Italy’s Future” that came with the Newsletter... so I thought to myself, “why not leave the substantial sum to FAI, once I’m gone? I haven’t been a member for years, but I have personally seen the work that FAI does, its commitment to tangible initiatives and ideological battles, and the enthusiasm of its volunteers, so I am certain that the money will be put to the best possible use.”

L.G. Emilia Romegna

Anyone can contribute to salvaging, restoring, protecting and opening to the public a multitude of embodiments of Italy’s heritage of art and nature by making gestures large or small. During 2017, the funds raised amounted to €1,073,260, thanks to the numerous donors who chose to make bequests to FAI, donations in memory of others and life assurance policies. The following are particularly noteworthy:

- **Sergio Bortoli**, a Venetian businessman, in accordance with his wife who passed away before him, left his illustrious apartment in the 15th-century Palazzo Cà Contarini (see p. 46) – “so that it may be used as a special museum, encapsulating Venetian life in the 20th century.” The bequest included the house, with spectacular views of Santa Maria della Salute, the furnishings and a generous endowment for managing the residence as a museum;
- **Luigi Bianchetti** split his inheritance between FAI and another not-for-profit body, allocating to FAI a property at Bardonecchia (Turin) and half of his financial investments;
- **Piera Boncinelli**, from Milan, a FAI supporter though never a member, left a prestigious building in Sanremo, to be rented out;
- **Carla Ibba** from Rome and **Gabriella Franchino** from Carisio (Vercelli), who also had never actually joined, named FAI as the sole beneficiary of their estates, including their life assurance policies, amounting to a total of €179,551;
- **Olga Calabresi Petrin**, a long-standing pillar of FAI in the Triveneto area, gave a great deal of her life to the Portogruaro Delegation, leading it for years and latterly continuing to support it; her committed to FAI’s mission saw her name FAI as the inheritor of her estate.

The most important bequests of 2017 included:

- the generous bequest by **Carla Mendozza**, who when she was alive had already donated numerous valuable pieces;
- an apartment in Montecatini (Pistoia) together with a sum of money, donated by **Mario Lascialfare**;
- the substantial contribution made by **Piera Martinetti**, who supported FAI for years but never became a member.

In 2017, FAI received seven life assurance policies, totaling €261,637. This form of support is becoming more popular because it is not subject to the constraints of wills and is easy to arrange. In addition,

- **Rosa della Porta Malvezzi Campeggi** wanted a sum to be set aside for the restoration of the Abbazia di Santa Maria di Cerrate (Lecce);
- **Michele Fiorino** felt the same in relation to Villa Necchi Campiglio (Milan), and left a generous bequest in memory of Concetta Specchio;
- **Anna Zuffa Cassoli**, with her customary annual generosity,

“Why did I choose FAI? Because of a lasting, sweet memory that takes me back to three wonderful days spend with my beloved Vittorio at Villa del Balbianello, the Castello di Masino and Villa Fogazzaro. We also appreciated the important work done by FAI, which is all about making the most of our heritage of art and culture, and our landscape – the things that should be the basis for our country’s biggest industry: tourism.”

Maria Adelaide Limone e Vittorini (Vittorio) Ferrario

A detail of the frescoes in the Sala dei Giochi (“Games Room”) at the Castello di Masino, Caravino (Turin), a FAI property since 1988

supported three projects in her favorite properties: the Castello di Avio (Trento), the Villa e Collezione Panza (Varese) and Villa Necchi Campiglio in Milan, to which she had already donated in memory of loved ones;

- **Giulia Mutti** set aside in her will some furnishings from her beautiful house in Reggio Emilia so that FAI could display them in its properties.



Large donations and adoptions

Taking care, at a distance, of special places so that they may live forever

In 2017, FAI received **€2,083,219** (+6% vs 2016) from generous Italian and overseas benefactors who believe strongly in the work done by FAI and wanted to support a restoration or a landscaping project or to adopt a FAI property, a tree or a bench. **The Art Bonus** – the tax-break mechanism that makes it possible to claim back 65% of the amount donated to public properties – was certainly a factor in incentivizing donations.

A significant and far-sighted gesture to commemorate with gratitude was made by two generous supporters who chose to donate to FAI three properties to be sold-off, thus helping FAI to realize a major goal: to make Italy a more beautiful place in which to live work, invest and see future generations grow.

Corporate contributions

Many companies in Italy provide proof-positive that they are socially responsible and forward-thinking by choosing FAI as their partner for social growth and local development

In 2017, FAI received support once again from more than 500 companies, which made a total contribution of **€6,751,463**, accounting for 22% of total income. These supporters are Italian and overseas companies that, by working with FAI on various projects, made a tangible difference to Italy's cultural and natural heritage, integrating at the same time into their identity and their strategies the values that inform FAI's mission.

As part of the nationwide projects such as the "FAI Spring Days", the "FAI Autumn Day" and the "Italian Places I Love" survey, **major partnerships** were launched with companies that decided to support FAI's efforts to raise the awareness of the general public on the importance of safeguarding Italy's cultural and natural heritage.

Also highly significant and valuable are the **institutional partnerships** with those companies that have undertaken with FAI **multi-year projects** geared towards supporting large-scale advertising drives and initiatives to support FAI properties through restoration, enhancement and maintenance projects. Also important in 2017 were the collaborations targeted at supporting events, major exhibitions and educational activities in schools.

Last of all, great success was achieved by the operations associated with the **Christmas** fund-raising programme and the **corporate volunteering** days (see p. 22), aimed at involving the various corporate stakeholders in transmitting a tangible message of love towards Italy.

In 2017, the **Corporate Golden Donor** membership program reached a record number of participating companies, 317, from which a total of **€975,000** was raised. This excellent result is due to the **high level of renewal** – 83% – and to the entry of a significant number of companies that during the year engaged with FAI for the first time, electing to integrate FAI's values into their strategies and identity.

Also growing in 2017 was the number of Corporate Golden Donor companies that, in addition to their subscriptions, also made substantial contributions to projects for the maintenance and cultural enhancement of the properties and which got their own employees involved in voluntary initiatives and active participation in FAI's mission.



"I 200 del FAI" (The FAI 200)

The donor group funds the organization's recapitalization reserve as well as important restoration projects

In 2017, "**I 200 del FAI**" reached an important milestone: 30 years side-by-side with FAI. Their story began in 1987, when a group of generous, enlightened individuals and entrepreneurs decided to fund FAI's recapitalization reserve. Over these three decades, more than €16 million has been contributed to the fund, allowing FAI to tackle many of its most important restoration projects.

In 2017, "I 200 del FAI" renewed their annual support by providing the sum of **€571,400** (+6% vs 2016), confirming once again their crucial role.

During the year, various meetings and visits were organized for this deserving group, including a lecture by Andrea Carandini, followed by a visit to the Palatine hill; a visit to the Borromeo collections and gardens on Isola Bella and Isola Madre on Lake Maggiore, welcomed by Gianfranco Giustina, who in 2014 was named as the "World's Best Gardener" by the Royal Horticultural Society of London; and two trips to Venice and to Pompeii and Herculaneum.

Lastly, for these "200" who support FAI together with their companies, from 2017 onwards special benefits have been set aside, along with new opportunities for communication, networking and training.

The annual evening dedicated to the Corporate Golden Donor companies at Villa Necchi Campiglio, Milan

Contributions from public institutions, banking and business foundations, and associations

FAI is widely recognized as an attentive and proactive partner, and can count on the support of both private and public institutions

C In 2017, the funds raised from public institutions, banking and business foundations, and association amounted to **€2,355,349**, 7% down on 2016, when the same figure was €2,524,238. The **public institutions and banking foundations** section contributed a total of **€1,663,199**, of which €1,014,919 was set aside for the co-financing of cultural projects and activities and €648,280 for restoration, conservation and enhancement operations.

In particular, the contributions received from the **banking foundations** alone amounted to €1,079,300, of which €635,000 was set aside to co-fund restoration operations, and €444,300 to support cultural and educational projects, whereas from **public bodies FAI** received €583,899, of which €570,619 was set aside for the co-funding of cultural projects.

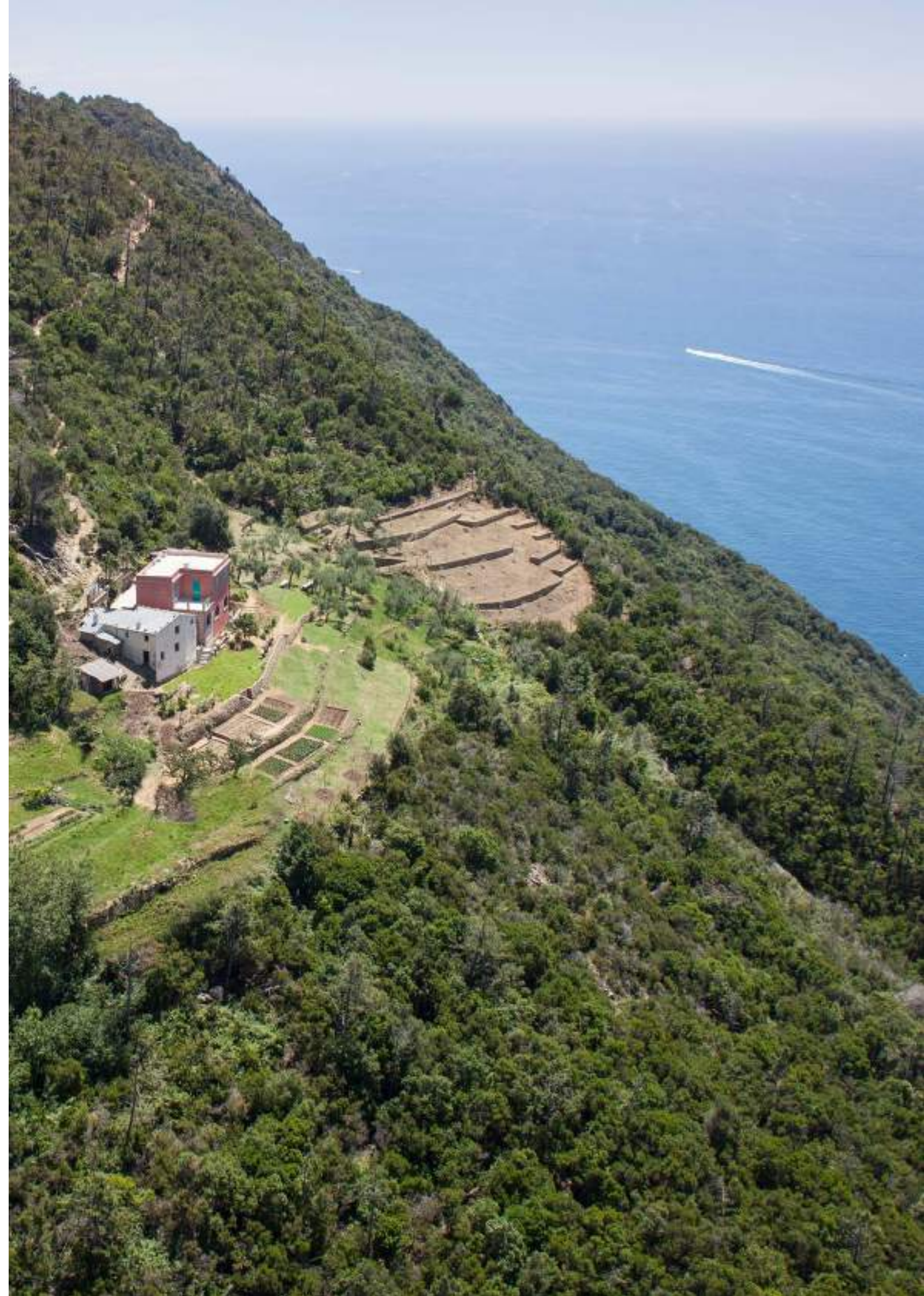
The contribution from the **associations** amounted to €756,531.

The main funding received in 2017 included: the state contribution provided by the Italian Ministry of Cultural Heritage and Activities (MiBACT), of €147,913, intended to cover the cost of organizing and staging the 21st National Conference of FAI Delegates and Volunteers in Turin; the funds provided by the fourth decree on the allocation of the “5 per mille” income tax scheme to cultural activities (relating to the 2015 tax year), which awarded €98,264 to FAI to support the communication and awareness-raising activities for 2017; and the funds received from the Italian Ministry of Education, Universities and Research for the two-year project geared towards disseminating the culture of science through astronomical observation events at FAI properties. Moreover, since 2017, FAI has been inscribed on the MiBACT permanent list of bodies that benefit from the “5 per mille” cultural funds.

In relation to public-sector funding for restoration, conversation and enhancement operations, other noteworthy contributions included:

- the funding that, at Podere Case Lovara (La Spezia), the farm received thanks to the Rural Development Plan 2014-2020 (Liguria) – amounting to €236,497 – for the renovation of the dry-stone walls and operations for the energy-and water-sustainability of the estate;
- the funding of €98,239, obtained from the “Amici del FAI” association following participation, in strict synergy with FAI, in the “Culture Creates” tender (“Culture and Development” National Operating Program 2014-2020, Priority Axis II) and targeted at the provision of investment at the Abbazia di Santa Maria di Cerrate (Lecce). This contribution made it possible in 2017 to fit out the bookshop and the communications room within the abbey complex, which has been added by MiBACT to the list of Puglia’s Cultural Attractions.

Podere Case Lovara at Punta Mesco, Levanto (La Spezia), a FAI property since 2009



Corporate Golden Donors

The Corporate Golden Donor program is a tool for social responsibility. At the same time, it forms a network between the companies that share a commitment to improving the conservation and enhancement of Italy's invaluable cultural and natural heritage. Membership of the Corporate Golden Donor program is a mark of excellence for companies and provides a new way to contribute to an important ethical cause whilst receiving exclusive opportunities and tangible advantages in return.

A warm vote of thanks to all the companies that supported FAI in 2017 through membership of our Corporate Golden Donor program.

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Agenzia Ansa	Blm	Conte Tasca D'Almerita	Eurizon Capital
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Gruppo Pam	Lumina Italia	Presma	Steelmatal
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	Noberasco	SDA Bocconi School of Management	

“I 200 del FAI”

“I 200 del FAI” are a select group of people and organizations that are sensitive to the values of culture and have an interest in the conservation of Italy’s historical, artistic and natural heritage. Since 1987, they have made a crucial contribution to increasing FAI’s recapitalization reserve and supporting important restoration initiatives and projects at the properties.

Sincere thanks to those who renewed their contribution to FAI in 2017 in order to increase the Recapitalization Reserve.

