

## **9 – FINANCE AND AUDIT COMMITTEE REPORT**

### ***9.3 – Cash Flow situation as at 31 October 2018***

Note by the Secretariat

#### **1. GENERAL**

The Cash Flow statement presented at Annex 9.3 shows a negative figure of -€88,311 as of 31 October 2018.

The negative cash flow is normal because most of the membership contributions are paid between October and January of the next year. That is why the level of cash is at its minimum level in October each year. Other factors that affect the cash flow are:

- **A decrease in the general revenues (-6%):**
  - The payments of membership contributions for this period in 2018 decreased by 3% compared to the same period of the previous year.
  - The total overdue contributions (for the years 2012 to 2017) amounts to €372,591. Only 32% of the debts were settled in 2018 (compared to 44% in 2017).
  - Also, no income was generated by Workshops and seminars in 2018.
- **An increase of general expenses (+2%):**
  - The personnel cost has increased by 2% due to 2 new recruitments in autumn 2018.
  - An increase of 6% in operating costs (mainly due to the increase of missions).

Despite a good execution of the budget, a particular attention should be given to the global level of debts from members. This matter is developed in document C68-9.5.

#### **2. THE COUNCIL IS INVITED TO**

**Note** the cash flow situation as of 31 October 2018.