

Financial Report EFS 2006

Introduction

Between 2002 and 2004 a considerable amount of time was spent tidying up the database of member societies. In 2005 the accounting year was moved to January through to December and the final year of invitation of arrears to be paid for member societies was made.

For 2006 this forms the inaugural annual report from the Treasurer of EFS. It contains a treasurer's report and summary as well as a breakdown of all income and expenditure for the Federation. It provides for the first time a pathway to financial governance for the Federation with complete transparency on expenditure.

2006 was a busy year for the Federation with the bi-annual congress held in Prague in June 2006. During the General Assembly, the General Secretary and treasurer were re-elected for a further 4 years with the support of the executive committee and the unanimous support of the General Assembly. In a move to ensure stability and transition between officers, Antonio Palha was elected as President, Chiara Simonelli as Vice President and Kevan Wylie as General Secretary and Treasurer. Seven other members of the Executive were elected through open vote.

Appointment of a core PCO

Early in 2006 a call was made through invitation on the EFS website for tenders to bid for the position of core Professional Congress Organiser (PCO). In addition tenders were invited for a society to bid to host the 2008 and 2010 congresses. In advance of the General Assembly 4 PCO and 3 host societies had submitted bids. Confusion on documentation meant that all 3 host societies also bid in conjunction with their preferred PCO. It was decided by majority vote during the General Assembly for the four previous PCO and the three PCO bidding at the General Assembly with the potential host societies to all be invited to re-tender for the core PCO position.

The three officers prior to the General Assembly had agreed for an external advisor to provide opinion about the election of a PCO from the original four bids and Leo van Wersch was retained for advice through the summer and attended the appointment committee for the PCO in September 2006.

With short listing and criteria drawn up with the preferred 3PCO. Independent legal advice was sought to ensure the robustness of the proposed contract with the core PCO. Negotiations progressed successfully and AIM was appointed as core PCO in December 2006 for at least the next two congresses of the EFS. This has provided financial security to the Federation. The expenditure around the appointment of the PCO is accounted for separately in the accounts given the one off nature of this work

and the considerable financial contribution from each of the PCO's into this process.

It was recommended to and accepted by the executive committee in May 2006 that local secretariat and financial control would be retained by EFS and offices and expenditure should be made from the EFS finances to support these positions regardless of any offers made by a core PCO.

Financial Strategy

- The future options for the Federation include expanding income generation and this in turn may include application for European grant monies. For this to proceed, financial governance with clear accounts must be prepared and presented on an annual basis. If necessary these may be audited by an independent accountant although for the year 2006 it was decided that this was not necessary. Application for charity status may provide a further financial benefit and will be explored further in 2007.
- An asset register is established with normal depreciation and write off.

Incomes

The principal income streams are listed below.

- The major income to EFS will be during alternate years where income from the core PCO will be made available. This is a minimum guaranteed amount of 30,000 euros in 2008 and 40,000 euros in 2010. In addition a share of the profit from each meeting will be made available to the EFS with a proportion of this profit distributed to the host society. In 2006 the PCO amount was €10,000 (total from PCO for Prague was €20,000).
- The number of member societies who have paid the annual subscription of 130 euros in 2006 was 40. For the first time the Federation was able to accept payment by credit card in addition to bank transfer and cash. Considerable work was necessary by the Treasurer in establishing the financial security to provide credit facilities for this to proceed but is now available on annual renewal. In 2006 the amount from subscriptions was €5472
- New societies are invited to apply for membership of the Federation. In 2007 the Austrian Society for Sexology and the Polish Sexological Society will become members of the Federation. New societies can apply and have their application heard at each meeting of the executive committee.

- New societies in sexology, sexual medicine and sex education will be identified and invited to join in 2007 as a principal duty of the P.A. to the G.S of the Federation.
- A new category of individual membership of the Federation is now possible through a change in the 2006 statutes and the criteria for application will be established early in 2007.
- The official Journal of EFS, Sexologies is under contract with the Federation to provide a profit share on subscriptions above 400 copies. In the first 18 months of the agreement subscriptions were only in the region of 320. A meeting will take place to look at the management of this contract in the spring of 2007 and to explore ways that the Federation can encourage subscriptions of the Journal to rise above the important threshold of 400.
- The opportunity for executive council members and third parties to use credit card facilities for income collection through the EFS website is available with 5% handling charges going to EFS. In 2006 this amount from this source was €38
- In October 2006 a high interest instant access Money Manager account was opened which allows interest income. The amount raised in 2006 zero due to the accounting period. The interest rate on the cheque account is low but even this for the duration of 2006 amounted to €26

Expenditures

- Expenditure for the Federation is primarily around executive meetings and the overall administration. It was agreed by the executive committee that monies would be retained within the funding stream to support the president, the secretary and the treasurer of the federation with secretarial and administrative support. Job descriptions have been written for 3 of the 4 positions and all positions are now appointed. In addition the executive committee agreed to re-vamp the website and specific hardware and software has been purchased to upgrade the existing site and pay for webmaster services
- Additional expenditure is required in liability insurance which has been established with Hiscox to provide cover for members of the executive committee in their actions including the financial aspects of our activity.
- In addition the Federation complies fully with the data protection regulations under the UK Data Protection Act 1998.
- Separate expenditure for the PCO related activity amounted to an overall expenditure of €14,385 and is accounted for separately

Summary statistics, the overall situation provided the following information.

- Total monies in: €40744
- Total monies out €59011
- Difference in total balance from 01.01.06 (€18986) to 31.12.06 (€12238) was -€6748 (-£4685)
- A clear breakdown of income and expenditure is available in both GBP sterling £'s and the equivalent in Euros
- Insurance is established for the actions of the executive committee
- A core PCO secures the provision of congress facilities for the designated core host society
- Job descriptions are in place for those employed and paid on a freelance basis by the Federation
- As asset register is in place
- A clear database of all member societies of the Federation is now established and annual invoices will be sent in January of each year
- New financial opportunities will be explored as approved by the committee.

In conclusion financial governance is in place, which will allow the Federation to consider options for adopting charity status and application for European Community grants.

Kevan R Wylie
General Secretary & Treasurer
European Federation of Sexology
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