



FAI Microlight & Paramotor Commission (CIMA)

Report submitted by FAI Secretary General
Markus Haggene

20.11.2020 (MHA)



FAI REPORT

FAI Report 2020

TOPICS

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



**AUDIT
FINANCIAL YEAR
2019**



FINANCIAL AUDIT 2019

FAI Report 2020

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



SPECIAL RESERVES

AIR SPORT COMMISSIONS

FAI Finances

CIMA ,SPECIAL RESERVES‘ (AS AUDITED)

CHF-currency	Opening (01.01.)	Changes	Closing (31.12.)
2019	60'566	(5'152)	55'414
2018	67'964	(7'398)	60'566
2017	66'657	1'307	67'964
2016	54'629	12'028	66'657
2015	55'875	(1'246)	54'629
2014	44'216	11'659	55'875

FAI finances are audited each year and the reporting currency is in CHF.
Changes in a year are converted at the exchange rate when the transactions are recorded.



BUDGET PROCESS 2021



BUDGET 2021

„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



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)



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



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) (EB 29.01.2020)	BUDGET 2021 (FAI total)
	INCOME	2.815.954	1.649.389	1.440.605
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	-1.550.468
4	DIRECT EXPENSES	-184.712	-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 PI	-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



**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



FAI GENERAL CONFERENCE 2020

FAI Report 2020

Schedule of Working Sessions

	Session A 1200 – 1430 UTC	Session B 1900 – 2100 UTC
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



FINANCES PROJECT



EVALUATION & SELECTION

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



ACHIEVED

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

PROJECT TIMELINE

Background
slide
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)				- - ✓

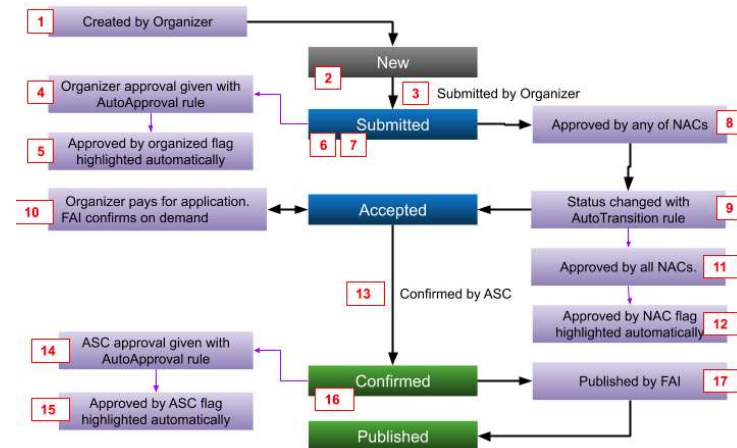


FAI APPLICATION MANAGEMENT SYSTEM (AMS)

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

CONNECT
EXISTING
APPLICATIONS





ACHIEVEMENTS

IMPROVING WORKFLOWS

FAI Finance Project 2020

AMS APPLICATION MANAGEMENT SYSTEM

Background slide

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

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)

FAI

Invoice

Date: 20/10/2020

Invoice no: AMS-10417

Customer no: FAI-462

Hang Gliding Federation of Australia

Brett Coupland

21/54 Coommercial Place

3033 Kolor East

Australia

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

Description	Amount	Unit	EUR price	EUR amount
CHL Category 2 Event	1		315.00	315.00
EUR sub-total				315.00
VAT 0.00 % on 315.00				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: xJpCQIWVLPqpOPCSNfnwYZ9-6ptPjkh

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

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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]



