

## **REPORT OF THE AUDIT COMMITTEE OF THE EFPC FINANCIAL YEAR 2020-2021 & BUDGET 2021-2022**

The Audit Committee of the EFPC consists of Anke van Dam, Loes van Amsterdam and Toni Dedeu.

Hereby, we declare that we examined the financial report of the EFPC 2020-2021 and the budget with full cooperation of the treasurer of the Executive Board, Harry Longman.

In February this year we received a mid-term financial report and in August there has been another meeting and email conversation between the treasurer and members of the Audit Committee about the final report. Likewise, the last year and due to COVID-19 pandemic, we have carried out all the meetings in a virtual format.

We have looked at the budget lines and the balance sheet, assessed questions and put our remarks online. There was full cooperation, we received clear answers to our questions and the remarks were taken seriously.

### **Findings:**

- All income and expenses have been carefully administered; we did not find any sign of malpractice.
- The presented numbers give a realistic overview of the financial situation of the EFPC.
- This Fiscal Year (FY) 2020-2021 the collection of membership fees was almost entirely in line with the budget (75,000 € budgeted and 69,168 € executed). This proves to be a structural and sound way of obtaining income and with the following distribution: individual fees represent 6% of the total, small institutions 32%, medium institutions 9%, large institutions 19% and finally premium institutions 34%.
- Expenses for salaries, insurance, taxes, and extra costs for ending Tom Carter's contract were over budget this FY (51,000 € budgeted and 52,477 € executed).
- Expenses for services budgeted are over than executed. (22,700 € budgeted and 25,524 € executed). It is explained as insurance costs were added as service costs.
- Due to COVID-19, the Bergen 2021 conference was re-planned as a virtual conference, at the time of closing this report. The virtual conference was budgeted 3,000 € and 1,000 € executed. Income figures from registration are still not available when submitting this report. No cancellation charges were decided as premises were free, and an online platform for free was offered.
- The results and reserves are lower than those the audit committee recommended in previous years (34,900 € versus 40,000 € recommended).
- The net loss of 8,000 € is lower than the last year (17,000), due to reduced spending. However, cash is 8,000 € lower, and predicted negative by November 2021.

### **Remarks:**

- All recommendations of the previous Audit Committee Report (FY 2019-2020) have been taken over.
- In February 2021 a mid-term report was produced according to previous recommendations of the Audit Committee.
- The administration and collection of membership fees follow a similar trend of the previous year and remains the main source of income, which in this FY does not cover

- the structural expenditure of salaries. However, we note that this FY there are less membership renewals, most probably due to the absence of an onsite conference.
- Amounts owing from previous years are written off as there is no change of collection.
  - Cash flow is predicted negative by this November.
  - For the coming FY the financial reserves show a decrease and not as were recommended by previous Audit Committees.

**Recommendations:**

- Considering the impact of COVID-19 pandemic, the organisation has been able to largely adjust the situation, thanks to the delay of staff payments and ending contract of one staff member. However, the organisation's policy should avoid this practice in the future.
- The committee advises the Executive Board to develop a strategy for increasing memberships and to diversify the sources of income.
- The committee advises to develop an immediate action plan for income generation beyond the established membership fees. Therefore, exceptional donations and advancement of membership fees are advised among other solutions to mitigate the negative cashflow in the coming months.
- The delicate financial situation of the organisation and the continuing uncertainty due to the pandemic, the committee recommends the EFPC should be closely monitored in the coming months and during the coming budget year.
- In line with this, the Audit Committee recommends the treasurer and the Executive Board to produce quarterly financial reports, to provide data to the Audit Committee members to advise follow up measures to be implemented in the FY.
- The Audit Committee recommends the Executive Board to provide the long-term Strategic Plan and Strategic Financial Plan before the end of 2021.

**Conclusions:**

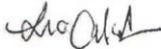
- We recommend to the General Assembly to approve the realisation (FY) 2020-2021.
- We recommend to the General Assembly to approve the budget 2021-2022.
- We hereby give discharge to the treasurer and the Executive Board for the realisation of (FY) 2021-2022.

**Place:** Online

**Date:** 6<sup>th</sup> of September 2021

**Signed:** Members of the Audit Committee 2020-2021, by digital endorsement

Loes van Amsterdam



Anke van Dam



Toni Dedeu



EUROPEAN FORUM FOR PRIMARY CARE  
**FINANCIAL REPORT FY 2020-2021**  
 As on 30 June 2021



| Income                    | Code   | Budget 2020-21 | Notes | Execution 2020-21 | Difference      | Compare 2019-2020 |
|---------------------------|--------|----------------|-------|-------------------|-----------------|-------------------|
| Membership fees           | EUR001 | 75,000         | 1     | 69,168            | - 5,833         | 76,336            |
| PACE                      | EUR028 |                |       |                   | -               |                   |
| ORAMMA Project            | EUR038 |                |       |                   | -               | 6,912             |
| Crete EFPC Conference     | EUR039 |                |       |                   | -               |                   |
| PARADISO                  | EUR042 |                |       |                   | -               | 278               |
| Nanterre EFPC Conference  | EUR044 |                |       |                   | -               | 35,804            |
| PRIMORE                   | EUR045 |                |       |                   | -               |                   |
| Ljubljana EFPC Conference | EUR046 | 5,000          | 2     | 75                | - 4,925         | 975               |
| Bergen EFPC Conference    | EUR047 | 3,000          | 3     |                   | - 3,000         |                   |
| Other income              |        |                | 4     | 2,683             | 2,683           |                   |
| <b>Total Income</b>       |        | <b>83,000</b>  |       | <b>71,926</b>     | - <b>11,075</b> | <b>120,304</b>    |

