

114th FAI
GENERAL CONFERENCE 2020

Agenda Item 8

Report of the FAI Secretary General



TOPICS

1. After the GC 2019
2. Statistics 2019
3. The Year 2020, Running Business and Projects
4. Situation in Secretariat
5. Outlook 2021





EB BRIEFING (JAN 2020, PRESIDENT MUSINGS)

“... the EB, immediately following the GC, set the following priorities:

1. To make the FAI leaner and more effective within the urgently necessary cost cutting, while at the same time not compromising the achievement of the FAI goals as a sporting organisation.
2. To set the focus within the FAI secretariat on the main issues of Competitions, Records and Awards and the necessary management, communication and promotion of airsports vis-à-vis the NACs, Air Sport Commissions and international affiliates of the FAI.
3. ...
Markus Haggeneby ... achieving first two priorities as rapidly as possible...”



(1) POST GC 2019: ORGANISATIONAL IMPACT

Serious Budget reductions (approx. 35% of fixed cost)

- Immediate cost cutting
- Staff (FTE), Salaries, Work-schemes
- “survival mode” (even before pandemic)

Tasks and Responsibilities

- Re-focus on core FAI activities (President Musings)
- Staff work profiles
- Detailed Cost review: Insurance, Rent, Running Cost



(2) STATISTICS 2019: FIRST CATEGORY EVENTS

- 45 Events Category
 - World (24), Continental (13), Others (8)
- In 23 different countries
 - Europe (17), North America (2), Asia (1), South America (1), Africa (1) and Oceania (1)
- 77 FAI member countries participated
 - total of *3697 * competitors
 - World (2094), Continental (982), Others (621)



(2) STATISTICS 2019: INTERNATIONAL RECORDS

- 344 International Records ratified (2018 = 284)
- 64,8 % of them being World Records (2018 = 55%)

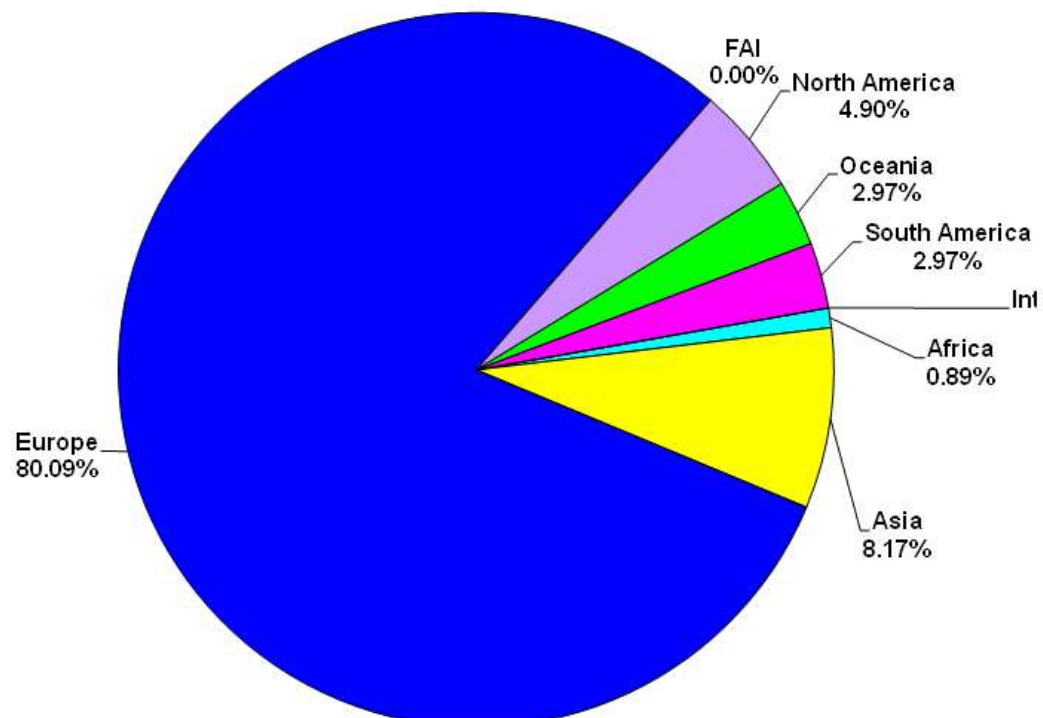
- 403 Attempts during 2019 (2018 = 310)
- 380 dossiers received (2018 = 333)





