



Ex Co webinar on 2019 and 2020 finances

31 March 2020

Participants: Magnus (Sweden), Eleni (Cyprus), Carlos (Spain), Luigi (SMES), Richard (France), Vito (Italy), Olga (Greece), Jo (Netherlands) Kata (Hungary), Biljana (North Macedonia), Ian (IFSW), Karel (Czech Republic), Kamila (Poland), Vera (Austria), Aiste (Lithuania), Caroline (Belgium), Kart (Estonia), Anne (Ireland), Honoratte (Norway), Sandra (Portugal)

Apologies received: Raoul (Luxembourg),

Staff: Sigrid, Philippe, Magda, Leo

Objectives

- a) To present 2019 figures to Ex Co
- b) To respond to questions or comments from the Ex Co

Background docs

See background documents [here](#) (2019) and [here](#) (2020)

2019 income vs expenditure

1. We see an overall surplus of 111 825,90 Euro (income - expenditure).
2. This includes EMIN2, which brought in 122 000 in 2019, and is not yet closed.
3. We had an overspend (vs. the predicted budget, rather than vs. income) on staff of 19 432
4. We had an overspend (vs. the predicted budget, rather than vs. income) on travel of 23 798 (PeP meeting, EMIN2, Ex Co)
5. We had an overspend (vs. the predicted budget, rather than vs. income) on administration of 38 595 (interpretation, 'double tax' for the office (exceptional in 2019) and overspend on contracts)
6. We had an underspend on communication and services of 60 283

Discussion

- We had underspends in some areas in 2019 and overspends in others – but overall the Treasurer, Finance Manager and Director are comfortable with the financial result of 2019

Decision

<u>D1. The Ex Co approves the draft 2019 accounts</u>
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Action

Action	Responsible	Deadline
A1. Close the accounts	Philippe, with the auditors	When possible, depending on the reorganised audit, following the Covid crisis

2020 income vs expenditure

1. We currently predict a surplus of 178 903 euros (predicated income – predicted expenditure)
2. This includes remaining funds from EMIN2, which is not yet closed. 122 000 Euro has been carried over into 2020.
3. We predict an 11 000 Euro overspend of the staffing budget – for similar reasons to 2019.
4. We estimate 40 000 euros of savings because of the cancellation of the Ex Co, EUISG and PeP NC meetings
5. Part of this is being used to cover the 11 000 Euro overspend on staff, the rest will need to be reallocated in due course
6. This leaves us with a surplus of 28 000 euros

Discussion

Might the EU ask for excess funds back?

- Communication from the Commission indicates that they will be flexible on the use of funds in 2020 because of the crisis, and that they will cover costs associated with the cancellation of meetings.
- The Financial Manager thinks it is unlikely the Commission will try to recover funds, or allocate fewer funds in the future. However, it is clear that we can only claim what we spend – so if we spend 40 000 Euro less, we will not be able to claim these 40 000 Euro from the Commission at the end of the year.

Why do we have a predicted overspend of 11 000 Euro on staff?

- The Ex Co, in June 2018, approved a recommendation that ‘EAPN should progressively aim to increase the staff support to participation to at least 50% of a staff member throughout the full year.’ Notes available [here](#). See Decision D9:
- “D9. EAPN should progressively aim to increase the staff support to participation to at least 50% of a staff member throughout the entire year – this recommendation was accepted by the Ex Co, with 4 abstentions. We started this in 2017 (Mona was 3 days a week) and have continued in 2018 (Stephanie has just started at 2.5 days a week) and will look to ensure we have someone in this role in 2019.”
- Magda was thus taken off projects, and Florence was hired to support on projects (part time)

How will we decide on using the extra 40K and when?

- We should try to reallocate funds (when we are clear what the figures are) by June at the latest, to allow us to spend them. We should thus start thinking about this now.
- We should be cautious with the extra funds, until we have a clearer idea on the figures and what is feasible, and what will be accepted by the Commission.

- This reallocation is the responsibility of the Executive Committee. Some members suggested discussing the options with all parts of EAPN before taking a decision.

Getting reimbursed for cancelled flights?

- Colleagues who purchased flights directly should attempt to get reimbursed directly from the airlines, following the email communication from Leo. If they are unable to do so, they should follow the instructions in the original email, and be sure to send all documentation to Philippe with the reimbursement claim, to enable us to claim these funds from the Commission
- Note that the Commission has informed us that they will accept costs associated with cancelled meetings, assuming the documentation is available

Is a handover period of 2-3 months for the replacement of the Policy Coordinator Sian included in the 2020 budget?

- It is not included, and we hadn't envisaged such a long handover. The process will be looked at properly in June 2020.

Decision

D2. When more is known about the financial impacts of cancelling the Ex Co EUISG and PeP NC (cancelling hotels etc) the Ex Co will be updated, and then we can discuss how to reallocate the funds.

Action

Action	Responsible	Deadline
A2. Finalise figures from the cancelled meetings as clearly as possible	Richard, with Philippe	Aim for mid-April?