

FAI General Air Sports Commission (CASI)

Report submitted by FAI Secretary General
Markus Haggenev

28.11.2020 (MHA)

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TOPICS

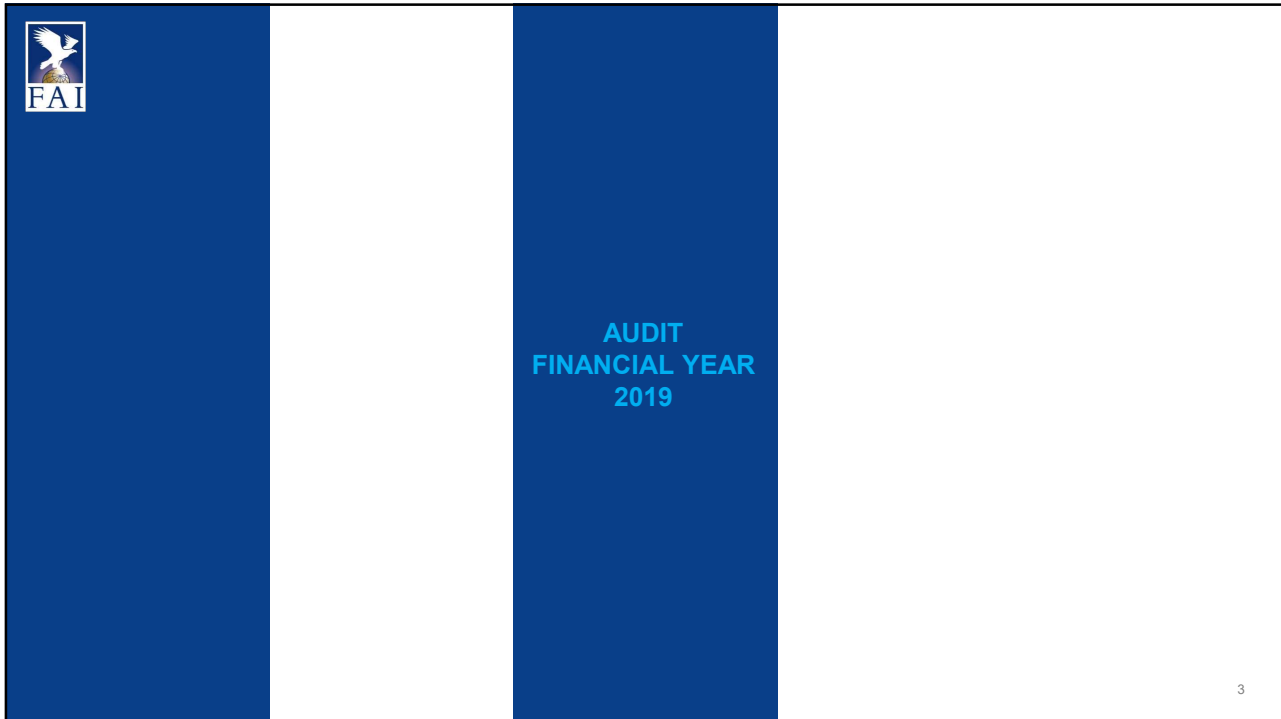
- Audit Financial Year 2019
- Budget Process 2021
- Timeline 2020 eGC
- FAI finance project (new finance systems)
- FAI Secretariat

FAI REPORT

FAI Report 2020

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TIMELINE

14.08.2020 BDO (auditors): final report
 13/14.08.2020 EB meeting for review of findings
 09.09.2020 Audit shared with FAI stakeholders
 09.10.2020 FAI replied to auditor's comments