Emilia Acquadro Folci	Borsa Italiana	Domenico Sanfilippo Ed. Dreika
Accenture	Giaele Bosio	Virginie Droulers
Acomea	Roberto Bracchetti	Margherita Du Chene De Vere Villa
Giuliana Albera Caprotti	Bracco	Edison
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Massimo Violati
Vitale & Co.
Nadia Zanotto Moccetti
Gianna Zegna Borsetti
Andrea e Martin Flaig Zegna di Monterubello
Zf Trw
Giovanni Zingarini

A detail of the stucco decoration with landscapes, objects and animals on the ceiling of the dining room at Villa Necchi Campiglio (Milan), a FAI property since 2001, showing the astrological sign of Taurus the bull (Piero Portaluppi, c. 1935)

On the previous page: a close-up of the frescoes of the guardhouse at the Castello di Avio, Sabbionara d'Avio (Trento), a FAI property since 1977

On the following page: Limoges porcelain vases by Piera Croveti (after 2002), on a console table in the red lounge at Villa Panza (Varese), above which appears a fragment of David Simpson's “Russian Blue” (1992)

Institutions, companies, foundations and donors

A heartfelt thanks also to all of those individual donors and organizations that in 2017 made substantial donations to FAI, to support its work of restoring, conserving, enhancing and managing some of Italy's most important historic, artistic and natural assets.

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Angela Vettese
Pietro Voltini
Yoox Net-a-porter Group
Giorgio Zaffaroni
Claudio e Simona Zampa
Daria Zamproni
Maia E. Zheliazkova
Paola Zocchi

and all those who wish to remain anonymous

Press, TV, radio and the web

Passion, energy and creativity to amplify FAI's voice, thanks to its presence across various media and to the support of some well-known faces

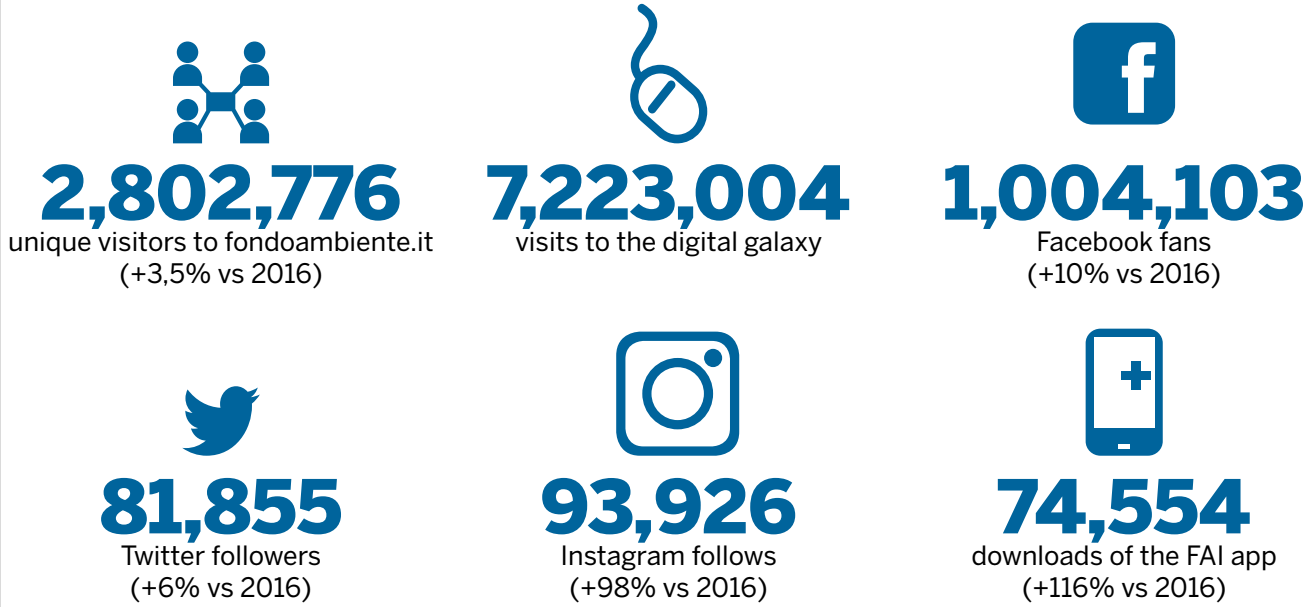
In 2017, FAI launched a project to revamp its communication style – from the language and tools used to the tone of voice and visual qualities – which has resulted in a redefinition of its corporate identity, starting from its logo. The rebranding exercise arose out of the desire to redefine the essence of the FAI brand, making it more easily recognizable and attractive to new targets, of today and, above all, of tomorrow. In October 2017, FAI thus unveiled a **new logo** that, by updating its graphic design, has evolved while remaining steeped in tradition, returning to the appearance of the original design by Pino Tovaglia, one of Italy's leading post-war graphic designers, who in the early 1970s was responsible for the FAI logo, drawing inspiration from natural and architectural elements, with a view to condensing the mission of the recently established organization into a memorable emblem.

Together with the logo and the entirely new visual identity, 2017 also saw the launch of FAI's **new website**, which is now a fully renovated bona fide digital hub, bringing together in a single platform the previous array of mini-sites. The new site matches the new positioning of the communications, summarizing in a simple and intuitive way the complexity of all the work that FAI does. More than ever, the **fondoambiente.it** site constitutes an environment in and of itself, linking up the elements of a multi-layered digital ecosystem that during the course of 2017 perpetuated the number of hits previously accumulated by the "galaxy" of mini-sites (7,223,004). Meanwhile, the **social media channels** saw increased engagement during the year (1,004,103 fans on the Facebook pages, 10% up on 2016; 81,855 followers on Twitter, 6% up; 93,926 Instagram followers, 98% up). The **FAI app**, which is the guide allowing users to get properly acquainted with FAI and to discover unique places in Italy, was downloaded a total of 74,554 times during the course of the year (+116% vs 2016).

The visibility offered by editorial teams was very high once again in 2017, confirming that FAI is considered an increasingly authoritative and credible frame of reference in terms of the public debate on Italy's cultural heritage.

During 2017, FAI continued to reinforce awareness of its activities, consolidating its institutional relationship with major publishers and the television and radio networks (both State-owned and private), and entering into a number of special media partnerships. Specifically, for the third year running, the "FAI Spring Days" brought to an end the **week given over by RAI to cultural assets in partnership with FAI**. March 20 through 26, RAI dedicated a televisual marathon to raising funds for FAI, in order to encourage Italian viewers to participate actively in defending the country's cultural heritage and landscape. Other important agreements guaranteed FAI's continued partnerships with **Geo - Rai3, Striscia la Notizia - Canale5, TgMeteo di Tgcom24 - Canale5, Caterpillar - Rai Radio2, Radio Capital, Radio DeeJay and the GEDI group**.

INTERNET FACTS AND FIGURES FOR 2017



PRESS, RADIO, TV FACTS AND FIGURES FOR 2017



In addition, **23 celebrity endorsers** from the worlds of art, music, entertainment, journalism and sport participated in FAI campaigns through statements, TV appearances, and interviews on the radio and the social networks:

- | | | |
|---------------------|---------------------|--------------------|
| Alessio Boni | Francesca Cavallin | Marina Rocco |
| Amanda Sandrelli | Francesco Montanari | Massimo Wertmuller |
| Andrée Ruth Shammah | Giuliana De Sio | Nicola Nocella |
| Anna Foglietta | Giuseppe Zeno | Ricky Tognazzi |
| Anna Ferruzzo | Ivan Krpan | Saturnino |
| Antonello Fassari | Lella Costa | Stefano Fresi |
| Bianca Nappi | Lino Guanciale | Sonia Bergamasco |
| Filippo Scicchitano | Lucia Mascino | |

A sincere thank you to all concerned.

FINANCIAL STATEMENTS 2017

The landscape of the Euganean Hills from one of the loggias frescoed from the Flemish painter Lambert Sustris (1515/20 - 1524) at the Villa dei Vescovi, Luvigliano di Torreglia (Padua), a FAI property since 2005



2017 statement summary



The statue of Pomona, in an 18th-century neoclassical version, overlooks the lake landscape from the entrance to Villa del Balbianello, Tremezzina (Como), a FAI property since 1988

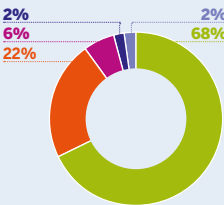
STATEMENT OF 2017 CASH FLOWS RECLASSIFIED BY ACTIVITY

SOURCES OF FUNDS			
	Operating activities	Restricted Funds	Total
Individuals	18,345,490	2,031,531	20,377,021
Companies	6,127,986	623,477	6,751,463
Public institutions	570,619	13,280	583,899
Foundations and Associations	1,098,111	673,339	1,771,450
Financial and extraordinary items	671,850	0	671,850
TOTAL FUNDS RECEIVED	26,814,057	3,341,627	30,155,684
Movement in stocks	(49,370)	0	(49,370)
Increases in fixed assets	279,541	0	279,541
Provision for Restricted Funds and recapitalisation	0	(3,341,627)	(3,341,627)
TOTAL REVENUE	27,044,228	0	27,044,228
ALLOCATION OF FUNDS			
	Operating activities	Investments for conservation and renovation	Total
Maintenance of FAI assets and concessions	(899,698)	(4,079,526)	(4,979,224)
Maintenance of third party assets	0	(100,537)	(100,537)
Maintenance of "Luoghi del Cuore" (favourite places)	0	(151,717)	(151,717)
Property management	(12,434,379)	(91,283)	(12,525,662)
Cultural promotions, education and surveillance	(2,989,466)	0	(2,989,466)
General services	(3,876,937)	(15,512)	(3,892,450)
Fundraising and communication	(5,810,851)	0	(5,810,851)
TOTAL ALLOCATION OF FUNDS	(26,011,335)	(4,438,572)	(30,449,906)
Uses of Restricted Funds obtained in the year	0	1,162,070	1,162,070
Uses of Restricted Funds obtained in previous years	0	976,484	976,484
Uses of other funds*	0	2,300,018	2,300,018
TOTAL ALLOCATION OF RESTRICTED FUNDS	0	4,438,572	4,438,572
SURPLUS OF THE YEAR	1,032,893	0	1,032,893

* Settlement of bequests, recapitalisations, non-restricted amounts provided in previous years, surplus of previous year

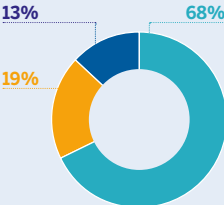
2017 FUNDRAISING (000)

FUNDING SOURCES INCOME



From individuals	€ 20,377	68%
From companies	€ 6,751	22%
From foundations and associations	€ 1,771	6%
From public institutions	€ 584	2%
From financial management/other	€ 672	2%
TOTAL	€ 30,156	100%

FUND ALLOCATION COSTS



Institutional activities*	€ 20,747	68%
Fundraising and communication	€ 3,892	19%
General services	€ 5,811	13%
TOTAL	€ 30,450	100%

*Institutional activities DETAIL

Asset management	€ 12,526	41%
Interventions on owned and managed assets	€ 4,979	16%
Local cultural promotion, education and monitoring	€ 2,989	10%
"Places I Love" interventions	€ 152	0.5%
Interventions on third party assets	€ 101	0.3%
TOTAL	€ 20,747	68%

BALANCE SHEET

As at 31.12.2017

ASSETS	2017	2016
FIXED ASSETS		
INTANGIBLE ASSETS		
- Trademarks, software, website upgrades	451,260	378,129
- Loaned assets and concessions	3,432,425	2,870,771
- Intangible assets work in progress	50,514	85,280
TOTAL INTANGIBLE ASSETS	3,934,199	3,334,180
TANGIBLE ASSETS		
LAND AND BUILDINGS		
- Heritage (Institutional)	46,031,046	51,341,865
- Non-heritage (non-Institutional)	12,433,823	7,924,348
of which available	8,565,482	4,056,007
of which not available*	3,868,341	3,868,341
- Maintenance of Foundation-owned properties	3,939,609	3,696,992
TOTAL LAND AND BUILDINGS	62,404,478	62,963,205
TANGIBLE ASSETS SUBJECT TO DEPRECIATION		
- Plant and Machinery	869,058	665,290
- Equipment	132,062	116,805
- Other assets	1,581,891	1,054,509
TOTAL TANGIBLE ASSETS SUBJECT TO DEPRECIATION	2,583,011	1,836,604
TOTAL TANGIBLE ASSETS	64,987,489	64,799,809
FINANCIAL ASSETS		
- Equity investments	10,000	10,000
- Financial guarantees and restricted financial assets	6,147,437	6,147,437
of which guarantees	960,252	960,252
of which restricted**	5,187,185	5,187,185
- Loans to subsidiaries	858,225	293,025
TOTAL FINANCIAL ASSETS	7,015,662	6,450,462
TOTAL FIXED ASSETS	75,937,350	74,584,451
CURRENT ASSETS		
STOCKS	224,727	274,096
CURRENT RECEIVABLES		
- Trade receivables	1,405,621	1,443,476
- Receivables from public and private institutions	2,516,909	2,495,400
- Guarantee deposits	30,645	39,456
- Other receivables	1,009,273	707,011
TOTAL CURRENT RECEIVABLES	4,962,448	4,685,343
CASH AND CASH EQUIVALENTS		
- Securities	3,140,717	4,131,080
- Cash and banks	729,032	812,171
TOTAL CASH AND CASH EQUIVALENTS	3,869,749	4,943,251
TOTAL CURRENT ASSETS	9,056,924	9,902,690
PREPAYMENTS AND ACCRUED INCOME	346,971	408,828
TOTAL ASSETS	85,341,245	84,895,969

LIABILITIES	2017	2016
EQUITY		
- Endowment Fund	258,228	258,228
- Fund for Endowment activities	23,085,515	19,334,788
of which available	14,029,989	10,279,262
of which not available	9,055,526	9,055,526
- Capital increase fund - "200 del FAI"	17,430,019	16,858,619
- Surplus/(Deficit) carried forward	0	0
- Surplus transferred to Restricted funds	1,032,893	738,533
TOTAL EQUITY	41,806,655	37,190,168
PROVISIONS FOR CONTINGENCIES AND OTHER LIABILITIES		
- Provision for Specific Contributions	20,371,264	25,464,080
- Provision for Specific Contributions on Loaned assets and concessions	906,540	975,053
- Restricted Funds for specific assets	6,951,829	6,486,397
- Provision for Heritage (Institutional) Investments	4,689,863	4,766,660
- Provision for pending litigations	437,138	101,504
TOTAL PROVISIONS FOR CONTINGENCIES AND OTHER LIABILITIES	33,356,634	37,793,694
SEVERANCE INDEMNITY PROVISION FOR EMPLOYEES	593,033	653,112
LIABILITIES		
CURRENT LIABILITIES		
- Amounts due to banks	336,820	252
- Trade creditors	3,475,160	3,563,749
- Taxes payable	343,735	314,395
- Amounts due to social security institutions	539,400	511,292
- Other creditors	1,005,267	784,196
- Short term portion of long term loans	90,079	90,835
TOTAL CURRENT LIABILITIES	5,790,461	5,264,719
LONG-TERM LIABILITIES		
- Interest-free loans	416,680	489,030
- Loans and borrowings	44,766	61,738
- Amounts received in advance	0	0
TOTAL LONG-TERM LIABILITIES	461,446	550,768
TOTAL LIABILITIES	6,251,907	5,815,487
ACCRUED LIABILITIES AND DEFERRED INCOME	3,333,016	3,443,508
TOTAL EQUITY AND LIABILITIES	85,341,245	84,895,969