(2) STATISTICS 2019

- Origin / participants in FAI events





(3) RUNNING 2020: FINANCIAL AUDIT 2019

- Audit Financial Year 2019
 - August, delayed from April (because of Covid)
 - Cleaning 2013-2018 / Sorting deficiencies in past workflows
 - Addressing past auditors comments (provisions etc)
- 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 Management letter (replies)
 - 02.12.2020: Report at FAI General Conference





(3) SWITCH TO “ELECTRONIC”

- Executive Board
 - 1 f2f meeting (January)
 - 24 EB sessions (zoom)
 - 2 with CPG (zoom)
 - 1 with NAC Presidents (zoom)
 - Numerous bilateral zoom meeting
- Commission Meetings
 - All attended by FAI Secretary General
 - 2 f2f: ISC and CIVL, all other ASCs and TCs electronically
- Office
 - Since 11.03.2020 -> Home Office (covid), Daily Zoom Calls
 - August – November: team at office 1 day/week



(3) AIR SPORT ACTIVITIES

- FAI Category 1 and Category 2 events
 - Almost all World/Continental Ch. cancelled or postponed
 - 50% of Category 2 events cancelled
 - OA adjustments
 - Finalize YE 2020: SF payments (income vs pre-payment)

- Air Sports in other multi-sport events
 - Preparation work continued with the support of ASCs
 - Paramotors: Asian Beach Games, CHN 2020 -> 2021
 - Skydiving/Drones: The World Games, USA 2021 -> 2022
 - Drones: Asian Indoor & Martial Art Games, THA 2021





(3) PROJECT: NEW FAI FINANCE SYSTEM

- Online accounting firm „Run my Accounts“
 - 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



(3) PROJECT: NEW FAI FINANCE SYSTEM

- Connecting all FAI bank accounts
 - Read/Uploading. Payments release will remain FAI task
- Payables/Receivables since 01.01.2020
- Human Resources cloud-based
 - Payroll „Swiss Salary“ / Work hours „EasyRapport“
- 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



(3) PROJECT TIMELINE

On time – On budget



Timeline 2020	Q1 Jan / Feb / Mar	Q2 Apr / May / Jun	Q3 July / Aug / Sep	Q4 Oct / Nov / Dec
SmartFidu/Abacus	✓ ✓ ✓	✓ ✓ -	- - -	- - -
RMA (retroactive data entry from 01.01.2020 onwards)	- - -	- ✓ ✓	✓ ✓ ✓	✓ ✓ ✓
Cost Centre structure (identify and agree to budgeting/reporting needs: EB <u>and</u> ASCs)		- ✓ ✓	✓ ✓ ✓	- - -
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) (workflows ASC-office, sanction fees, ASC services and fees for LOC)				- - ✓



(3) AMS APPLICATION MANAGEMENT SYSTEM



FORBES FLATLANDS HANG GLIDING CHAMPIONSHIP 2021

INFO ORGANIZERS NACS & COMMISSION DOCUMENTS

Confirmed Application confirmed at Oct 20, 2020 14:57

Validate Confirmed Cancel Update on Calendar

Disciplines and classes Add disciplines

class 1 > Cross country

Sport Class > Cross Country

Information

FAI ID 14722 Published

Serial number 1st

Serial year n/a

Summary Experience the thrill of competitive hang gliding, enhance your flying skills and enjoy the great camaraderie of hang gliding.

Category Second Category Event

Classification Other

Sport Hang Gliding

Entry Fee €210.00 Entry fee

Payment

Sanction Fee €315.00

Paid €315.00

Invoice Invoice 1294-ET3BD Paid

Approvals

Organizer Approval Approved

NAC Approval Approved

ASC Approval Approved

FAI Calendar Published

AMS-10417(CLOSED)

Payments

Payment connection 1040 - PayPal Date* 20/10/2021 Exchange r... 1.0887 Amount* 315.00

Payment connection

Use standard payment details for this customer

Total: EUR 315.00

Book

Invoice

Date: 20/10/2020 Invoice no.: AMS-10417 Customer no.: FAI-462

Hang Gliding Federation of Australia Brett Coupland 21 / 54 Commercial Place 3020 Kew East Australia

Description	Amount	Unit	EUR price	EUR amount
CIVL Category 2 Event	1		315.00	315.00
EUR sub-total				315.00
VAT 0.00 % on 315.00			0.00	0.00
EUR invoice amount				315.00

Thank you for remitting the payment within 10 days on or before 30/10/2020.