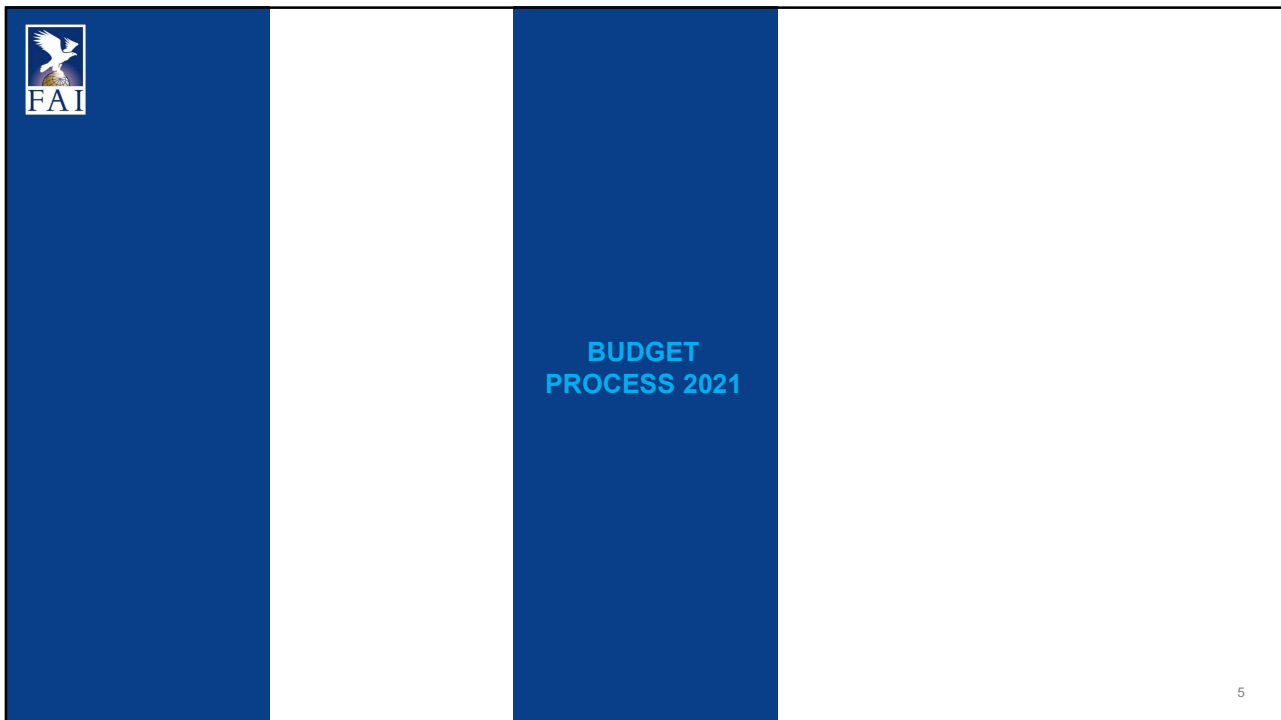
13.11.2020: FAI shared audit report/comments

- FAI explanatory note
- BDO-signed documents
- FAI Management letter (replies)

02.12.2020: Report at FAI General Conference

FAI Report 2020

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 Slide 6 features a dark blue vertical bar on the left side containing the FAI logo. The text 'BUDGET 2021' is written in blue on the bar. The main content area is white and contains the title '„FIELD OF PLAY“ - 3 MAIN CHALLENGES' in blue. Below the title is a bulleted list of three main challenges, each with sub-points. A small number '6' is located in the bottom right corner of the slide frame.

„FIELD OF PLAY“ - 3 MAIN CHALLENGES

- Subscriptions (Membership Fees)
 - Members paying late or defaulting to pay
- Pandemic will continue to reduce FAI activities
 - Probability of postponements/cancellations
 - Cat1 more affected than Cat2
- Workflows
 - Opportunities can be identified by reviewing today's ways of working

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BUDGET 2021

FIGURES & NARRATIVE

- Membership Fees (so called ‚Subscriptions‘)
 - 2020 invoiced = 1'046.050
 - Unpaid as of 20.11.2020 = 134'000
 - Members not in good standing lose rights at FAI General Conference. Risk of suspension 01.01.2021
- Requested class changes for GC
 - Effect minus 80'000 CHF for 2021
 - Will GC approve?
 - Further shortfalls in 2021?
- 13 Nov 2020: Budget proposal 2021 submitted
 - ‚narrative‘ and ‚figures‘ published
 - Shared with FAI stakeholders (eGC cloud)

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BUDGET 2021

RELEVANCE OF MEETINGS & TRAVEL

- No in-person meetings (all held in electronic format)
 - Commissions
 - Executiveboard
 - NAC Presidents
 - General Conference
- 2021 will be a „minimalistic year“
 - Even if the pandemic should allow travel
 - Still run 2021 minimalistic with no FAI-paid travel
 - Message:
 - Recover FAI finances
 - Assist stakeholders to recover

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BUDGET 2021

2021 PROGRAM: IDENTIFY BEST PRACTICE

- Sanction Fees/Bonds/Performance (see xls)
- Organizer Agreement (electronic)
- Medals/Diploma
- FAI calendar/ranking lists/payments/accounts
- Records process
- Expense claims handling
- Financial reports
- Currencies CHF and EUR