* Cadastral value of Building on Corso di Porta Vigentina, Milan

** Roi bequest - Assicurazioni Generali, Enrico bequest

STATEMENT OF OPERATING ACTIVITIES

As at 31.12.2017

OPERATING ACTIVITIES	2017	2016
OPERATING INCOME		
- Membership income	4,753,230	3,992,078
- Donations and charitable trading activities	10,557,574	9,819,652
- Specific support donations	1,233,640	1,205,700
- Admission fees	4,984,208	3,987,151
- Hiring of assets	2,356,233	2,108,202
- Rents received	1,283,261	979,944
- Capitalised internal labour	279,541	316,875
- Miscellaneous income	227,799	255,930
TOTAL OPERATING INCOME	25,675,486	22,665,532
OPERATING EXPENSES		
- Routine maintenance	(887,376)	(796,415)
- Contractual maintenance	(318,524)	(333,780)
- Energy and water	(606,332)	(571,833)
- Telephony	(206,661)	(210,061)
- Mailing and Shipping	(157,502)	(251,848)
- Marketing and Advertising	(2,600,800)	(2,129,517)
- Professional consultancy services	(1,566,434)	(1,604,683)
- Stationery and photocopies	(111,941)	(120,004)
- Small items of equipment and consumables	(225,589)	(248,579)
- Travel costs	(799,109)	(709,575)
- Other service charges	(3,087,169)	(2,686,571)
- Rentals and leasing	(406,032)	(351,762)
- Staff costs	(11,914,488)	(10,711,869)
- Depreciation and amortisation	(1,560,655)	(1,042,993)
- Other operating expenses	(770,860)	(630,717)
TOTAL OPERATING EXPENSES	(25,219,472)	(22,400,207)
OPERATING RESULT	456,014	265,325
STOCKS		
SALES OF STOCKS		
- Sales to third parties	826,416	761,506
- Stocks variance	(28,424)	(34,028)
- Change in stock obsolescence provision	(20,946)	4,686
TOTAL STOCKS SALES	777,046	732,164
STOCKS COSTS		
- Purchases from third parties	(442,336)	(450,738)
STOCKS RESULT	334,710	281,426
RESULT FROM OPERATING ACTIVITIES	790,724	546,751

FINANCIAL OPERATIONS	2017	2016
- Dividends on shares	237,053	166,235
- Interest on short term securities	78,587	75,263
- Other financial income	5,299	16,158
- Other financial charges	(48,190)	(35,012)
RESULT FROM FINANCIAL OPERATIONS	272,749	222,644
EXTRAORDINARY OPERATIONS	2017	2016
- Extraordinary income and gains	270,758	345,720
- Extraordinary expenses and losses	(60,794)	(105,358)
RESULT FROM EXTRAORDINARY OPERATIONS	209,964	240,362

BALANCE SHEET ADJUSTMENTS	2017	2016
PROPERTY CREDITS		
- Contributions for improvements to Foundation-owned properties	548,675	1,086,461
- Contributions for extraordinary maintenance	786,903	171,857
- Contributions for restoration to loaned assets and concessions	550,726	125,002
- Contributions for fixed asset acquisitions	0	0
- Contributions to work on third party assets	252,251	282,544
TOTAL PROPERTY CREDITS	2,138,555	1,665,864
PROPERTY EXPENDITURE		
- Improvements to Foundation-owned properties	(1,105,453)	(1,909,369)
- Extraordinary maintenance	(1,621,535)	(1,524,961)
- Restoration of loaned assets and concessions	(1,459,334)	(473,003)
- Acquisition of fixed assets with contributions in kind	0	0
- Work on third party assets	(252,251)	(282,544)
TOTAL PROPERTY EXPENDITURE	(4,438,573)	(4,189,877)
EXCESS OF EXPENDITURE OVER CONTRIBUTIONS	(2,300,018)	(2,524,013)
REVALUATIONS AND ADJUSTMENTS		
- Property Value Adjustments	556,778	822,908
- Capitalised extraordinary maintenance	834,632	1,353,104
- Capitalisation of improvements to third party assets	908,608	348,001
TOTAL POSITIVE REVALUATIONS	2,300,018	2,524,013
BALANCE SHEET ADJUSTMENTS		
- Release of the Provision for Specific Contributions	5,092,816	5,092,816
- Coverage of depreciation charges	572,212	517,592
- Depreciation of properties acquired before 2012	(5,092,816)	(5,092,816)
- Depreciation charges	(572,212)	(517,592)
TOTAL BALANCE SHEET ADJUSTMENTS	0	0
OTHER POSITIVE BALANCE SHEET ADJUSTMENTS		
- Capital increase fund - "200 del FAI"	571,400	534,425
- Bequests	367,550	229,841
- Gains on sales of assets	176,093	2,222,575
TOTAL OTHER POSITIVE BALANCE SHEET ADJUSTMENTS	1,115,043	2,986,841
NEGATIVE BALANCE SHEET ADJUSTMENTS		
- Provision for capital increase fund	(571,400)	(534,425)
- Provision for bequests and gains	(543,643)	(2,452,416)
TOTAL NEGATIVE BALANCE SHEET ADJUSTMENTS	(1,115,043)	(2,986,841)
TOTAL BALANCE SHEET ADJUSTMENTS	0	0
SURPLUS/(DEFICIT) BEFORE TAXES	1,273,437	1,009,757
TAXES FOR THE YEAR	(240,544)	(271,226)
SURPLUS/(DEFICIT) FOR THE YEAR	1,032,893	738,533
To be transferred to Restricted funds*	1,032,893	738,533

* In 2018, allocated to Abbazia di Cerrate, the Colle dell'Infinito site and for the completion of the works at Punta Mesco



Details of Mulino "Maurizio Gervasoni", Roncobello di Baresi (BG), a FAI property since 2005

ANNEX A

Comparison of works on properties owned by the Foundation and third party assets, and their specific contributions as at December 31, 2017

ASSETS	Date of acquisition	Total investments made as at 31/12/2011	Total contributions received as at 31/12/2011	Investments and maintenance since 01/01/2012	Contributions received since 01/01/2012	Total investments made as at 31/12/2017	Total contributions received as at 31/12/2017	Balance supported by FAI	Restricted funds (available for further works)	Accumulated depreciation and amounts released	Carrying value
LAND AND BUILDINGS OWNED BY THE FOUNDATION											
HERITAGE (INSTITUTIONAL) LAND AND BUILDINGS											
- Monastero di Torba, Torba, Gornate Olona, VA	18/01/77	1,352,732	964,962	375,735	115,750	1,728,467	1,080,712	647,755	0	673,348	939,369
- Land at Cala Junco, Isola di Panarea, ME	04/07/77	1,375	0	0	0	1,375	0	1,375	0	0	1,375
- Land, Isola di Capraia, LI	15/03/78	594	0	0	0	594	0	594	0	0	594
- Torre S.Michele di Punta Pagana, Rapallo, GE	02/10/81	155,750	131,936	39,393	0	195,143	131,936	63,207	0	99,819	95,324
- Land, S.Giovanni a Piro, SA	06/02/84	1,168	0	0	0	1,168	0	1,168	0	0	1,168
- Castello della Manta, Manta, CN	12/11/85	4,705,874	3,003,423	781,650	664,611	5,487,524	3,668,034	1,819,489	341,676	1,838,397	2,984,515
- Land, Brignola, Camogli, GE	28/02/86	13,336	0	6,151	0	19,487	0	19,487	0	0	19,487
- Baia di Ieranto, Massa Lubrense, NA	13/03/87	866,873	650,075	224,475	0	1,091,348	650,075	441,273	0	436,203	655,145
- Casa Carbone, Lavagna, GE	02/06/87	1,046,315	242,394	34,547	4,000	1,080,862	246,394	834,468	0	158,379	918,483
- Castello di Avio, Sabbionara d'Avio, TN	27/01/88	2,336,064	1,500,805	453,036	259,889	2,789,100	1,760,694	1,028,406	58,600	949,177	1,580,034
- Castello e Parco di Masino, Caravino, TO	27/09/88	15,499,219	12,421,103	1,151,371	239,652	16,650,590	12,660,755	3,989,835	102,310	7,678,980	8,731,958
- Villa del Balbianello, Tremezzina, CO	31/10/88	3,021,665	2,668,622	1,642,341	975,795	4,664,006	3,644,417	1,019,589	0	1,763,506	1,924,705
- Torre di Velate, Velate, VA	14/06/89	173,865	172,031	0	0	173,865	172,031	1,834	0	103,219	70,646
- Land, Salvucci, Camogli, GE	10/07/89	1,230	427	0	0	1,230	427	803	0	256	974
- Villa Della Porta Bozzolo, Casalzuigno, VA	12/09/89	7,099,678	3,799,412	617,003	206,411	7,716,681	4,005,823	3,710,858	0	2,419,355	5,090,915
- Abbazia di San Fruttuoso, Camogli, GE	15/11/89	4,826,666	3,561,526	1,408,814	634,228	6,235,480	4,195,754	2,039,726	608,218	2,307,342	3,293,910
- Castel Grumello, Montagna in Valtellina, SO	05/10/90	710,265	701,023	57,517	0	767,782	701,023	66,759	0	447,115	320,667
- Antica barberia Giacalone, Genova	07/02/92	57,136	52,429	11,154	0	68,290	52,429	15,861	0	35,940	32,350
- Antica edicola dei giornali, Mantova	28/02/92	10,869	9,976	0	0	10,869	9,976	893	0	5,985	4,884
- Maso Fratton Valaia, Spormaggiore, TN	06/05/93	27,411	25,823	0	0	27,411	25,823	1,588	0	15,494	11,917
- Villa e Collezione Panza, Varese	05/12/99	7,918,498	4,870,331	676,181	150,925	8,594,679	5,021,256	3,573,423	7,500	3,049,347	5,394,407
- Teatrino di Vetriano, Vetriano di Pescaglia, LU	06/03/00	462,460	384,523	25,606	0	488,066	384,523	103,543	0	239,315	248,751
- Villa San Francesco, Varese (naked possession)	18/04/01	5,142	0	0	0	5,142	0	5,142	0	0	5,142
- Land, Isola di Ponza, LT	14/05/01	1	0	0	0	1	0	1	0	0	1
- Land, Isola di Levanzo, TP	13/07/01	1	0	0	0	1	0	1	0	0	1
- Villa San Luca, Ospedaletti, IM (naked possession)	02/08/01	32,547	0	9,525	0	42,072	0	42,072	0	5,506	36,566
- Villa Necchi Campiglio, Milano	28/12/01	8,995,786	6,910,048	2,752,933	1,321,500	11,748,719	8,231,548	3,517,171	0	4,333,908	6,093,311
- Land, Casana, Camogli, GE	05/04/04	2,262	0	34,422	0	36,684	0	36,684	0	14,266	22,418
- Casa Noha, Matera	23/06/04	23,347	12,000	616,329	312,000	639,676	324,000	315,676	0	18,330	309,346
- Villa dei Vescovi, Luvigliano di Torreglia, PD	28/01/05	8,342,175	5,432,154	585,546	82,648	8,927,721	5,514,802	3,412,919	0	3,402,262	5,442,811
- Mulino 'Maurizio Gervasoni', Baresi di Roncobello, BG	14/07/05	220,033	188,000	43,266	0	263,299	188,000	75,299	0	133,733	129,566
- Torre e Casa Campatelli, San Gimignano, SI	14/07/05	180,128	85,728	1,904,758	1,177,529	2,084,886	1,263,257	821,629	0	57,234	850,123
- Bosco di San Francesco, Assisi, PG	31/07/08	4,170,519	3,139,409	365,371	0	4,535,890	3,139,409	1,396,481	0	1,931,637	2,604,253
- Podere Case Lovara a Punta Mesco, Levanto, SP	26/03/09	48,984	0	2,361,045	1,859,492	2,410,029	1,859,492	550,537	0	467	550,070
- Villa Fogazzaro Roi, Oria Valsolda, CO	04/02/10	1	0	176,471	0	176,472	0	176,472	0	19,676	156,796
- Rescue Tower, known as Barbarossa, Ossuccio, CO	02/09/10	70,070	0	33,743	20,000	103,813	20,000	83,813	0	3,368	80,445
- Alpe Pedroria e Alpe Madrera, Talamona, SO	29/04/11	98,970	0	282,957	85,145	381,927	85,145	296,782	61,300	25,932	270,850
- La Velarca, Ossuccio, CO	18/07/11	1	0	109,842	45,750	109,843	45,750	64,093	204,250	313	63,780
- Area agricola sull'ansa dell'Adige, Verona	19/11/12	0	0	40,000	0	40,000	0	40,000	0	0	40,000
- Area agricola, Cetona, SI	14/02/13	0	0	32,130	20,000	32,130	20,000	12,130	0	0	12,130
- Casa Crespi, Milano	30/12/13	0	0	87,003	0	87,003	0	87,003	0	16,681	70,322
- Fontana Secca e Col de Spadaròt, BL	14/04/15	0	0	81,115	0	81,115	0	81,115	0	0	81,115
- Land, Capurro, Camogli, GE	29/09/16	0	0	1	0	1	0	1	0	0	1
- Land, Falconi, Camogli, GE	11/03/15	0	0	2	0	2	0	2	0	0	2
- Casino Mollo, CS	28/05/16	0	0	21,123	0	21,123	0	21,123	0	0	21,123
- Casa Macchi, Morazzone, VA	16/04/15	0	0	167,360	131,815	167,360	131,815	35,545	2,268,760	0	35,545
- Casa Bortoli, Venezia	24/01/17	0	0	2,446	0	2,446	0	2,446	0	0	2,446
TOTAL HERITAGE (INSTITUTIONAL) LAND AND BUILDINGS		72,479,010	50,928,160	17,212,362	8,307,140	89,691,372	59,235,300	30,456,071	3,652,614	32,184,490	49,199,741

ANNEX A

Comparison of works on properties owned by the Foundation and third party assets, and their specific contributions as at December 31, 2017