| Expenses                        | Code   | Budget 2020-21 | Notes | Execution 2020-21 | Difference     | Compare 2019-2020 |
|---------------------------------|--------|----------------|-------|-------------------|----------------|-------------------|
| Salaries, insurance and taxes   | EUR001 | 51,000         | 5     | 55,357            | - 4,357        | 66,723            |
| Representation costs            | EUR001 | 1,025          |       | 1,540             | - 515          | 1,178             |
| Services                        | EUR001 | 22,700         |       | 23,001            | - 301          | 30,164            |
| PRIMORE                         | EUR045 | 6,300          | 6     |                   | 6,300          |                   |
| Ljubljana EFPC Conference       | EUR046 | 975            |       | 92                | 883            | 1,364             |
| Bergen EFPC Conference          | EUR047 | 1,000          | 3     |                   | 1,000          |                   |
| Other expenses to be classified |        |                |       |                   |                | 38,252            |
| <b>Total Expenses</b>           |        | <b>83,000</b>  |       | <b>79,989</b>     | - <b>3,011</b> | <b>137,680</b>    |

|                |  |   |  |         |         |          |
|----------------|--|---|--|---------|---------|----------|
| <b>Balance</b> |  | - |  | - 8,064 | - 8,064 | - 17,376 |
|----------------|--|---|--|---------|---------|----------|

Nanterre

EUROPEAN FORUM FOR PRIMARY CARE

**BALANCE SHEET FY 2020-2021**

As on 30 June 2021



| <b>Assets</b>              | <b>Notes</b> | <b>Fiscal Year<br/>2020-21</b> | <b>Fiscal Year<br/>2019-20</b> |
|----------------------------|--------------|--------------------------------|--------------------------------|
| Cash and Cash Equivalents  |              | 26,195                         | 34,282                         |
| Grants Receivable          |              |                                |                                |
| Accounts Receivable        |              |                                |                                |
| - Membership fees          | 7            | 8,705                          | 17,430                         |
| - Conference fees          |              |                                |                                |
| Prepaid Expenses           |              |                                |                                |
| Investments                |              |                                |                                |
| Capital Assets (Equipment) |              |                                | 250                            |
| <b>Total</b>               |              | <b>34,900</b>                  | <b>51,961</b>                  |

| <b>Liabilities</b> | <b>Notes</b> | <b>Fiscal Year<br/>2020-21</b> | <b>Fiscal Year<br/>2019-20</b> |
|--------------------|--------------|--------------------------------|--------------------------------|
| Bank Indebtedness  |              |                                |                                |
| Accounts Payable   |              | -                              | -                              |
| - NIVEL            |              | -                              | -                              |
| Reserves           |              | 34,900                         | 51,961                         |
| <b>Total</b>       |              | <b>34,900</b>                  | <b>51,961</b>                  |

EUROPEAN FORUM FOR PRIMARY CARE

**BUDGET FY 2021-2022**

*All amounts in euros*



| <b>Income</b>                | <b>Code</b> | <b>Notes</b> | <b>Budget 2021-22</b> |
|------------------------------|-------------|--------------|-----------------------|
| Membership fees              | EUR001      |              | 65,000                |
| Bergen EFPC Conference       | EUR047      |              | 3,000                 |
| Ghent EFPC Conference        | EUR050      |              | 5,000                 |
| Other income, to be acquired |             | 8            | 10,000                |
| <b>Total Income</b>          |             |              | <b>83,000</b>         |

| <b>Expenses</b>               | <b>Code</b> | <b>Notes</b> | <b>Budget 2021-22</b> |
|-------------------------------|-------------|--------------|-----------------------|
| Salaries, insurance and taxes | EUR001      |              | 46,000                |
| Representation costs          | EUR001      |              | 1,500                 |
| Services                      | EUR001      |              | 23,000                |
| PRIMORE                       | EUR045      |              | 6,300                 |
| Bergen EFPC Conference        | EUR047      |              | 750                   |
| Ghent EFPC Conference         | EUR050      |              | 1,000                 |
| <b>Total Expenses</b>         |             |              | <b>78,550</b>         |

|                |  |  |              |
|----------------|--|--|--------------|
| <b>Balance</b> |  |  | <b>4,450</b> |
|----------------|--|--|--------------|

## EFPC Treasurer's report 2021



The attached report shows that we have survived, just, but it has been a difficult year and to be sustainable, change is needed. The net loss of €8,000 is lower than the previous year's €17,000, thanks to reduced spending but the challenge is more urgent now as cash is €8,000 lower and predicted negative in November.

The main reasons for the net loss are fewer membership renewals given the lack of conferences and the engagement they bring and the absence of project income. Conferences should also generate a surplus although this was not the case for Nanterre, and EFPC should not rely on a large conference surplus to fund the organisation.

Last year savings were made on staff and services compared with previous years, and payments to staff were delayed. We are deeply grateful to them, but it is our policy that this should not be repeated. We therefore need to fill the gap in funding within weeks, hence the "Other income" cell on the budget for 2021-22. We would like this to come from projects, although given the required timescale grant funding from one or more organisations who support our aims is more realistic. Failing that we would need to seek additional support from members who value EFPC and want us to survive and thrive again.

Harry Longman, honorary treasurer, 27 August 2021

### Notes to the accounts

- 1 Membership fees have been harder to collect given the lack of live conferences. Amounts owing from previous years are written off as there is no chance of collection.
- 2 Conference held online, income is for 3 registrations
- 3 Income could not be collected in advance, given decision to hold conference online, and expenses not incurred.
- 4 Speaking engagements and insurance refund
- 5 Adjustments to salaries and insurance costs
- 6 Primore project potential expenses carried forward so far unspent
- 7 As well as writing off previous years, collection of remaining memberships this year is at high risk. Likely a provision of 80% is needed.
- 8 The important space is here!