BUDGET 2021

FAI TOTAL

(PROPOSAL
13.11.2020)

FAI BUDGET 2021 - proposed budget for the General Conference
Date: 13 November 2020
(assuming GC approval of subscription changes)

Legal Account	Description	ACTUAL 2019 (FAI total)	BUDGET 2020 (FAI total) (€ 29.01.2020)	BUDGET 2021 (FAI total)
INCOME				
		2.815.954	1.649.389	1.440.805
30	INCOME FROM MEMBERS	995.765	1.046.613	961.103
32	COMMERCIAL REVENUES	353.206	58.283	49.000
33	COMPETITIONS REVENUES	1.233.141	424.654	368.502
36	OTHER REVENUES	199.656	103.840	62.000
EXPENSES				
		-3.176.680	-1.739.534	-1.530.468
4	DIRECT EXPENSES	-104.712	-147.645	-254.559
40	EXPENSES FOR PRODUCTION	0	0	0
42	EXPENSES MERCHANDISING & OTHER	-16.243	-4.598	-5.268
46	EXPENSES FOR SERVICES	-168.469	-143.047	-249.292
48	INVENTORY CHANGE LOSS OF MATERIAL	0	0	0
5	PERSONNEL COSTS	-1.472.763	-825.875	-716.875
54	WAGE COSTS	-1.014.848	-800.000	-568.000
57	SOCIAL INSURANCE COSTS	-158.208	0	-122.000
58	OTHER PERSONNEL COSTS	-115.931	0	0
59	EXTERNAL SERVICES	-183.776	-25.875	-26.875
6	OTHER OPERATING EXPENSES / DEPRECIATION AND AMORTISATION / FINANCIAL P	-1.238.588	-766.015	-578.711
60	HOUSING COSTS	-9.881	-38.814	-53.628
61	MAINTENANCE, REPAIR, REPLACEMENT AND LEASING OF TANGIBLE ASSETS	0	0	0
62	VEHICLE AND TRANSPORTATION EXPENSES	0	0	0
63	INSURANCE	-46.114	-42.000	-17.500
64	ENERGY, WASTE	-4.021	-7.500	-4.020
65	ADMINISTRATION AND INFORMATION TECHNOLOGY EXPENSES	-696.409	-488.391	-281.571
66	MARKETING AND PR EXPENSES	-243.538	-15.500	-31.952
67	OTHER OPERATING EXPENSES	-54.094	-61.580	-59.825
68	DEPRECIATION AND AMORTISATION ON FIXED ASSETS	-133.332	-85.000	-100.000
69	FINANCIAL EXPENSES AND FINANCIAL INCOMES	-51.200	-27.230	-30.215
7	OPERATIONAL ANCILLARY RESULTS	0	0	0
8	EXTRAORDINARY AND NON-OPERATING EXPENSES, TAX	-280.617	0	-323
NET RESULT ASCs ((+)/Allocation/(-)/Dissolution of Special Reserves)		-46.323	-74.944	-126.606
NET RESULT (FAI Total)		-314.403	-15.201	16.744



FAI Budget 2021
Introduction, Considerations & Scenarios

Budget for FAI Membership, Administration, Overheads, Secretariat
Budget for FAI Air Sport Commission Activities

Submitted to the

FAI General Conference 2020


To be held

02 – 05 December 2020

Status: 13 November 2020
Version: 1.0

Figures & Narrative provided
through eGC-cloud

FAI GC discussion on 04 Dec
2020



**FAI GENERAL
CONFERENCE**

02-05 DEC 2020

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**FAI GENERAL
CONFERENCE
2020**

**(ELECTRONIC
FORMAT)**

FAI Report 2020

TIMELINE (MAIN DEADLINES)

- 20.10. Commission Presidents & FAI President
- 01.11. Final Agenda
- 13.11. eGC Test Event
 - Dress Rehearsal, presenting the tools
- 17.11. ‚Meet the Executive Board Candidates‘
 - Online Presentation of 15 candidates
- 02-05.12. FAI General Conference
 - Concept: daily sessions à 2 hours/daily ‚reserve slot‘
 - Big topics:
 - FAI Actuals 2019
 - FAI Budget 2020
 - Election FAI President
 - Election FAI Executive Board