ASSETS	Date of acquisition	Total investments made as at 31/12/2011	Total contributions received as at 31/12/2011	Investments and maintenance since 01/01/2012	Contributions received since 01/01/2012	Total investments made as at 31/12/2017	Total contributions received as at 31/12/2017	Balance supported by FAI	Restricted funds (available for further works)	Accumulated depreciation and amounts released	Carrying value
- Flat, Corso Montevideo 33, Chiavari, GE	02/06/87	148,495	0	0	0	148,495	0	148,495	0	0	148,495
- 6 Flats and 8 garages, Casa Cicognani, Sanremo, IM	15/10/97	587,738	0	180,401	0	768,139	0	768,139	0	91,503	676,636
- Flat, Pirovano, Como	09/04/01	474,782	0	335,486	0	810,268	0	810,268	0	18,143	792,125
- Flat, Montecarlo (naked possession)	17/04/03	253,627	0	0	0	253,627	0	253,627	0	0	253,627
- 5 Flats and 2 garages, Palazzo Galli, Cremona	06/08/03	265,388	0	60,089	0	325,477	0	325,477	0	28,119	297,358
- Flat, Paris (naked possession)	24/10/03	763,595	0	0	0	763,595	0	763,595	0	0	763,595
- Blacksmith's premises, Bassano del Grappa, VI	20/05/05	723,018	0	418,706	0	1,141,724	0	1,141,724	0	71,745	1,069,979
- 2 Rural buildings, Borgosesia, VC	15/09/05	68,372	0	0	0	68,372	0	68,372	0	0	68,372
- Shop, Vasto, CH	24/06/06	32,448	0	0	0	32,448	0	32,448	0	0	32,448
- Flat, Cà Mocenigo, Venezia (naked possession)	03/08/07	77,026	0	54,017	0	131,043	0	131,043	0	30,502	100,541
- Timesharing, Corvara, BZ	23/12/08	937	0	0	0	937	0	937	0	0	937
- Land, Deiva Marina, GE	26/03/09	2,958	0	732	0	3,690	0	3,690	0	146	3,544
- Villa Flecchia, Magnano, BI	19/12/11	300,485	0	107,346	0	407,831	0	407,831	0	9,835	397,996
- Casa Noha, Matera	11/07/14	0	0	200,000	0	200,000	0	200,000	0	0	200,000
- Flats, P.ta Vigentina 31, Milano	13/12/14	0	0	4,452,584	0	4,452,584	0	4,452,584	0	101,873	4,350,711
- Land, Morazzone, VA	16/04/15	0	0	17,524	0	17,524	0	17,524	0	0	17,524
- Palazzo Boncinelli (8 flats), Sanremo	16/12/16	0	0	1,608,963	0	1,608,963	0	1,608,963	0	828	1,608,135
- Flat, Montecatini, PT	29/10/16	0	0	27,656	0	27,656	0	27,656	0	0	27,656
- Flat, Portisco, CA	20/02/13	0	0	53,686	0	53,686	0	53,686	0	0	53,686
- 2 shops, Murta Maria, CA	20/02/13	0	0	191,388	0	191,388	0	191,388	0	0	191,388
- 2 offices, Via Boccaccio, Milano	16/05/17	0	0	970,715	0	970,715	0	970,715	0	242	970,473
- Flat, Via Boldetti, Roma	29/03/17	0	0	236,867	0	236,867	0	236,867	0	0	236,867
- Shop, Venezia	24/01/17	0	0	418,030	0	418,030	0	418,030	0	0	418,030
- Villa and land, Via Matteotti, Carisio, BI	27/04/17	0	0	99,600	0	99,600	0	99,600	0	0	99,600
- Flat, Corso Martiri della Libertà', Portogruaro, VE	18/05/17	0	0	134,688	0	134,688	0	134,688	0	0	134,688
- Flat, Viale San Francesco, Bardonecchia, TO	20/07/17	0	0	104,378	0	104,378	0	104,378	0	0	104,378
- Office, Corso Giuseppe Verdi, Gorizia	20/11/17	0	0	185,948	0	185,948	0	185,948	0	0	185,948
TOTAL RENTED NON HERITAGE (NON-INSTITUTIONAL) LAND AND BUILDINGS		3,698,869	0	9,858,804	0	13,557,673	0	13,557,673	0	352,936	13,204,737
TOTAL LAND AND BUILDINGS OWNED BY THE FOUNDATION		76,177,879	50,928,160	27,071,166	8,307,140	103,249,045	59,235,300	44,013,744	3,652,614	32,537,426	62,404,478
LOANED ASSETS AND CONCESSIONS											
- Chiesa di Santa Maria al Castello, Manta, CN	15/03/85	796,201	721,013	10,615	0	806,816	721,013	85,803	27,200	402,957	403,859
- Rural building at Castel Grumello, Montagna, SO	27/12/93	61,913	59,273	0	0	61,913	59,273	2,640	0	61,913	0
- Giardino della Kolymbethra, Valle dei Templi, Agrigento	11/10/99	504,275	465,029	66,584	15,904	570,859	480,933	89,926	51,130	370,472	184,483
- Parco Villa Gregoriana, Tivoli, Rome	21/11/02	5,073,830	4,766,271	532,976	247,620	5,606,806	5,013,891	592,915	232,283	5,145,109	214,077
- Batteria Militare Talmone, Punta Don Diego, Palau, OT	19/12/02	717,183	716,120	290,973	0	1,008,156	716,120	292,036	73,000	380,905	627,251
- Negozio Olivetti, Venice	20/11/11	21,052	0	22,568	0	43,620	0	43,620	0	40,892	2,728
- Abbazia di Santa Maria di Cerrate, Lecce	21/03/12	0	0	2,058,933	390,258	2,058,933	390,258	1,668,675	72,667	166,027	1,502,648
- Lazzaretto, Verona	14/04/14	0	0	357,902	296,100	357,902	296,100	61,802	0	9,129	52,673
- Palazzina Appiani, Milan	13/01/15	0	0	22,995	0	22,995	0	22,995	45,000	6,130	16,865
- Albergo Diurno Venezia, Milan	12/05/15	0	0	85,354	0	85,354	0	85,354	0	63,646	21,708
- Saline Conti Vecchi, Z.I, Macchiareddu, Assemini, CA	28/04/17	0	0	429,055	110,410	429,055	110,410	318,645	0	79,661	238,984
- Works on Luoghi del Cuore assets		924,046	924,046	799,593	799,593	1,723,639	1,723,639	0	1,549,331	924,046	0
- Works on La Cavallerizza		0	0	451,990	0	451,990	0	451,990	0	294,218	157,772
- Works on Rome building		0	0	53,101	0	53,101	0	53,101	0	43,724	9,377
- Works on third party assets		362,433	362,433	437,970	437,970	800,403	800,403	0	435,650	0	0
- Fontana delle 99 Cannelle, L'Aquila		583,535	583,535	0	0	583,535	583,535	0	0	583,535	0
- Town Hall, Finale Emilia		0	0	116,536	116,536	116,536	116,536	0	452,027	0	0
- Oratorio Madonna del Sole, Arquata del Tronto		0	0	34,243	34,243	34,243	34,243	0	360,927	0	0
TOTAL LOANED ASSETS AND CONCESSIONS		9,044,468	8,597,720	5,771,388	2,448,634	14,815,856	11,046,354	3,769,502	3,299,215	8,572,364	3,432,425
TOTAL LAND AND BUILDINGS		85,222,347	59,525,880	32,842,554	10,755,774	118,064,901	70,281,654	47,783,246	6,951,829	41,109,790	65,836,903

ANNEX B (000)
Cash Flow statement for the year ended 31.12.2017

CASH FLOW	2017	2016
- Surplus from Operating Activities	790	547
- Movement in working capital	714	2,079
- Capital increase fund - "200 del FAI"	571	534
- Taxes	(241)	(271)
- Movement in severance indemnity provision for employees	(60)	(9)
NET CASH INFLOW FROM OPERATING ACTIVITIES	1,775	2,880
CASH INFLOW (OUTFLOW) FROM INVESTMENT ACTIVITIES		
HERITAGE (INSTITUTIONAL) ASSETS		
- Purchases of heritage (institutional) assets	(557)	(823)
- Extraordinary maintenance of heritage (institutional) assets	(835)	(1,353)
- Depreciation	592	509
NON HERITAGE (NON INSTITUTIONAL) ASSETS		
- Purchases of non heritage (non institutional) assets	16	(44)
- Gifts of non heritage (non institutional) assets	0	
INTANGIBLE ASSETS		
- Additions	(275)	(336)
- Amortization	237	206
LOANED ASSETS AND CONCESSIONS		
- Additions	(909)	(348)
- Depreciation	347	253
- Amortization of contributions for loaned assets and concessions	69	(69)
CAPITAL EQUIPMENT		
- Additions	(1,339)	(713)
- Disposals	0	0
- Depreciation	545	368
- Depreciation covered by Institutional Funds	48	52
FINANCIAL ASSETS	(565)	(293)
NET CASH (OUTFLOW) FROM INVESTMENT ACTIVITIES	(2,764)	(2,590)
CASH INFLOW (OUTFLOW) FROM FINANCIAL OPERATIONS		
- Financial income	273	223
- Repayments of long-term liabilities	89	(91)
NET CASH INFLOW FROM FINANCIAL OPERATIONS	183	132
CASH INFLOW (OUTFLOW) FROM NON-RECURRING OPERATIONS		
- Allocation of previous year's surplus to restricted funds	(739)	(554)
- Use of restricted funds	(77)	1,887
- Other extraordinary expenses	210	240
NET CASH INFLOW (OUTFLOW) FROM NON-RECURRING OPERATIONS	605	1,573
TOTAL FUNDS GENERATED (ABSORBED)	(1,410)	1,994
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	4,943	2,949
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	3,533	4,943
NET CASH INFLOW (OUTFLOW)	(1,410)	1,994



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INDEPENDENT AUDITOR'S REPORT
(Translation from the original issued in Italian)

To the Board of Directors of
FONDO PER L'AMBIENTE ITALIANO - FAI

Opinion

We have audited the financial statements of Fondo per l'Ambiente Italiano - FAI, which comprise the balance sheet as at December 31, 2017, the statement of income and statement of cash flows for the year then ended and the explanatory notes.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fondo per l'Ambiente Italiano - FAI as at December 31, 2017, and of its financial performance and its cash flows for the year then ended in accordance with the criteria disclosed in the notes to the financial statements.

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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Fondo per l'Ambiente Italiano - FAI in accordance with the ethical requirements applicable under Italian law to the audit of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matter

The present report is not a statutory report issued in accordance with Civil Code requests since Fondo per l'Ambiente Italiano - FAI is not required to be audited.

Responsibilities of the Directors 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 criteria disclosed in the notes to the financial statements, and, for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Fondo per l'Ambiente Italiano - FAI's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they have identified the existence of the conditions for the liquidation of the Fondo per l'Ambiente Italiano - FAI or the termination of the business or have no realistic alternatives to such choices.

Amministratore Delegato: Giorgio Napolitano
Sede Legale: Via Tortona, 25 - 20144 Milano | Capitale Sociale: Euro 10.000.000,00 i.v.
Codice Fiscale: 09849500100 - Registro Imprese di Milano: 09849500100 - A.E.A. n. 08-1730300 | Partita IVA: IT0349500100
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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 error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing (ISA Italia) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with International Standards on Auditing (ISA Italia), we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fondo per l'Ambiente Italiano – FAI's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of management's 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 Fondo per l'Ambiente Italiano – FAI'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 modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fondo per l'Ambiente Italiano – FAI to cease to continue as a going concern.

We communicate 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 significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

DELOITTE & TOUCHE S.p.A.

Signed by
Riccardo Motta
Partner

Milan, Italy
May 7, 2018

This report has been translated into the English language solely for the convenience of international readers.

NOTES TO THE FINANCIAL STATEMENTS

These financial statements have been prepared in accordance with the provisions of current statutory requirements (specifically Article 2426 of the Italian Civil Code). The accounting principles adopted have been adjusted to consider the modifications, integrations and additional requirements introduced by the Legislative decree 139/2015 which enacted in Italy, the provisions of the European directive 34/2013 as far as they relate to not for profit Foundations. Accordingly, the Italian accounting principles were revised on December 22, 2016 and with subsequent updates, by the O.I.C. (the Italian accounting profession).

ACCOUNTING POLICIES

The most significant accounting policies applied in the preparation of the financial statements as at and for the year ended on December 31, 2017, in compliance with Article 2426 of the Italian Civil Code, were the following:

FIXED ASSETS

INTANGIBLE FIXED ASSETS

■ Costs with multiannual benefits

These are stated at historic cost, including related additional charges, less accumulated depreciation, normally applied over their estimated useful lives of 5 (five) years, with certain exceptions, such as the periodic upgrade of the website and the updates to the database of the Foundation's members and of other software, which have an estimated useful life of 3 (three) years. These exceptions have been agreed with the Statutory Auditors.

In those cases where an asset has a permanent reduction in value, independently from the depreciation already accounted for, the asset is devalued. If, in future years, the need for the devaluation no longer exists, the original values are reinstated to the extent that amounts cannot exceed amounts that would have arisen, if the devaluation had never taken place. Assets which are sold or destroyed are eliminated from the balance sheet and the corresponding gain or loss is taken to the Statement of Operating Activities.

■ Loaned assets and concessions

The costs for renovations and restorations of loaned assets and concessions are depreciated over the

term of the relevant contracts. Where financial contributions had been received before December 31, 2011, in relation to specific properties, these contributions were accounted for in a designated fund, entitled "Fund for Specific Contributions on loaned assets and concessions". In these cases, the annual amounts of depreciation are not recognised in the Statement of Operating Activities but are charged directly to the designated fund.

TANGIBLE FIXED ASSETS

■ Heritage (Institutional) Land, Buildings and Furnishings

Land, buildings and furnishings which have been donated are assets with unique characteristics, as it is not possible to determine their market value. Consequently, when the donation is accepted, they are recorded in the financial statements with a symbolic value of € 1, with a corresponding accounting entry in the Fund for Endowment Activities.

Since 2012, as agreed with the Statutory Auditors, a clear distinction has been made between restoration and improvements.

Restoration works are all the works necessary to open the property to the public and all the "first time" works on properties already open to the public. In these cases, the costs of the restoration are included in the value of the property, and, therefore, they are not depreciated.

Improvement works and extraordinary maintenance are those works which are carried out on a cyclical basis, conservation works and works on non-heritage (non-institutional) buildings. These costs are accounted for as an increase of the asset value if incurred before December 31, 2011, whereas they are recognised as maintenance costs on Foundation-owned properties if incurred after January 1, 2012. These amounts are depreciated in equal annual instalments of 10% per year.

■ Non-Heritage (non-Institutional) Land and Buildings

These include non-heritage (non-institutional) land and buildings received by way of donation, which are recorded at their cadastral value, together with any expenditure incurred for improvements. Their value is, in any event, prudently recorded below their appraisal value. Since these are civil land and buildings, they are not subject to depreciation.