Sincerely,
Fédération Aéronautique Internationale

APPLICATION MANAGEMENT SYSTEM

The result of online payment

INVOICE: AMS-10417

INVOICE TOTAL: €315.00

DATE: 2020-10-20 03:10:29

GENERATED FOR: Brett Coupland

INTERNAL TRANSACTION NUMBER: xJpCQIWVOLPqOPCSNfnwYZ9-6ptPJkh

TRANSACTION ID IN THE PAYMENT SYSTEM: 4DT33490WF553603E

DATE AND TIME OF TRANSACTION STATUS CHANGE: 2020-10-20 03:11:10

THE STATUS OF THE TRANSACTION IN THE PAYMENT SYSTEM: Completed

INVOICE ITEMS:

Item: Application Forbes Flatlands Hang Gliding Championship 2021

Location: Australia, Forbes

Disciplines: Cross country

Best wishes,
FAI Application Management System

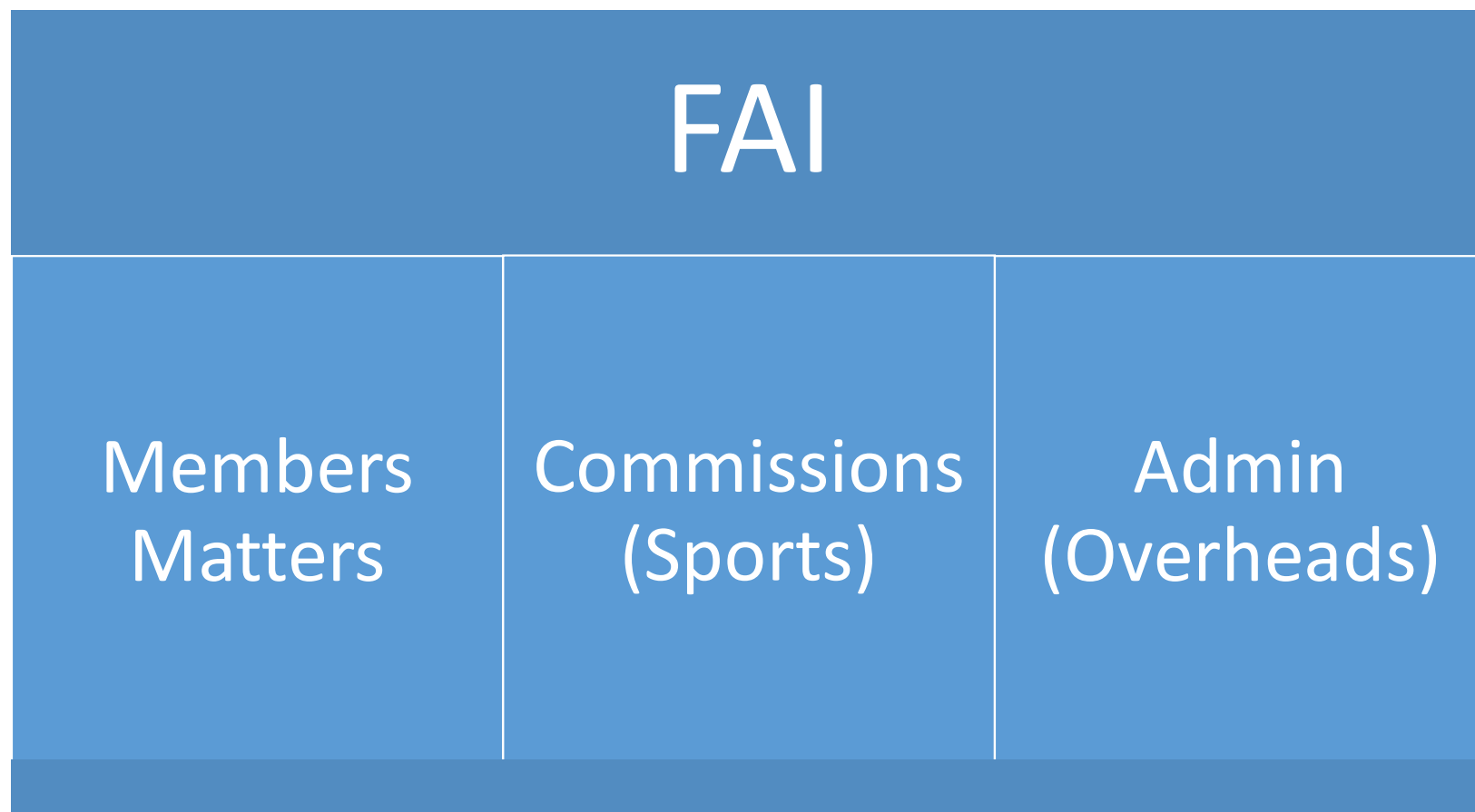
Copyright © 2020 FAI Application Management System. All rights reserved.
<https://ams.fai.org>

