

9 – FINANCE AND AUDIT COMMITTEE REPORT***9.1 – Cash Flow situation as at 31st October 2019***

Note by the Secretariat

GENERAL

The Cash Flow statement presented at Annex C70-9.1.2 shows a positive result of €150,001 as of 31 October 2019.

The Cash Flow has not been positive since 2017 which may be explained by the following two reasons:

1) Firstly, an increase in the general revenues (+11%):

It can be noted, with satisfaction, a better recovery of membership contributions for the year 2019 has been achieved with an increase of 5% compared to the same period in 2018.

More specifically, the income derived from overdue contributions (for the years 2017 to 2018) has increased by 64% compared to last year.

This is mainly due to the internal staff reorganization put in place in late 2018 with the recruitment of a new assistant in the Administration section, that has permitted an enhanced focus on membership matters by the Membership Officer. Additionally, good negotiations with members proved to be efficient.

The list of the remaining contributions to be paid will be presented under Point 9.4 of the Agenda.

In total, 84% of the budget was received for a total amount of €2,278,708 as of 31 October.

2) Secondly, a 3% decline in general expenditure is noted:

The recruitment in autumn 2018 of three new full-time employees (one in the Administration section, one in the Technical section and one for the Academy) has generated higher staff costs in 2019 (+12%).

However, operating and investments costs have decreased by 21% and 44% respectively in 2019 due to a very busy year in 2018 with the organization of the IALA Conference.

In conclusion and taking into account the non-recurring revenues collected for membership and an under-spending budget, the Cash Flow is positive as of 31 October 2019: +K€150 (which is K€208 more than same period in 2018).

THE COUNCIL IS REQUESTED TO

Note the Cash Flow as of 31 October 2019.