■ Maintenance works of Foundation-owned properties

These include the expenses relating to maintenance and extraordinary repairs on land and buildings, both heritage (institutional) and non-heritage (non-institutional), less the value of specific contributions released from Restricted Funds or funds received in the year. Depreciation is calculated, in equal instalments, over an estimated useful life of 10 years, unless otherwise agreed with the Statutory Auditors, for special cases.

FINANCIAL ASSETS

■ Equity investments

These include the investments in affiliated and subsidiary companies at their set up cost, less any provisions for permanent reductions in value.

■ Financial guarantees and restricted financial assets

All listed investments are stated at their market value on the date of the donation, whereas non-listed investments are stated at their nominal value. Where, at year end, any permanent reduction in value is noted, the investment's value is restated to this lower value. Should, in the following years, the reasons for the devaluation no longer apply, the investment value is restated to its initial value.

■ Loans to subsidiary companies

This includes loans made to affiliated and subsidiary companies.

CURRENT ASSETS

STOCKS

Stocks are valued at the lower of their purchase cost and their market value. The cost is calculated using the most recent purchase cost. The cost is adjusted by an obsolescence provision which reflects impairment losses on slow-moving stock items.

DEBTORS

Debtors are stated at their estimated realizable value, taking also into consideration when the amounts will be paid, except for those debtors where the application of Article 2423 of the Italian Civil Code means that the time value is not relevant and for those debtors due in less than 12 months. The nominal value of

the debtors is adjusted to their estimated realizable value through a provision for losses on debtors. Any movement in the provision for losses on debtors is recognised in the Statement of Operating Activities.

CASH AND CASH EQUIVALENTS

This includes bank and postal deposits, cash at bank and in hand at the end of the year and securities, which are stated at their nominal value.

ACCRUED INCOME, DEFERRED INCOME AND PREPAYMENTS

Accrued income, deferred income and prepaid expenses are recorded and measured on an accruals basis and agreed with the Statutory Auditors.

EQUITY

ENDOWMENT FUND

This represents the initial equity provided by the founders and designated by the Board of Directors to achieve the mission of the Foundation.

The equity also provides assurance to third parties who enter into relationships with the Foundation. Accordingly, the equity is restricted to be utilised only in accordance with the Foundation's authorised purposes and cannot be made available without the prior authorization of the Board of Directors.

FUND FOR ENDOWMENT ACTIVITIES

This represents the funds that can be used to cover any deficits in any year without drawing upon the Endowment Fund. This fund is increased by the surplus of each financial year and through donations of heritage and non-heritage assets and is decreased by the deficit for any financial year and through the sale of non-heritage assets.

CAPITAL INCREASE FUND - "200 DEL FAI"

This fund includes contributions made by "I 200 del FAI", for the increase in capital of the Foundation's Endowment Fund and relates to investments made to assist the Foundation in achieving its mission and objectives.

PROVISIONS FOR CONTINGENCIES AND OTHER LIABILITIES

Provisions for contingencies and other liabilities are set aside to cover losses or liabilities that are either certain or probable, but in relation to which the

amount or date is uncertain as at the balance sheet date. The provisions reflect the best estimate based on the available information. They are as follows:

■ Fund for specific contributions

This fund represents the total contributions to support restoration and investments, which were received before December 31, 2011. As agreed with the Statutory Auditors, from 2012 onwards, to introduce a consistent accounting treatment for all assets recorded before and after 2012, the balance of the fund will be offset in equal annual instalments, against the depreciation of the improvement works and the extraordinary maintenance executed before December 31, 2011, over their estimated useful life of 10 years.

■ Fund for specific contributions for loaned assets and concessions

This fund represents the total of specific contributions received before December 31, 2011 for loaned assets and concessions. The balance decreases in equal annual instalments over the duration of the loan or of the concession.

■ Restricted funds

Restricted funds include contributions received or to be received in respect of works not yet undertaken by the Foundation, which are then released to the Property section of the Statement of Operating Activities, as the work is carried out.

■ Fund for heritage (institutional) investments

This fund was created in 2012 and is increased by contributions and donations from gifts and legacies above € 200,000, received both in cash and properties and from gains realised from disposals of non-heritage (non-institutional) assets, acquired by contributions and legacies above €200,000. The fund decreases annually through releases made to the Statement of Operating Activities to cover the depreciation generated by extraordinary maintenance or by extraordinary events as resolved by the Board of Directors. Commencing from 2015, this fund will not be used to cover extraordinary maintenance on income-earning assets.

■ Fund for pending litigation

This fund covers losses or liabilities which are certain or probable but for which either the amount or the date of the loss could not be determined at

the balance sheet date. The provisions are the best estimates made based on the information currently available. Losses for which it is only possible that they might materialise are explained in the notes on the fund, but no specific accrual is made. Remote risks are not considered.

SEVERANCE INDEMNITY FUND FOR EMPLOYEES

The severance indemnity fund relates to amounts due to employees at the end of the year, pursuant to the relevant statute, employment contracts and any Foundation agreements. This liability is subject to indexed revaluation. It should be noted that, after the introduction of Law 296 of December 27, 2006, and of the later regulatory and implementation decrees, which have together reformulated the current system of severance indemnity, employees were asked to decide as to where to allocate the severance amount accruing on or after January 1, 2007. Consequently, the severance amount accrued up to December 31, 2006 has been set aside within the Foundation, and amounts accruing thereafter were paid periodically to INPS (State pension fund), or to complementary pension funds.

Therefore, the fund corresponds to the total amounts due to each employee at the balance sheet date, net of:

- Payments in the year, following termination of employment relationships;
- Advance payments made;
- The INPS Guarantee Fund (0.50% of taxable monthly pay), a statutory requirement borne by employees' severance amounts; and
- Such amounts that have been paid to INPS or to complementary pension funds.

This fund consequently represents the amounts that would have been payable to employees if their employment relationships had ended on that date.

LIABILITIES

These are recorded at their estimated value, considering also the date when they will be paid. The time value concept is not applied where its effects would not be significant or for short term liabilities (those falling due within 12 months). Accrued holiday pay, deferred compensation and the related social charges thereon are accrued based on the amounts that would be paid if the employees left the Foundation at the balance sheet date.

COMMITMENTS, GUARANTEES AND LIABILITIES NOT INCLUDED IN THE BALANCE SHEET

Commitments are recorded at their contractual value, while guarantees are shown based on the risk outstanding as at the balance sheet date.

INCOME AND EXPENSES

These are recognised and accounted for on an accruals basis, except for the donations received under the "5 x 1000" (0.5% of IRPEF, i.e. personal income tax) donation scheme, which are recognised on a cash basis in the year in which they are paid to the Foundation.

As from the 2010 financial statements, for better clarity, it was considered appropriate to present, in the Statement of Operating Activities, the income and expenses grouped under the following different operating areas:

- Operating activities, which presents the financial result of the core activities of the Foundation;
- Financial operations, where income and charges arising from the management of securities and bank deposits are recognised;
- Extraordinary operations;
- Property operations, which include:

ORDINARY PROPERTY-RELATED EXPENSES

This section includes expenses relating to:

- Property restorations;
- Property improvement works;
- Restorations of properties not owned by the Foundation;
- Tangible and intangible assets funded by specific contributions;
- Depreciation instalments covered by releases from the Fund for Heritage (Institutional) Investments.

ORDINARY PROPERTY-RELATED CREDITS

This section includes credits generated by:

- Releasing Restricted funds designated to support property restorations;
- Releasing Restricted funds designated to support improvement works on properties;
- Releasing Restricted funds designated to support restorations of properties not owned by the Foundation;
- Contributions designated to fund the purchasing of tangible assets
- Releasing the Fund for Heritage (Institutional) In-

vestments, to cover depreciation instalments.

PROPERTY CREDITS

This represents the credits, whose double entry can be found in Fixed assets, by setting off the result of Property management, through netting the single expense items with the corresponding credit items.

OTHER PROPERTY INCOME

These are amounts received, both recurring and extraordinary, which, for reasons of transparency, the Board of Directors has decided to record in the Statement of Operating Activities. They refer to:

- Capital increase contributions;
- Extraordinary contributions in cash or in kind over € 200,000. Contributions below this threshold are reported as Operating Income in the Operating Activities section.

OTHER PROPERTY EXPENSES

These represent the expenses, whose double entry can be found in Liabilities, by setting off the result of other Property management, allocating the amounts to their original location: the capital increase amounts to the capital increase Fund and the Extraordinary contributions to the Fund for Heritage (Institutional) Investments.

TAXES

Taxes are provided based on a forecast of the tax charge for the year, with reference to the current legislation and any applicable exemptions.

COMMENTARY ON THE IMPORTANT ITEMS OF THE FINANCIAL STATEMENTS

The financial statements as at and for the year ended on December 31, 2017 showed a surplus for the year of € 1,032,893 after depreciation, amortisation and provisions for the year.

BALANCE SHEET - ASSETS

FIXED ASSETS

INTANGIBLE ASSETS

■ Costs with multiannual benefits

The balance, net of depreciation, is as follows:

FAI branding	117,089
Software	286,035
Software licences	48,136
Total	451,260

The balance increased in 2017 by € 73,131, for the following investments:

FAI branding	85,701
Software	217,654
Software licences	6,775
Total	310,130

And decreased by the depreciation for the year of € 236,999.

Software mainly includes the costs incurred for the development of the WEB platform.

■ Loaned assets and concessions

The balance, net of depreciation, amounts to € 3,432,425, and is represented by the movements in the following assets:

CHIESA DI MANTA – expires on Dec. 30, 2033	
Gross value of the investment as at Dec. 31, 2017	806,816
Accumulated depreciation	(402,957)
Balance (net amount) as at Dec. 31, 2017	403,859

PARCO VILLA GREGORIANA – expires on April 30, 2029	
Gross value of the investment as at Dec. 31, 2017	5,064,315
Eliminations for completed depreciation	(4,756,755)
Accumulated depreciation	(93,482)
Balance (net amount) as at December 31, 2017	214,078

GIARDINO DELLA KOLYMBETHRA – expires on October 11, 2024	
Gross value of the investment as at Dec. 31, 2017	509,415
Accumulated depreciation	(324,931)

Balance (net amount) as at Dec. 31, 2017 184,484

BATTERIA MILITARE TALMONE – expires on June 30, 2027	
Gross value of the investment as at Dec. 31, 2017	1,008,155
Eliminations for completed depreciation	(52,454)
Accumulated depreciation	(328,451)
Balance (net amount) as at December 31, 2017	627,250

NEGOZIO OLIVETTI – expires annually (automatic renewal)	
Gross value of the investment as at Dec. 31, 2017	43,619
Eliminations for completed depreciation	(35,260)
Accumulated depreciation	(5,632)
Balance (net amount) as at December 31, 2017	2,727

LA CAVALLERIZZA – expires on December 31, 2020	
Gross value of the investment as at Dec. 31, 2017	451,990
Accumulated depreciation	(294,218)
Balance (net amount) as at December 31, 2017	157,772

RENEWAL OF PIAZZA ENCICLOPEDIA – expires on Dec. 31, 2019	
Gross value of the investment as at Dec. 31, 2017	53,101
Accumulated depreciation	(43,724)
Balance (net amount) as at Dec. 31, 2017	9,377

ABBAZIA DI S. MARIA DI CERRATE – expires on March 21, 2042	
Gross value of the investment as at Dec. 31, 2017	1,668,675
Accumulated depreciation	(166,027)
Balance (net amount) as at Dec. 31, 2017	1,502,648

LAZZARETTO DI VERONA – expires on July 13, 2032	
Gross value of the investment as at December 31, 2017	61,801
Accumulated depreciation	(9,128)
Balance (net amount) as at December 31, 2017	52,673

PALAZZINA APPIANI – expires on July 13, 2025	
Gross value of the investment as at December 31, 2017	22,994
Accumulated depreciation	(6,129)
Balance (net amount) as at December 31, 2017	16,865

ALBERGO DIURNO DI VENEZIA – expired on December 31, 2016 (to be renewed)	
Gross value of the investment as at December 31, 2017	85,353
Eliminations for completed depreciation	(41,937)
Accumulated depreciation	(21,708)
Balance (net amount) as at December 31, 2017	21,708

SALINE CONTI VECCHI – expires on December 31, 2020	
Gross value of the investment as at December 31, 2017	318,645
Accumulated depreciation	(79,661)
Balance (net amount) as at December 31, 2017	238,984

The balance increased in 2017 by € 561,454 because of the following investments:

Batteria MilitareTalmone	18,108
Giardino della Kolymbethra	13,346
Saline Conti Vecchi	318,645
Negozio Olivetti	5,455
Abbazia di Santa Maria di Cerrate	476,087
La Cavallerizza	15,512
Albergo Diurno Venezia	43,417
Palazzina Appiani	4,171
Lazzaretto di Verona	13,867
Total	908,608

The balance decreased by € 346,954, being the depreciation for the year, of which:

-€ 230,213 was charged to the Statement of Operating Activities

-€ 68,513 was covered using the Fund for specific contributions

-€ 48,228 related to the depreciation of the works carried out on La Cavallerizza and was covered using the Fund for Heritage (institutional) investments

■ Intangible assets in progress

The balance is € 50,514. The amount increased by € 176,229 in 2017, relating to the development of a new CRM software, which is not yet completed and reduced by € 210,995 because of the appropriate release of the contribution from Fil Foundation. Depreciation will commence once the software is completed.

TANGIBLE ASSETS

■ Heritage (Institutional) land and buildings

The value of land and buildings amounted to € 46,031,046 at the balance sheet date, € 5,310,819 down on the previous year. The difference is due to a compensation between increases in the year for:

- Heritage (Institutional) donations amounting to € 1, relating to the Casa Bortoli donation inside Palazzo Contarin Fasan in Venice,
- Restoration works and capitalised expenses at the following properties:

Monastero di Torba	129
Abbazia di San Fruttuoso	10,150
Baia di Ieranto	29,963
Villa del Balbianello	28,023
Castello di Masino	15,977
Villa Panza	19,843

Villa Necchi Campiglio	75,173
Casa Crespi	7,557
Casa Pirovano	300,000
Alpe Pedroria	7,642
Fontana Secca e Col de Spadaròt	29,462
Casa Macchi	9,292
Casino Mollo	21,122
Palazzo Contarin Fasan	2,445
Total	556,778

Decreases in the year were € 5,092,816 and related to the annual depreciation (over 10 years) of buildings and furnishings held before 2012. Casa Pirovano was also reclassified to Non-heritage (non-Institutional) land and buildings in the amount of € 774,782.