19 Jan - 26 Jan 2021 1st Forbes Flatlands Hang Gliding Championship 2021 Forbes, AUS							
Information		Event organiser		FAI Member of the Organising Country			
Event ID	Event classification	Type of event	Sport	Disciplines / Task Styles	Place	Date(s)	Documents/Links
14722	Other upcoming FAI-Sanctioned events (CAT.2)	Second Category Event	Hang Gliding	• class 1 - Cross country • Sport Class - Cross Country	Forbes, AUS	19 Jan - 26 Jan 2021	Organiser website

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



(3) MAIN PERSPECTIVES ON FAI





(3) MAIN PERSPECTIVES ON FAI



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Cost & Revenue

Legal Accounts

SUI obligations
(as few as necessary)

Cost Centre

Department (FAI's
internal structure) for

- Decisions
- Reports
- Budgets

Project

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



(3) SUMMARY

- Finance System
 - Abacus & SmartFidu terminated 07/2020
 - Run my Accounts 01/2020 (retrospectively)
 - Cost savings on yearly basis (2019 basis) minus 50%
- 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





(3) BUDGET PROCESS FOR FY 2021

- On top of identified reporting needs
- Cost centres
 - reflecting areas of responsibility
 - Supporting accountability
- Extensive discussions with Commissions
- Several update cycles (will continue from now on)
- Result will be presented under agenda item 17





(3) COMMUNICATION



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WEBSITE

+70 in 2020

SOCIAL MEDIA

Facebook
Twitter
Instagram
Linkedin
Youtube

MEMBERS INFO

5 in 2020

NEWSLETTER

7 in 2020

MAILING LISTS

PRESS RELEASES

13 in 2020



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FAI.ORG/ABOUT -> REPLACES "ANNUAL REPORT"