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		Session A 1200 – 1430 UTC	Session B 1900 – 2100 UTC
 FAI GENERAL CONFERENCE 2020 FAI Report 2020	Wednesday 02 Dec 2020	Opening Statutes changes with immediate effect Report FAI President Report FAI Secretary General Finances 2019 Discharge FAI Executive Board	Awards Ceremony 1900 – 2000 Backup Session 2000 – 2100
	Thursday 03 Dec 2020	Statutes Changes FAI membership Election CASI members *) Election Vice-Presidents	Backup Session
	Friday 04 Dec 2020	Finances 2020 year-to-date FAI Budget 2021	Backup Session
	Saturday 05 Dec 2020	Companions of Honour (appointment) FAI President - nomination, presentation, election FAI Executive Board - presentation, election Future FAI General Conferences Closing	CASI Plenary Meeting (Bureau election) *) 1900 – 2000 Reserve 2000 – 2100

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	FINANCES PROJECT	
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EVALUATION & SELECTION

FAI Finance Project 2020

RUN MY ACCOUNTS – A SWISS COMPANY

Background
slide

- Online accounting firm
 - 2 PoC: Online Accountant, Mandate Manager (Fiduciary)
 - Workflows supported via cloud/emails
- Functions
 - Payables, Receivables, Expense Claims, Payroll, Banking, Taxes incl VAT
- Services
 - Invoice creation, FAI-Interfaces, Bank access
 - Menu/reports/accounts table in ENG
- Cost
 - Fixed per month + Variable per booking
 - Additional services charged by the hour
- www.runmyaccounts.ch

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ACHIEVED


FAI Finance Project 2020

MILESTONES

- Connecting all FAI bank accounts
 - Read/Uploading. Payments release will remain FAI task
- Payables/Receivables since 01.01.2020
- Human Resources cloud-based
 - Payroll/Social Charges „Swiss Salary“ (since August)
 - Work hours/vacation „EasyRapport“ (Q4)
- FAI AMS Integration
 - application management system/FAI calendar/650 Cat2)
 - AMS for Cat2 events / calendar entry / SF invoices
- VAT declaration
 - Operational ‚electronic interfaces‘ to tax authorities (new)
- Cooperation with past Accounting Firm
 - Terminated. System (Abacus) remains for Q3 2020

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PROJECT TIMELINE


Background slide
On time – On budget

Timeline 2020	Q1 <small>Jan / Feb / Mar</small>	Q2 <small>Apr / May / Jun</small>	Q3 <small>July / Aug / Sep</small>	Q4 <small>Oct / Nov / Dec</small>
SmartFidu/Abacus	✓ ✓ ✓	✓ ✓ -	- - -	- - -
RMA (retroactive data entry from 01.01.2020 onwards)	- - -	- ✓ ✓	✓ ✓ ✓	✓ ✓ ✓
Cost Centre structure <small>(identify and agree to budgeting/reporting needs: EB and ASCs)</small>		- ✓ ✓	✓ ✓ ✓	- - -
Reporting to EB 'new format'			✓ ✓ ✓	✓ ✓ ✓
Budget process for 2021 (EB / ASC)			- ✓ ✓	✓ ✓ -
Reporting to ASCs 'new format' (phased roll-out)			- ✓	✓ ✓ ✓
Start identifying best practice in FAI (jointly EB/ASC/office) <small>(workflows ASC-office, sanction fees, ASC services and fees for LOC)</small>				- - ✓

FAI Finance Project 2020

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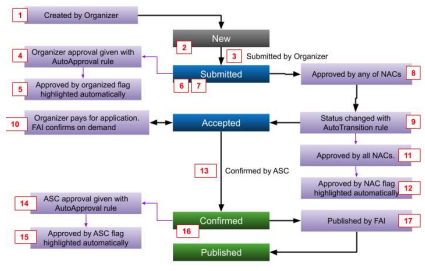
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FAI APPLICATION MANAGEMENT SYSTEM (AMS)

Full integration of the FAI AMS system
,Launch Customers' CIVL & CIAM

Background slide




CONNECT EXISTING APPLICATIONS

Cat 2-event registrations <https://ams.fai.org/site/static?type=workflow>

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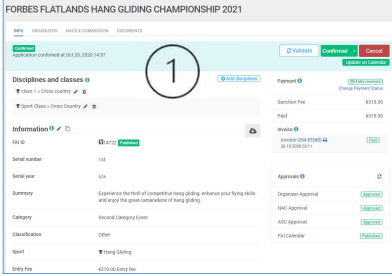
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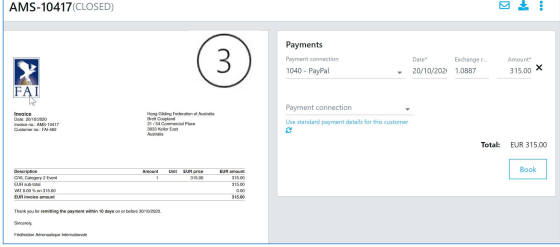