■ Non-heritage (non-Institutional) land and buildings

This amount includes all non-heritage (non-Institutional) land and buildings, received by way of donation, which are recognised in the financial statements at their cadastral value or at an estimated value. The valuation of these assets was prudently maintained lower than the value established by independent technical experts. The balance was € 12,433,823 with a net increase of € 4,509,475 with respect to 2016, due to increases relating to the donations of the following land and buildings:

Sanremo - Boncinelli donation	1,600,682
Montecatini Terme - Lascialfare	27,656
Portisco - Lopez donation	53,686
Murta Maria - Lopez donation	191,388
Rome - Ibba donation	236,867
Venice shop - Bortoli donation	418,030
Carisio - Franchino donation	99,600
Portogruaro - Calabresi donation	134,688
Milan Via Boccaccio - Albertini don,	968,295
Bardonecchia - Bianchetti	104,378
Gorizia - Albertini donation	185,948
Total	4,021,218

And decreases relating to the sale of the following land and buildings:

Turin - Via Pio VII	25,207
Buguggiate - Land	5,053
Turin - Via F, da Paola	192,324
Fiorano Modenese - Carroli	63,941
Total	286,525

Additionally, Casa Pirovano was reclassified from

Heritage (Institutional) land and buildings in the amount of € 774,782.

■ Maintenance works on Foundation-owned properties

The balance of € 3,939,609 as at December 31, 2017 increased in relation to 2016 by € 242,617, attributable to improvement works for € 834,631 on the following properties:

Abbazia di San Fruttuoso	64,792
Flats San Fruttuoso	10,260
Baia di Ieranto	5,873
Bosco di San Francesco	27,676
Casa Carbone	4,562
Casa Cicognani	2,750
Casa Noha	8,397
Castel Grumello	9,350
Castello della Manta	1,920
Castello di Avio	20,445
Collezione Enrico e Villa Flecchia	18,009
Flats Corso di Porta Vigentina (MI)	226,442
La Velarca	3,138
Monastero di Torba	48,848
Mulino Gervasoni	404
Palazzo Boncinelli	8,281
Palazzo Galli	1,281
Palazzo Zanchetta dal Fabbro	202
Punta Pagana	2,280
Teatrino di Vetriano	2,471
Offices Via Boccaccio Milan	2,420
Villa dei Vescovi	39,078
Villa del Balbianello	58,454
Villa Della Porta Bozzolo	45,897
Villa e Collezione Panza	43,507
Villa Fogazzaro Roi	65,113
Villa Necchi Campiglio	112,781
Total	834,631

Depreciation for the year amounted to € 592,014 of which € 67,402 was charged to the Statement of Operating Activities in the year, whereas the remaining € 524,612 was covered by the Fund for Heritage (Institutional) Investments, created in 2012. Annex A to the Financial Statements shows the summary of all the investments made.

■ Plant and Machinery

This includes all categories of plant and machinery, which can be classified as follows: water, electrical, air-conditioning and heating, security, CCTV and audio-visual. Total purchases for the year amounted to € 408,793 and relate to the following properties:

Abbazia di San Fruttuoso	28,384
Villa del Balbianello	567
Castello di Masino	97,671
Villa e Collezione Panza	23,596
Villa Necchi Campiglio	3,131
Villa dei Vescovi	2,187
Villa Fogazzaro Roi	596
Podere Case Lovara	5,124
Saline Conti Vecchi	102,954
I Giganti della Sila	2,684
Alpe Pedroria e Alpe Madrera	5,856
La Cavallerizza	116,987
Flats C,so Pta, Vigentina	19,056
Total	408,793

The most significant investments made were:

- The modernisation of the heating and air conditioning system in the Milan offices for € 77,836

- The new security system at Castello di Masino for € 94,710

- The audio-visual system for the new asset, Saline Conti Vecchi, for € 88,168

The amortisation for the year was € 205,025. The total was € 869,058 at the balance sheet date.

■ Equipment

This includes all categories of equipment which can be classified as follows: photographic, mobile telephony, landlines, various electrical devices and other equipment. Total purchases for the year amounted to € 116,226 and relate to the following properties:

Castello di Avio	199
Abbazia di San Fruttuoso	517
Villa Della Porta Bozzolo	4,430
Villa del Balbianello	10,643
Castello di Masino	17,385
Villa e Collezione Panza	36,721
Giardino della Kolymbethra	1,400
Villa Necchi Campiglio	10,254
Parco Villa Gregoriana	1,324
Villa Fogazzaro Roi	1,253
Abbazia di Santa Maria di Cerrate	256
Torre e Casa Campatelli	290
Podere Case Lovara	2,370
Saline Conti Vecchi	3,464
I Giganti della Sila	349
Collezione Enrico e Villa Flecchia	268
Palazzina Appiani	1,586
La Cavallerizza	19,690
Rome offices	1,427
Flats Corso di P,ta Vigentina	2,400
Total	116,226

Depreciation for the year amounted to € 100,969 and was charged in its entirety to the Statement of Operating Activities. The total was € 132,062 at the balance sheet date.

■ Other assets

The total at the balance sheet date was € 1,581,891. This includes the following categories of assets: furniture and fittings, signage, desktop computers, computer servers, backup drives, printers, hardware, motor and agricultural vehicles and fruit trees. In addition, there are the works of art and valuable furniture, two items which show the investments made to make the visits to the museums more enjoyable. Accordingly, they are considered like restorations not subject to depreciation. The total purchases for the year amounted to € 813,871 and relate to the following properties:

Castello di Avio	1,097
Monastero di Torba	3,360
Castello della Manta	439
Abbazia di San Fruttuoso	2,074
Baia di Ieranto	2,235
Villa Della Porta Bozzolo	0
Villa del Balbianello	4,149
Castello di Masino	58,609
Villa e Collezione Panza	461,177
Giardino della Kolymbethra	648
Villa Necchi Campiglio	28,768
Parco Villa Gregoriana	150
Villa dei Vescovi	6,462
Bosco di San Francesco	898
Villa Fogazzaro Roi	1,952
Negozio Olivetti	1,466
Abbazia di Santa Maria di Cerrate	12,300
Casa Noha	368
Casa e Torre Campatelli	427
Podere Case Lovara	974
Casa Macchi	600
Saline Conti Vecchi	115,263
Palazzina Appiani	5,027
Flats Corso di P.ta Vigentina	18,800
Albergo Diurno P.ta Venezia MI	350
La Cavallerizza	85,709
Rome offices	569
Total	813,871

The most important investments made during the year were:

- The completion of the purchase of the work of art by Robert Wilson called "A House for Giuseppe Panza"
- The purchase of a further work of art by the same

artist called "Winter Tales", purpose designed for the spaces at Villa Panza.

- These works of art, for a total value of € 417,813, further enhance the permanent collection at Villa Panza.

- A Fiat 500L was acquired for the Milan offices for € 16,116, two robotic grass cutters were acquired for Villa Panza for € 36,600 and a new Same tractor was acquired for Castello di Masino, to replace the existing obsolete one, for € 47,336.

- The preparation of the museum at the new asset, Saline Conti Vecchi required the purchase and restoration of furnishings for € 104,958.

- The depreciation for the year was € 286,489, of which € 238,890 was charged to the Statement of Operating Activities, whereas € 47,599 was covered by the Fund for Heritage (Institutional) Investments.

FINANCIAL ASSETS

■ Equity investments

The value at December 31 2017 was € 10,000, due to the constitution on 25/06/2015 of FAI Società Agricola s.r.l., for which FAI holds all the fully paid-up capital. During the year, the investment increased by € 134,800 when FAI had already agreed to write off its receivable. Due to the loss incurred in 2017 and in previous years, the investment was devalued for € 191,775 by the creation of an appropriate provision.

■ Financial guarantees and restricted financial assets

This account includes both bank guarantees for € 960,252 and restricted securities for € 5,187,185, totaling € 6,147,437. The restricted securities are constituted by shares in Generali – which are part of the Boso Roi gift, restricted by testamentary provisions and currently under negotiation with the executor, with the Foundation seeking to convert, whilst maintaining the restrictions, all these shares into bonds or similar securities – and by the deposit in securities c/o Unicredit, being the endowment received for the maintenance of Villa Flecchia.

■ Financing of subsidiary companies

The balance at December 31 2017 was € 858,225. During the year, interest-free financing of € 700,000 was provided to the subsidiary company FAI Società Agricola s.r.l. This financing completes the tranche already deliberated by the Board of Directors during the establishment of FAI Società Agricola s.r.l and is

part of the second tranche deliberated by the Board of Directors during the current year, a part of which has an advance waiver. Part of the waiver was effected during the year, to increase the provision for the reduction in value of investments by € 134,800, as mentioned above.

CURRENT ASSETS

STOCKS

This item mainly relates to books and various other items stocked at the shops within the Foundation's properties, at the Milan offices or stocked, in certain cases, at suppliers, and amounted, at the balance sheet date, to € 224,727, a decrease of € 49,369 on the 2016 figure.

The obsolescence provision was adjusted to €50,626, due to the identification of certain slow-moving items.

DEBTORS

The balance of debtors at year end increased by € 277,105 with respect to the previous year. This difference can be analysed as follows:

Trade receivables	(37,855)
Receivables from public and private institutions	21,509
Deposits	(8,811)
Other receivables	302,262
Total	277,105

Trade receivables amounted to € 1,405,621 of which € 399,781 are overdue, and include a bad debt provision which can be analysed as follows:

Balance as at January 1, 2017	70,000
Use of provision in current year	(66,749)
Provision made in current year	96,749
Total	100,000

The receivables from public and private institutions relate to secure donations that will be collected in subsequent years. The decrease in these receivables is due to amounts received during the year and the increase is due to further amounts being deliberated by these institutions. The balance is analyzed as follows:

Receivables for operating contributions	618,356
Receivables for contributions to restorations	1,898,553
Total	2,516,909

As regards the operating contributions, during 2017 an amount of € 473,895 was received in relation to amounts accrued in the previous year and a further amount of € 479,247 was accrued, as this new amount was deliberated.

As regards the contributions for restorations, an amount of € 588,593 was received in relation to amounts accrued in prior years and a further amount of € 604,750 was accrued, as this new amount was deliberated. Of this amount, € 600,000 was deliberated by Regione Liguria for the restoration of Canonica San Fruttuoso. These receivables are partly set off by the amounts shown in Restricted Funds in the liabilities section of the balance sheet.

The deposits are as follows:

Deposits for rented properties	14,513
Deposits for utilities	3,664
Other deposits	12,468
Total	30,645

The balance of other receivables is analysed as follows:

Receivables from tenants	66,796
Expense advances	15,001
Receivables from tax authority	50,709
Miscellaneous receivables	876,767
Total	1,009,273

The receivables from tenants includes the receivable from Ms. Tibaldi, of € 229,083 for deposits and rent relating to the first quarter of 2016 in Condominio di P.ta Vigentina, which were wrongfully withheld. A dispute is in progress, but the Foundation has prudently provided for the full amount, as even if the dispute is successfully resolved, there is considerable doubt if the monies can ever be recovered.

The balance of Miscellaneous receivables is analysed as follows:

Receivables from FAI committees	3,180
Amounts paid to suppliers in advance	14,223
Contributions to be received	782,308
Insurance refunds to be received	6,275
Receivables from Amici del FAI association	51,067
Other receivables	19,714
Total	876,767

The item contributions to be received of € 782,308 includes amounts which relate to 2017, the major part of which were already received when these financial statements were prepared. It can be analysed as follows:

Telephone companies for fundraising	18,757
Donations	677,303
Christmas and October campaigns	47,859
Friends of FAI	20,480
FAI committees	4,102
Other contributions to be received	13,807
Total	782,308

The item Donations and inheritances is made up of two amounts:

- An amount of € 427,303 which relates to a will dating back to 2016 from Ms. Franca Pampanelli, the details of which only became certain when the amount was received in 2018. The amount is entirely designated to the restoration costs of Parco Villa Gregoriana.

- A cash donation of € 250,000 from Mr Aldo Norsa who had already donated the boat “La Velarca”, as a contribution to its ongoing restoration.

■ Securities

These total € 3,140,717 with a net decrease of € 990,363 with respect to the previous year, due to the following movements:

Securities matured in 2017	(1,230,675)
Adjustment to Ubi Pramerica investment	(3,787)
Aviva and AcomeA investments	251,027
Increase in provision for loss in value of investments	(6,928)
Total	(990,363)

During October 2017, the composition of the investment fund underwritten in December 2016 was reviewed, due to the low returns and an investment of € 250,000 in an Insurance fund with guaranteed capital was made at the same time.

■ Cash and banks

The balance decreased by € 83,139 with respect to the previous year. The balance consisted of the following:

Bank and postal deposits	517,874
Other bank deposits	114,111
Cash in hand	97,047
Total	729,032

The Cash Flow Statement (Annex B) summarises the cash flow for the year.

PREPAYMENTS AND ACCRUED INCOME

The balance of € 346,972 consisted of the following:

2017 memberships collected in 2018	25,000
Bank interest and accrued security interest	12,199
Rent receivable 2017	76
Expenses relating to 2018	309,697
Total	346,972

In the previous year, there was an amount of € 100,000 representing the right of sale of Casa Pirovano, being the deferment of the costs resulting from the agreement reached with Messrs. Bollina/Pirovano. The agreement was that there would be a compensation if there was a sale of Villa Pirovano, which had been inherited. It was expected that the sale would take place before July 31, 2018. After that date this amount would have been treated as compensation. During 2017 this amount increased by a further € 200,000, an additional € 100,000 being paid as a second tranche on July 27, 2017 and a further € 100,000 to be paid before July 31, 2018 as a third tranche, in accordance with the agreement. Due to the difficulty of selling the building within the agreed timetable, it was decided to consider this amount as an increase in the value of the building.

If the building is sold, however, the agreement provides that the proceeds must be used for the restoration of a FAI property.

BALANCE SHEET – LIABILITIES

EQUITY

Equity amounted to € 41,806,655, an increase of € 4,616,487 and was formed as follows:

■ Endowment fund

This amounted to € 258,228, with no movements with respect to the previous year.

■ Fund for endowment activities

The balance was € 23,085,515, with an increase of € 3,750,727 over 2016, due to the institutional donations of € 1, the donations of non-institutional assets of € 3,993,295 and the sale of non-institutional assets of € 242,569, the details of which are provided in land and buildings.

■ Capital increase fund

This amounted to € 17,430,019, with an increase due to the contributions collected in 2017 of € 571,400.

■ Surplus for the year

This amounted to € 1,032,893.

PROVISIONS FOR CONTINGENCIES AND OTHER LIABILITIES

■ Fund for specific contributions

The Fund decreased by € 5,092,816, due to the depreciation for the year on the improvement works and extraordinary maintenance on assets completed up to December 31, 2012. At year-end, the Fund amounted to € 20,371,264.