FÉDÉRATION AÉRONAUTIQUE INTERNATIONALE WORLD AIR SPORTS FEDERATION

NEWS EVENTS RANKINGS RECORDS SPORTS COMMISSIONS ATHLETES **FACTS & FIGURES** ABOUT

Home / Facts & Figures

FACTS & FIGURES

FÉDÉRATION AÉRONAUTIQUE INTERNATIONALE

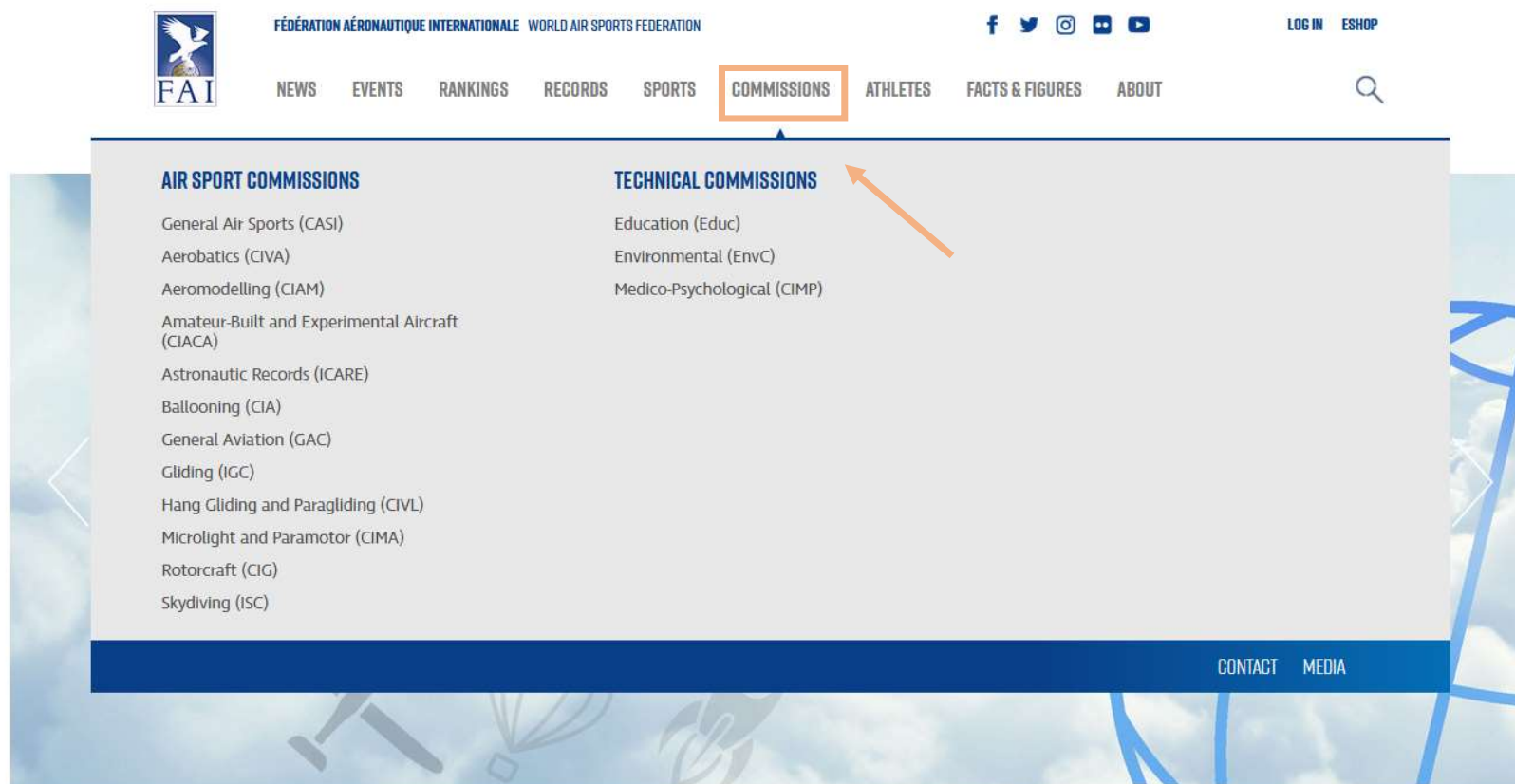
The Fédération Aéronautique Internationale, FAI – The World Air Sports Federation, was founded in 1905. It is a non-governmental and non-profit-making international organisation, IOC-recognised, with the basic aim of furthering aeronautical and astronautical activities worldwide, ratifying international records and coordinating international competitions. After over a century of steady growth, FAI is now an organisation of more than 100 member countries, forming a strong network linking all those who participate in air sports worldwide.



FAI.ORG/COMMISSIONS -> FAST-TRACK COMMISSIONS



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(4) SECRETARIAT (DECEMBER 2019)