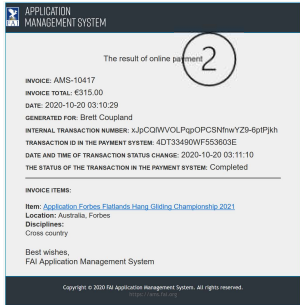
ACHIEVEMENTS
IMPROVING
WORKFLOWS


FAI Finance Project 2020

AMS APPLICATION MANAGEMENT SYSTEM









1. Application Management system [[link](#)]
2. AMS systems message
3. Accounting Run my Accounts) [[link](#)]
4. FAI calendar [[link](#)]

Background slide

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AVAILABLE
FEATURES


FAI Finance Project 2020

DASHBOARD (24/7) FOR FAI, AUDITOR



Background slide

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Different
objectives

FAI's accounts table tries to achieve both => manual work to report


FAI Finance Project 2020

THE PURPOSES OF ACCOUNTING

1. LEGAL accounting requirements
 - Swiss Law & Accounting Obligations
 - Annual Audit -> Members -> Discharge of EB
 - Tax authority
2. MANAGING the Federation
 - Reflecting FAI's view on activities & responsibilities
 - Cost Centres
 - Projects
 - FAI stakeholders
 - Executive Board
 - Commissions
 - Members

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FINANCES
CONCEPT

FAI Finance Project 2020


MAIN PERSPECTIVES ON FAI

Background slide

<h1>FAI</h1>		
Members Matters	Commissions (Sports)	Admin (Overheads)

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PROFIT & LOSS STATEMENT

Background slide

Cost & Revenue


Legal Accounts	Cost Centre	Project
SUI obligations (as few as necessary)	Department (FAI's internal structure) for - Decisions - Reports - Budgets	FAI activities: Cat1, Cat2, dedicated projects, single-year, multi-year, cross-commission, member specific, regional focus, FAI total

The level of detail for DEPRECIATION has to be decided

FINANCES CONCEPT

FAI Finance Project 2020

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SCHEMATIC: ACCOUTING/REPORTING

Background slide

Accounts	Cost Centre	Total across all projects	Project 1	Project 2	Project n...	Project-types
number 123 number 456 number 789 number etc	CIA, CIAM, ...ISC Members Admin	Σ projects				Overheads
		Σ projects				Investments
		Σ projects				Sanctioned Events
		Σ projects				
		Σ projects				
Σ Audit	Σ Cost Centres	Σ FAI budget	Σ Project 1	Σ Project 2	Σ Project n	all figures converted to CHF

FINANCES PROJECT 2020

FAI Finance Project 2020

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FINANCE PROJECT

FAI Finances

SUMMARY

- Finance System
 - Abacus & SmartFidu terminated 07/2020
 - Run my Accounts 01/2020 (retrospectively)
 - Cost savings on yearly basis (2019 basis) minus 50%
 - Bookkeeping: 55'000 CHF (2019) to 25'000 CHF (2021)
 - Audit (BDO): 31'000 CHF (FY2019) to 12'000 CHF (FY2020)
- Integrated workflows
 - Banks connected electronically
 - Invoicing module
 - FAI calendar, Application management system (AMS)
 - VAT declarations electronically (replacing paper)
- In progress of implementation
 - Liquidity forecasting (interfaced/API) with RmA
 - Budgeting (interfaced/API) with RmA

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FAI OFFICE

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HUMAN RESOURCES

„COVID-19“

Budget 2021

OFFICE STAFF / SECRETARIAT

- Since 11.03.2020 ‚Covid-19 scenario‘
 - Home office with almost daily zoom calls
 - August-October 1/2 day Tuesday’s in the office for all
- Short-term working / Chomage
 - Canton (the state) subsidizes 80% of the reduction
 - FAI continues to pay 100% of the social charges
 - Staff continues to receive 100% of their nominal salary
- Liquidity effect (cash-in FAI with 2 month delay)
 - Approx 12’000 CHF/month (statistics to be provided)
 - Max 18 months (renewed application requested)

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Staffing nominal = 6.2 FTE



FAI Secretariat

Lausanne SUI

February 2020

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