■ Fund for specific contributions on loaned assets and licences

This fund decreased by € 68,513 for depreciation instalments not charged to the Statement of Operating Activities. The total remaining balance at year end of € 906,540 is made up as follows:

CHIESA DI MANTA – expires on December 30, 2033

Gross value of fund as at December 31, 2017 721,013

Accumulated amounts released as at December 31, 2017 (362,171)

Balance (net amount) of fund as at December 31, 2017 358,842

PARCO VILLA GREGORIANA – expires on April 30, 2029

Gross value of fund as at December 31, 2017 4,756,755

Amounts eliminated due to completion of depreciation (4,756,755)

Balance (net amount) of fund as at December 31, 2017 0

GIARDINO DELLA KOLYMBETHRA – expires on October 11, 2024

Gross value of fund as at December 31, 2017 456,823

Accumulated amounts released as at December 31, 2017 (309,306)

Balance (net amount) of fund as at December 31, 2017 147,517

BATTERIA MILITARE TALMONE – expires on June 30, 2027

Gross value of fund as at December 31, 2017 716,120

Amounts eliminated due to completion of depreciation (52,454)

Accumulated amounts released as at December 31, 2017 (263,485)

Balance (net amount) of fund as at December 31, 2017 400,181

■ Restricted Funds

This fund increased by € 2,965,117 because of contributions received or pledged and decreased by € 2,499,685 following a release to the Statement of Operating Activities. Accordingly, at December 31, 2017, the fund had a total value of € 6,951,829, as summarised in Annex A to the Financial Statements.

Included within Restricted Funds are the amounts given to FAI because of the Art Bonus legislation,

introduced in 2014. The surplus for both 2015 and 2016 were completely utilised as deliberated by the Board of Directors.

■ Fund for heritage (institutional) investments

This fund decreased to provide depreciation for the year, as follows:

Furniture La Cavallerizza	29,899
Telephony La Cavallerizza	5,348
Computer server La Cavallerizza	1,486
Restructuring La Cavallerizza	48,228
Restaurant furniture Mulino - Bosco di San Francesco	10,866
Extraordinary maintenance	524,613
Total	620,440

and increased because of the gains realised, and donations received in the year:

Balance of Manfredi donation	176,093
Ventura donation	367,550
Total	543,643

The overall decrease was, therefore, € 76,697. The fund, which amounts in total to € 4,689,863, at present has the capacity to cover the depreciation for all the extraordinary maintenance currently recorded and leaves an amount of € 968,264 available to cover future extraordinary maintenance.

■ Provision for pending litigation

This provision, which amounts to € 437,138 had the following movements in the year:

- a reduction of € 101,504 due to the payment of the amounts accrued for the fees of the lawyers who are assisting us in our legal proceedings against Ms. Tibaldi
- an increase of € 437,138 due to:
- an accrual for legal fees for the lawyers who are assisting us in the second phase of the proceedings against Ms. Tibaldi
- an accrual for legal fees for the lawyers who are assisting us in the litigation due to the opposition to the opening of a museum at Casa Bortoli
- an accrual of an amount to cover a claim raised on FAI by the social security authorities for alleged anomalies in contributions

SEVERANCE INDEMNITY FUND FOR EMPLOYEES

As at December 31, 2017, this amounted to € 593,033, decreasing by € 60,079 with respect to the previous year and relating to the provision for the revaluation adjustment for the year of € 11,316, net of amounts paid pursuant to terminations and advances of € 71,395.

LIABILITIES

CURRENT LIABILITIES

The balance as at December 31, 2017 increased with respect to last year by € 525,742. The details are as follows:

Amounts owed to banks	336,568
Trade creditors	(88,589)
Amounts owed to tax authority	29,340
Amounts owed to social security agencies	28,108
Other creditors	221,071
Short term portion of long term loans	(756)
Total	525,742

During the year, cash was well managed with the objective of using the available credit facilities as little as possible.

Other creditors can be analysed as follows:

Amounts payable to employees	577,683
Donations in process of being concluded	10,226
Amounts payable to FAI Committees	64,829
Expenses to be paid 2018	233,711
Deposits	118,818
Total	1,005,267

Amounts payable to employees includes the 14th annual salary instalment, liabilities for bonuses, holidays, leave and former public holidays, accrued as at December 31, 2017, and not yet taken.

LONG-TERM LIABILITIES

These are mainly represented by the debts owed to the Lombardy Regional Authority for the ten and twenty-year interest-free loans obtained for the restoration of Villa e Collezione Panza and Villa Necchi Campiglio, and to Finlombarda for work on Villa del Balbianello, analysed as follows:

FRISL Villa Panza – due on June 30, 2023	1,172,357
Balance as at December 31, 2016	410,325
Repayments 2017	(58,618)
Balance as at December 31, 2017	351,707
FRISL Villa Necchi Campiglio – due on June 30, 2027	274,646
Balance as at December 31, 2016	151,055
Repayments 2017	(13,732)
Balance as at December 31, 2017	137,233

Finlombarda loan	123,788
Balance as at December 31, 2016	80,223
Repayments 2017	(17,228)
Balance as at December 31, 2017	62,495
Reclassification to short-term liabilities	(90,079)
Total Long-Term Liabilities	461,446

ACCRUED LIABILITIES AND DEFERRED INCOME

The balance of € 3,333,016 is analysed as follows:

Membership fee advances	2,779,821
Contribution advances	50,125
Multi-year contributions	400,000
Sponsorship 2018	0
Rentals 2018	103,070
Total	3,333,016

The continuing trend of increasing numbers of new members also influences the membership advances as follows:

Membership advances for 2018	2,670,045
Membership advances for 2019	109,012
Membership advances for 2020	659
Membership advances for 2021	105
Total	2,779,821

The multi-year contribution is an advanced contribution of € 1,200,000 to be divided into equal parts for 2016/2018. Contribution advances includes a contribution to support the fair organised to train regional environmental delegates, received from Fondazione Berte x l'Arte in the amount of € 50,000 and the relevant quota of a capital increase contribution for € 125. The rentals amount represents bookings made and invoiced for the use of FAI assets in 2018, in particular for the use of Villa del Balbianello.

MEMORANDUM ACCOUNTS

Commitments are recognised at their contract value while guarantees are recorded based on the risk outstanding as at the balance sheet date.

Guarantees provided by third parties:

Unicredit Banca - Finlombarda	165,000
Unicredit Banca – Lombardy Region (FRISL II)	703,416
Unicredit Banca – Lombardy Region (Frisl Necchi)	260,914
Unicredit Banca – Ministry of the Environment	14,400
Unicredit Banca – Province of Lecce	99,214
Total	1,242,944

STATEMENT OF OPERATING ACTIVITIES

OPERATING INCOME

■ Membership income

Membership subscriptions for the year amounted to € 4,753,230, an increase of € 761,151 on 2016, of

which € 2,792,363 were generated by renewals and € 1,960,867 were new subscriptions. The outstanding result was even higher than the budgeted amount, with a growth trend of more than 16% with respect to 2016, 49% greater with respect to 2015, 54% greater with respect to 2014 and 76% greater with respect to 2013. The amount of membership fees cashed in the year amounted to € 5,144,643 (of which € 792,356 cashed at our properties) as against € 4,458,356 for the previous year.

■ Donations and charitable trading activities

The donations and charitable trading activities amounted to € 10,557,574, an increase of € 737,922 on 2016. The amount includes donations received in support of the institutional operations, amounting to € 8,262,965, and sponsorships amounting to € 2,294,649 in support of the institutional operations and specific commercial events.

It should be noted that the State contribution pursuant to Article 3 of Law 400/2000, Clause 5 of the Official Journal dated 08/01/2001 no. 5, amounting to € 147,913, received on 5/10/2017 was used to support the 21st Convention of Delegates and Volunteers which took place at the Lingotto in Turin on February 4 and 5, 2017 (“With your feet on the ground. Monitoring the territory, together with the territory, for the territory”).

■ Donations received from income taxes

This income amounted to € 1,233,640 and related to donations made from individuals' income taxes, under the “5 x 1000” donation scheme, for the year 2015, for € 1,135,376 (voluntary box). The breakdown is as follows:

Financial year	2015
Date funds received	21/07/2017
Amount received	1,135,376
1, Human Resources	0
2, Operating expenses of 30 properties open to the public	1,135,376
Maintenance costs for gardens	319,706
Heating charges	32,541
Energy and electricity costs	283,449
Water charges	36,478
Rents paid	34,545
Equipment maintenance	428,657
Cleaning, laundry and waste disposal	0
2, Operating expenses of head office, Rome office and local offices	0
Heating charges	0
Energy and electricity costs	0

Water charges	0
Building service charges	0
Rental charges	0
Cleaning, laundry and waste disposal	0
3, Purchase of furniture and equipment for new office	0
4, Disbursements in pursuit of the Foundation's mission	0
5, Other expenses relating to the pursuit of the Foundation's mission	0
TOTAL	1,135,376

In addition, € 98,264 – the total resulting from the choices made by tax payers using the “5 x 1000” initiative in 2015 – was appropriated for the financing of the activities to protect, promote and enhance the cultural and landscape assets. The funds are specifically for the programme to publish communications to raise institutional awareness by:

1-Improving the knowledge of the cultural assets maintained by the Foundation, providing details of the restoration and conservation projects, both in progress and completed

2- Promoting and enhancing the cultural and educational activities carried out at the Foundation's assets which are open to the public

3- Promoting attendance at cultural events at a national level such as “FAI spring days” and raising awareness of the census of “Luoghi del Cuore”

4- Promoting campaigns to raise funds for the conservation, management and enhancement of the FAI assets open to the public

5- Scrutinising environmental matters and educating people to protect the landscape and the territory

These are analysed as follows:

Financial year	2015
Date of allocation decree	29/05/17
Amount spent and justified	€ 98.264
Phase 1. Editorial coordination Director	10.000
Phase 2. Text writing - consultants	3.920
Phase 3. Editing and graphics - consultants	4.250
Phase 4. Printing - consultants	27.044
Phase 5. Postage and distribution – consultants	53.050
TOTAL	98.264

The amount appropriated in the previous year, amounting to € 99,113 was received on December 4, 2017.

■ Admission Fees

The total of admission fees was € 4,984,208, an increase of € 997,056 on 2016. The admission fees

are composed as follows:

Property	Total	Diff, 16/17
Castello di Avio	131,525	20,966
Monastero di Torba	109,869	20,949
Castello della Manta	210,466	28,872
Abbazia di San Fruttuoso	276,749	67,368
Baia di Ieranto	3,989	1,615
Casa Carbone	6,549	1,299
Villa della Porta Bozzolo	148,901	40,042
Villa del Balbianello	1,339,117	305,123
Castello di Masino	618,001	168,346
Villa Panza di Biumo	406,532	117,749
Teatrino Di Vetriano	10,478	3,086
Giardino della Kolymbethra	283,449	33,775
Villa Necchi Campiglio	354,267	6,016
Parco Villa Gregoriana	372,214	38,628
Villa dei Vescovi	222,679	(12,741)
Bosco San Francesco	26,873	2,093
Villa Fogazzaro	1,500	1,383
Negozio Olivetti	87,046	257
Abbazia di Cerrate	3,247	2,167
Casa Noha	162,617	50,649
Torre e Casa Campatelli	70,433	12,107
Palazzina Appiani	785	485
Albergo Diurno Venezia	3,602	1,013
Saline Conti Vecchi	46,769	46,769
Giganti Della Sila	74,051	33,563
Property Development Office	1,446	962
Corporate Golden Donors	2,500	1,500
Corporate Fundraising Office	8,554	3,015
Total	4,984,208	997,056

Admissions increased at almost all FAI properties, in particular at Villa del Balbianello, where admissions have more than doubled in the last three years. Admission fees at Castello di Masino also reached their highest ever level. Admissions at Casa Noha in Matera continue to increase, and good numbers were achieved at I Giganti della Sila which only opened last year.

There were excellent results at Villa e Collezione Panza due to the enormous attendance at the Robert Wilson exhibition which was extended to March 2018. Another asset was opened to the public at the end of May 2017, Saline Conti Vecchi, a concession from Syndial, an ENI group company.

With few exceptions, all FAI properties increased or maintained the admission fees of the previous year. School visits are also increasing and represented 20% of admission fees.

■ Hires of properties

These amounted to € 2,356,233 an increase of

€ 248,031 on the previous year. The amounts related to income received for hiring those properties that are open to the public, and exhibition spaces during events. The amounts generated by the individual properties were as follows:

Abbazia Di San Fruttuoso	6,950
Albergo Diurno Venezia	6,000
Baia di Ieranto	71
Bosco di San Francesco	746
Casa Carbone	680
Castello della Manta	3,500
Castello di Avio	2,350
Castello di Masino	111,536
Giardino della Kolymbethra	2,328
La Cavallerizza	600
Monastero di Torba	4,573
Palazzina Appiani	120,111
Parco Villa Gregoriana	6,488
Saline Conti Vecchi	1,572
Teatrino di Vetriano	800
Villa dei Vescovi	84,879
Villa del Balbianello	884,643
Villa Della Porta Bozzolo	24,059
Villa e Collezione Panza	60,250
Villa Necchi Campiglio	1,034,097
Total	2,356,233

The continuous increase in the hiring of the properties is mainly due to three of them: Villa Necchi Campiglio, Villa del Balbianello, with its multiuse loggia and Palazzina Appiani, for which FAI has recently obtained the concession.

■ Rents received

The rents amounted to € 1,283,261, an increase of € 303,317 over the previous year. The amounts relate to rentals of apartments and shops of the non-heritage (non-institutional) properties and bars or restaurants within heritage properties. The amount can be analysed as follows:

Abbazia di San Fruttuoso	36,440
Antica Barberia Giacalone	4,800
Flats, San Fruttuoso	23,082
Flat, Cà Mocenigo	18,461
Flat, Corso Montevideo	7,847
Flat, Morazzone - Marchi donation	920
Podere Case Lovara	300
Bosco di San Francesco	30,747
Casa Cicognani	38,912
Castello di Avio	5,905
Flats, Corso di Porta Vigentina	484,793
Monastero di Torba	12,000

Shops, Torre e Casa Campatelli	43,041
Shop, Mercerie del Capitello, Venezia - Bortoli donation	174,657
Shop Torino - Via Pio VII n,140	1,020
Palazzina Appiani	17,232
Palazzo Boncinelli (Sanremo)	46,986
Palazzo Galli	24,724
Palazzo Zanchetta Dal Fabbro	29,050
Offices, Via Boccaccio 16	14,595
Villa Dei Vescovi	52,102
Villa Della Porta Bozzolo	16,850
Villa e Collezione Panza	55,978
Villa Necchi Campiglio	140,059
Villa and agricultural land, Carisio (VC) - Franchino donation	2,760
Total	1,283,261

■ Works performed by Foundation staff

The cost of these works amounted to € 279,541, a decrease of € 37,344 on 2016. The amount represents the cost of the personnel employed in the restoration work and is capitalised as a tangible asset. Detailed timesheets evidencing the work performed are prepared to justify the amounts capitalised.