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(4) SECRETARIAT

February 2020

Staffing
nominal = 6.2 FTE



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(4) SECRETARIAT

Since April 2020

Staffing
„covid-scenario“ = 3.6 FTE

Canton (the state) subsidizes
80% of the reduction

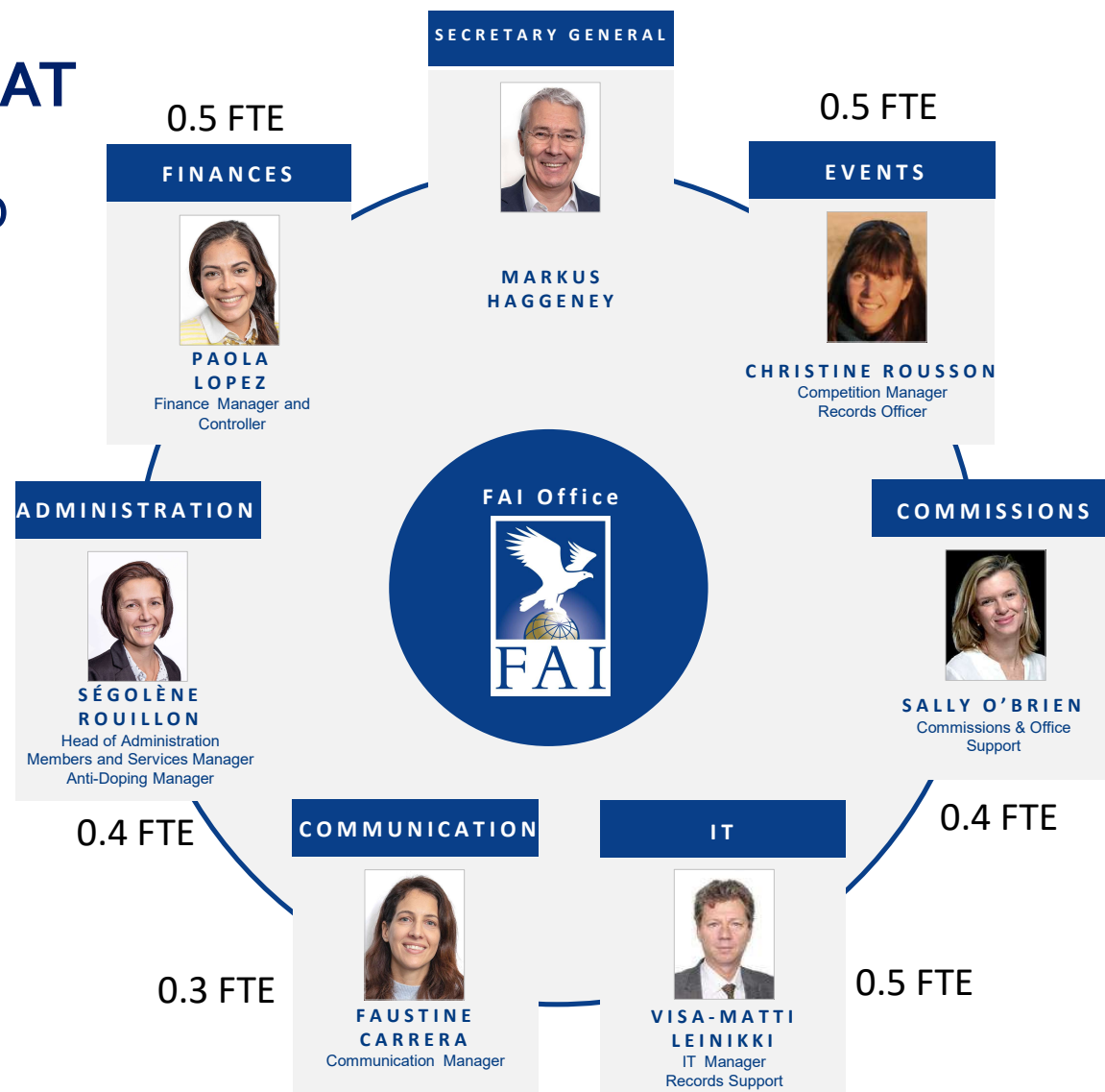
FAI continues to pay 100% of
the social charges

Staff continues to receive
100% of their nominal salary

Liquidity effect est. 2020 =
125.000 CHF

Monthly statistics to be
provided and application

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(4) SECRETARIAT

January 2021

Staffing
nominal = 5.4 FTE



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(5) OUTLOOK 2021

- Assumptions presented in “2021 Budget proposal” (agenda item 17)
 - 2021 Budget narrative
 - 2021 Budget figures
- Continue activities which began in 2020
 - Support stabilizing the FAI
 - Fully operational new accounting system
 - Focus on Liquidity Management
 - Regular budget updates
 - Faster reporting / early closing of the year 2020
 - See improvement from 2020 projects unfold





(5) 2021 FOCUS OVERHEAD/OFFICE

- Continuing to improve the financial system and related tools, interfaces, automated workflows, outsourced activities
- Introducing the electronic handling of documents (organizer agreements)
- Reviewing the structure and number of bank accounts needed to run the FAI
- Cooperate with Commission Secretaries: invoices, payment approvals and related reporting



(5) 2021 FOCUS SERVICES FOR FAI ACTIVITIES

- Addressing the diverse schemes in place for sanction fees, performances bonds and deposits
- Reviewing ASC services for organizers and the pricing structure (event directors, officials, technical expertise)
- Reviewing the different ways of ordering, handling and invoicing FAI Medals and Diploma
- Reviewing the records handling-processes
- Identifying harmonized workflows with Commissions, and involving National Record Officers



(5) 2021 FOCUS SECRETARIAT/ASC SUPPORT

- Electronic or face-to-face plenary meetings: tools, cloud space, document handling, invitation processes
- Handling expense claims and reducing the diversity of processes amongst Commissions
- Regular financial reports and related timelines
- Implications of activities handled in CHF and EUR
- Guidelines for the creation and dissolution of special reserves (provisions) to meet the request of the auditor
- Paperless office (expense claims, bidding processes, sanctioning processes, handling of Organizer Agreements, records handling)