■ Miscellaneous income

The Miscellaneous income amounted to € 227,799, and related primarily to:

Insurance refunds	25,846
Reimbursement of third-party expenses	51,046
Tickets for shows	73,040
Access to volunteer areas	38,746
Intellectual property rights and royalties	2,725
Additional services for visitors to properties	3,277
Parking	18,715
Equipment hire	8,668
Various course fees	2,475
Miscellaneous receipts	3,261
Total	227,799

OPERATING EXPENSES

■ Routine maintenance

These expenses amounted to € 887,376, an increase of € 90,961 on 2016, and are analysed as follows:

Motor vehicles	12,395
Gardens	300,632
Plant and machinery	281,974
Office equipment	3,998
Premises	273,090

Mechanical devices and equipment	15,287
Total	887,376

The acquisition and opening of new properties determined an increase in maintenance of plant and machinery while there was a decrease in the specific gardening maintenance, due to an increase in maintenance contracts for the gardens.

■ Contracted maintenance

These expenses amounted to € 318,524, a decrease of € 15,256 with respect to 2016, due to a general review of all contracts and were made up as follows:

Gardens	41,748
Plant and machinery	236,598
Office equipment	27,406
Premises	12,772
Total	318,524

■ Energy and water

These expenses amounted to € 606,332, an increase of € 34,499, and were made up as follows:

Water	49,839
Heating	179,280
Electricity	377,213
Total	606,332

The largest increase with respect to the previous year relates to water charges. Many water authorities do not raise their invoices on a timely basis requiring the cost to be based on an estimate made at year end. The estimate made in the previous year proved to be less than the actual cost. The increase in electricity, however, is due to higher consumption resulting from the increased number of properties.

■ Telephony

The telephone costs amounted to € 206,661, a decrease of € 3,400, which was due to renegotiation and new contracts with fixed and mobile providers.

■ Mailing and shipping

These costs amounted to € 157,502, a decrease of € 94,346 on 2016, which resulted from the renegotiation of the contract with the sole forwarding agent, leading to a halving of the charges with respect to the previous year.

■ Marketing and advertising

These costs amounted to € 2,600,800, an increase of € 471,213 on 2016, but a saving of approximately € 250,000 with respect to the budgeted amount and

related to the following activities:

Properties department	796,908
Development department	85,511
Communication department	72,187
FAI Magazine	152,249
FAI Spring day	129,213
FAI Autumn day	77,861
Luoghi del Cuore	44,865
5x1000 campaign	164,839
Ricordiamoci di salvare l'Italia	118,026
FAI TV marathon	96,291
Fundraising from individual donors	603,444
Major and Middle donors department	28,452
Education department	63,931
Corporate Golden Donor project	58,786
Delegations department initiatives	15,632
Other Institutional activities	92,605
Total	2,600,800

Due to the successful results obtained in recent years, it was decided to increase the investment in the marketing of Properties and the campaigns to raise funds from individual donors, including through appeals and the 5 X 1000 campaign.

■ Professional consultancy services

These costs amounted to € 1,566,434, a decrease of € 38,249 on 2016, and included the following services:

Legal	122,840
Notaries	22,681
Administrative and tax	72,984
Technical	78,490
Other professional advisors	453,750
Recruiting and Human resources management	74,793
IT	134,406
Artistic	395,714
Safety	59,461
Guided Tours	32,763
Translations	13,493
Editing	21,984
Course lecturers	15,116
Data entry	30,215
Research and surveys	37,744
Total	1,566,434

The significant decrease in artistic consulting services partly compensated the increases in IT and administrative consulting. The increases in guide services is compensated by the increased income from guided tours in the properties.

■ Stationery and photocopies

These costs amounted to € 111,941, a decrease of € 8,063 on 2016.

■ Small items of equipment and consumables

These costs amounted to € 225,589, a decrease of € 22,990 on 2016.

■ Travel costs

These costs amounted to € 799,109, an increase of € 89,534 on 2016, mainly due to increases in personnel.

■ Other service charges

These costs amounted to € 3,087,169, an increase of € 400,598 on 2016. The most significant increases relate to the cooperative services (€ 127,436), the cost of which needs to be compared with the increases in the properties between admissions and rentals, and transportation costs (€ 113,888), entirely due to the rental costs of the miniature train at Saline Conti Vecchi. This balance was made up as follows:

Services from cooperatives	1,268,137
Telemarketing	78,130
Cleaning services	384,491
Surveillance	130,376
Set-up and dismantling services	152,132
Equipment rental	146,701
Audio guides	2,370
Insurance	200,343
Bank and postal commissions	174,607
Catering	269,117
Motor vehicles hire	189,177
Other services	91,588
Total	3,087,169

The following costs increased:

- Telemarketing
- Catering costs, due to the increased costs of the 2017 Convention with respect to the previous year
- Cleaning costs, partly due to the new property, Saline Conti Vecchi and partly due to the increased number of events and rentals of the properties.

■ Rentals, leasing and licenses

These costs amounted to € 406,032, an increase of € 54,270 on 2016.

Rentals and expenses increased due to the additional costs of the 2017 Convention compared to the previous one. The concession fees increased with the addition of Giganti della Sila. Software licences and costs

increased significantly for communication software and external Web management costs. The amount can be analysed as follows:

Regional Offices and National Meeting	86.244
Properties open to the public	31.802
Properties rented out	24.567
National fundraising campaigns	20.132
History of Art courses and competitions	0
Rome office	50.468
Total rental and expenses	213.213

Parco Villa Gregoriana	6.964
Bosco di San Francesco	424
Villa Fogazzaro Roi	470
Palazzina Appiani	7.256
I Giganti della Sila	4.438
La Velarca	1.367
Villa del Balbianello	2.210
Total concession fees	23.129

Eurome assets - Dell Financial Services	17.649
Total Financial leases	17.649

Leasing of Office equipment	22,118
This relates to 3 leasing contracts for printers acquired through GE Capital, now Ifis Rental, from the supplier, Duplex Brianza Srl	
Software licenses	126,567
Images reproduction rights	3,286
Total rentals, leasing and licenses	406,032

In accordance with paragraph 22 of Article 2427 of the Italian Civil Code, the following information relating to contracts in progress is provided:

Supplier: Eurome srl	
Subject: Dual 32Gb - Assistance on Site	
Contract number: 006-0131113-001	
Purchase price of the item	52,948
Start date	15/01/16
Date of final instalment	15/10/18
Total cost	52,948
Final purchase cost	0
Capital paid during the year	17,649
Current value of expiring leases	17,649

■ Staff costs

In 2017, staff costs amounted to € 11,914,488, inclusive of benefits accrued as at December 31, 2017; an increase of € 1,202,619 on 2016 and of € 350,313 on the 2017 budget.

The increase over 2016 was the result of recruitment

for the opening of new properties and the enhancement of staff numbers at existing properties, but more importantly, it was the result of the transformation of contracts of various types into permanent posts, as can be seen from the table showing the workforce numbers. The difference between the 2017 actual result and the 2017 budget was due to recruitment for the opening of a new property, to the confirmation of various employees with apprenticeship contracts, to internal promotions, and to various fixed term contracts to replace staff on maternity leave.

As from 2014, the amount includes all persons working with the Foundation, and who have a relevant operational role, irrespective of whether they are employees or not. The details are as follows:

Employees	10,702,610
Associates	222,660
Professional advisors	822,677
Interns	25,950
Total	11,773,897

The following table shows the average number of staff employed during the year.

Milan/RomeProp. Reg. Off.Total						
	2016	2017	2016	2017	2016	2017
Management	8	8			8	8
Employees	121	125	66	72	187	197
Temporary staff	10	12	5	5	15	17
Total	139	145	71	77	210	222

■ Depreciation and amortisation

Depreciation and amortisation amounted to € 1,560,655, an increase of € 589,166 on 2016; the amount can be analysed as follows:

Intangible assets	467,212
Tangible assets	612,286
Write-down of receivable from subsidiary company	134,800
Provision for pending litigations	249,608
Provision for losses on receivables	96,749
Total	1,560,655

The Provision for pending litigation is made up of two items, related to two separate cases; the details are provided under Provision for pending litigation.

■ Other operating expenses

These costs amounted to € 770,860, an increase of € 140,143 on 2016, mainly attributable to larger disbursements to the Associations which work in our properties. They are analysed as follows:

Disbursements	124,942
Miscellaneous charges	645,918
Total	770,860

This category includes various items: subscriptions, books and magazines, entertainment expenses and other non-deductible expenses, various local taxes (Imu, Tari, Tasi, Cosap, registration tax, etc) and disbursements to various authorities and councils, as well as other administrative expenses.

STOCK MANAGEMENT

SALES AND CONSUMPTION OF GOODS

In 2017, there was a margin on sales of € 334,710, an increase of € 53,824 on the previous year, as detailed in the table below:

Sales to third parties	826,416
Purchases from third parties	(442,336)
Movement in stocks	(28,424)
Stock obsolescence	(20,946)
Stock consumption	(491,706)
Margin	334,710

From an analysis of the indices of rotation, it was decided that a systematic devaluation of the stock should take place using the following criteria applied to the last movements:

Current year (if movement in 2018) = 0%
Current year = 5%
Current year -1 = 50%
Current year -2 = 100%
The increase is due to the higher sales with respect to the previous year whilst maintaining stable the level of purchases and stock movements, compensated by an increased provision for obsolescence.

FINANCIAL OPERATIONS

In 2017, there was an operating margin of € 272,749, an increase of € 50,105. The increase in dividends from the Generali shares compensated the loss on the sale of securities, while the reduced exposure to the financing banks resulted in a reduction of interest paid of more than 20% with respect to 2016.

■ Financial assets	
Dividends on shares	237,053

■ Securities in current assets	
Interest on securities	78,587

■ Other financial income	
Other gains on securities	586
Interest received	64
Other financial income	4,649
Total	5,299

■ Other financial charges	
Losses on securities	(23,163)
Interest paid	(24,221)
Other financial charges	(806)
Total	(48,190)

EXTRAORDINARY OPERATIONS

■ Extraordinary income and capital gains	
These amounted to € 270,758 and related to:	
Capital gain on fixed asset disposals	113,000
Capital gain on asset disposals	13,074
Overestimation of accrued expenses	5,099
Overestimation of tax in 2016	53,899
Underestimation of prepayments	16,949
Incorrect accrual of deposits	36,034
Other extraordinary income	32,703
Total	270,758

■ Extraordinary expenses and capital losses	
These amounted to € 60,794 and related to:	
Incorrect accrual of receivables from Delegations	8,953
Previous year's local taxes	20,870
Overestimation of prepayments	5,852
Underaccrual of 2016 taxes	2,893
Undeaccrual of accrued expenses	7,745
Deposits not accrued	6,288
Other extraordinary expenses	8,193
Total	60,794

PROPERTY MANAGEMENT

ORDINARY PROPERTY CREDITS	
These amounted to € 2,138,554 and represented the contributions received to support the following works during the year:	
Restorations of Foundation-owned properties	548,675
Extraordinary maintenance on Foundation-owned properties	786,903
Works on third-party properties	802,976
Total contributions for works	2,138,554

ORDINARY PROPERTY DEBITS
These amounted to € 4,338,572 and represented the amounts of restoration and extraordinary maintenance, carried out on both Foundation-owned properties and on property owned by others. The details are as follows:

Restoration of Foundation-owned properties	1,005,453
Extraordinary maintenance on Foundation-owned properties	1,621,535
Works on third-party properties	1,711,584
Total works carried out	4,338,572

Capitalisations and revaluations	
These amounted to € 2,300,018 and included:	
Property value adjustments	556,778
Extraordinary maintenance capitalized	834,632
Third party properties capitalized	908,608
Total	2,300,018

PROPERTY ADJUSTMENTS
This included:
- The depreciation of the properties acquired before 2012, and the corresponding accounting entry which is a reduction in the value of the properties of € 5,092,816.
- The release of the Fund for Specific Contributions and the corresponding accounting entry being the reduction of the Fund by € 5,092,816. This depreciation and devaluation process will come to an end when the Fund for Specific Contributions is zero.
- The depreciation related to the extraordinary maintenance and the extraordinary works, as defined by the Board of Directors, together with the corresponding contributions released from the Fund for Heritage (Institutional) Investments of € 572,212.

Data-processing policy
Notice is hereby given that the Data Controller, also in relation to the tax year to which this balance sheet applies, has verified the updating of the internal rules that govern the processing of personal details and, underlining his or her diligence in managing this important issue, has taken account of the regulatory changes that led to the approval of EU Regulation 2016/679 of the European Parliament and Council, of April 27, 2016, relating to the protection of physical persons in terms of the processing of their personal details, and to the free movement of those details (the General Data Protection Regulation, referred to from now on as the GDPR). FAI, in defining a program to ensure compliance with the GDPR, has drafted this year, as before, on a voluntary basis, an updated version of the Data Security Policy (hereafter DSP) and has therefore verified the updated compliance with the requirements prescribed by the aforementioned legislation. In this regard, please note that – although the regulation on the internal rules that govern the processing of personal details does not foresee the obligation to maintain and update the DSP and the references to it in the report accompanying the balance sheet – the Data Controller considered it in any case appropriate to update the DSP for 2017, identifying the data-processing operations conducted, the resources who are required to comply with the security measures, the risks and the prescriptions (security-related organizational measures, physical measures and system measures). The updated version of the DSP drafted for this year takes account of the provisions on the analysis of the risks inherent in the processing of the details in the GDPR and therefore contains an evaluation of the impact of the processing of the details. The updated version of the DSP is filed at the Data Controller's office.

OTHER BALANCE SHEET CREDITS	
These amounted to € 1,115,043 and included:	
Capital increase amounts	571,400
Bequests	367,550
Gains on sale of assets	176,093
Total	1,115,043

OTHER BALANCE SHEET DEBITS	
These amounted to € 1,115,043 and related to:	
Accrual for capital increases	571,400
Accrual to Heritage Fund	543,643
Total	1,115,043

TAXES FOR THE YEAR
Taxes for the year amounted to € 240,544 and related to corporation tax (IRES) of € 78,000 and production tax (IRAP) of € 162,544.

SURPLUS FOR THE YEAR
The surplus for the year amounted to € 1,032,893 and will be set aside entirely for the restoration of the Abbazia di S. Maria di Cerrate, the site of Colle dell'Infinito at Recanati and the completion of the works at Podere Case Lovara at Punta Mesco.

Milan, April 19, 2018
on behalf of the Board of Directors
President
Andrea Carandini



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