AVAILABLE FEATURES

FAI Finance Project 2020

DASHBOARD (24/7) FOR FAI, AUDITOR

Background
slide





Different objectives

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

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

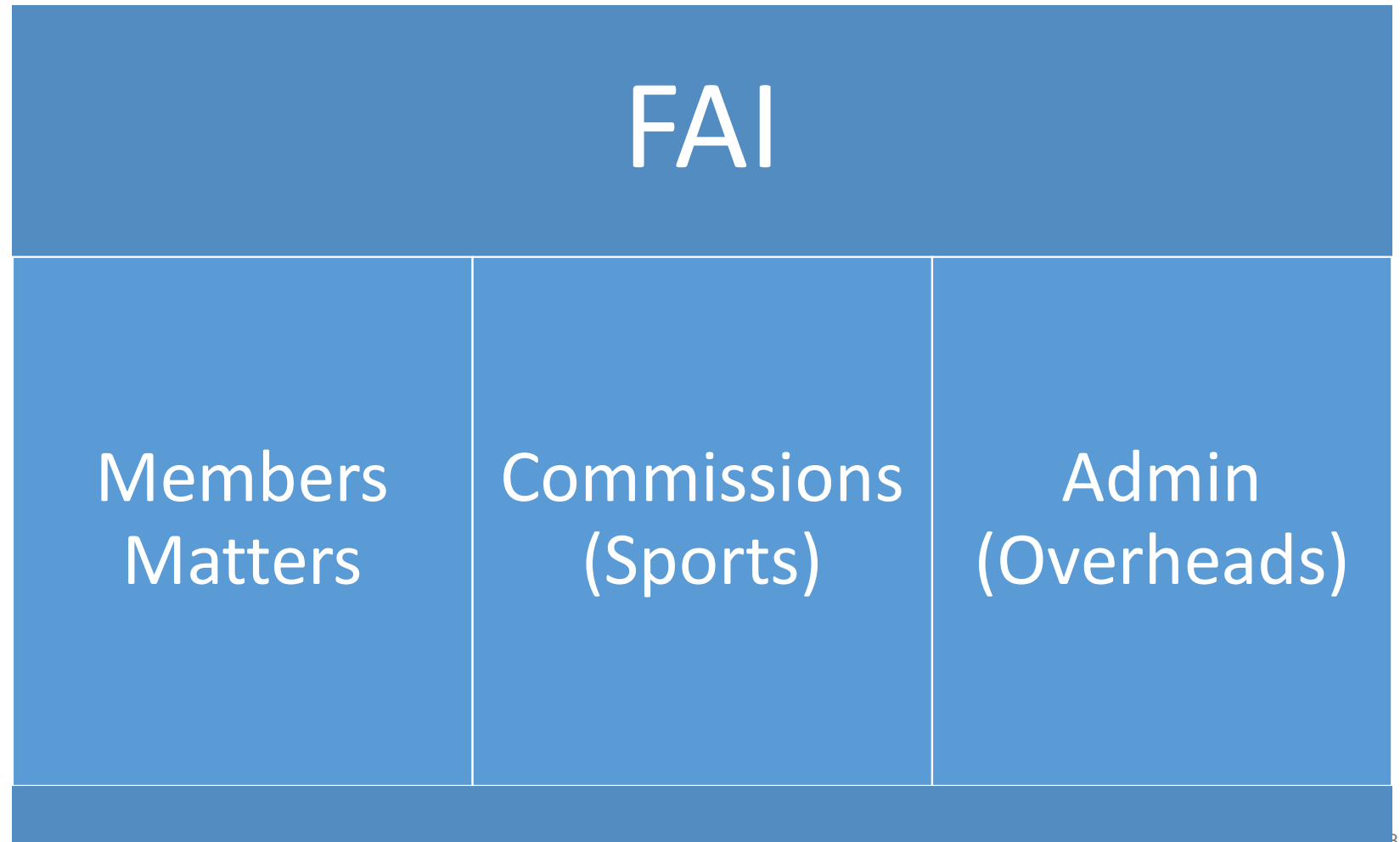


FINANCES CONCEPT

FAI Finance Project 2020

MAIN PERSPECTIVES ON FAI

Background
slide





FINANCES CONCEPT

FAI Finance Project 2020

PROFIT & LOSS STATEMENT

Background
slide

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



SCHEMATIC: ACCOUTING/REPORTING

Background
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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 projects				
Σ Audit	Σ Cost Centres	Σ FAI budget	Σ Project 1	Σ Project 2	Σ Project n	all figures converted to CHF



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



FAI OFFICE



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)

FAI
Secretariat
Lausanne
SUI

February 2020

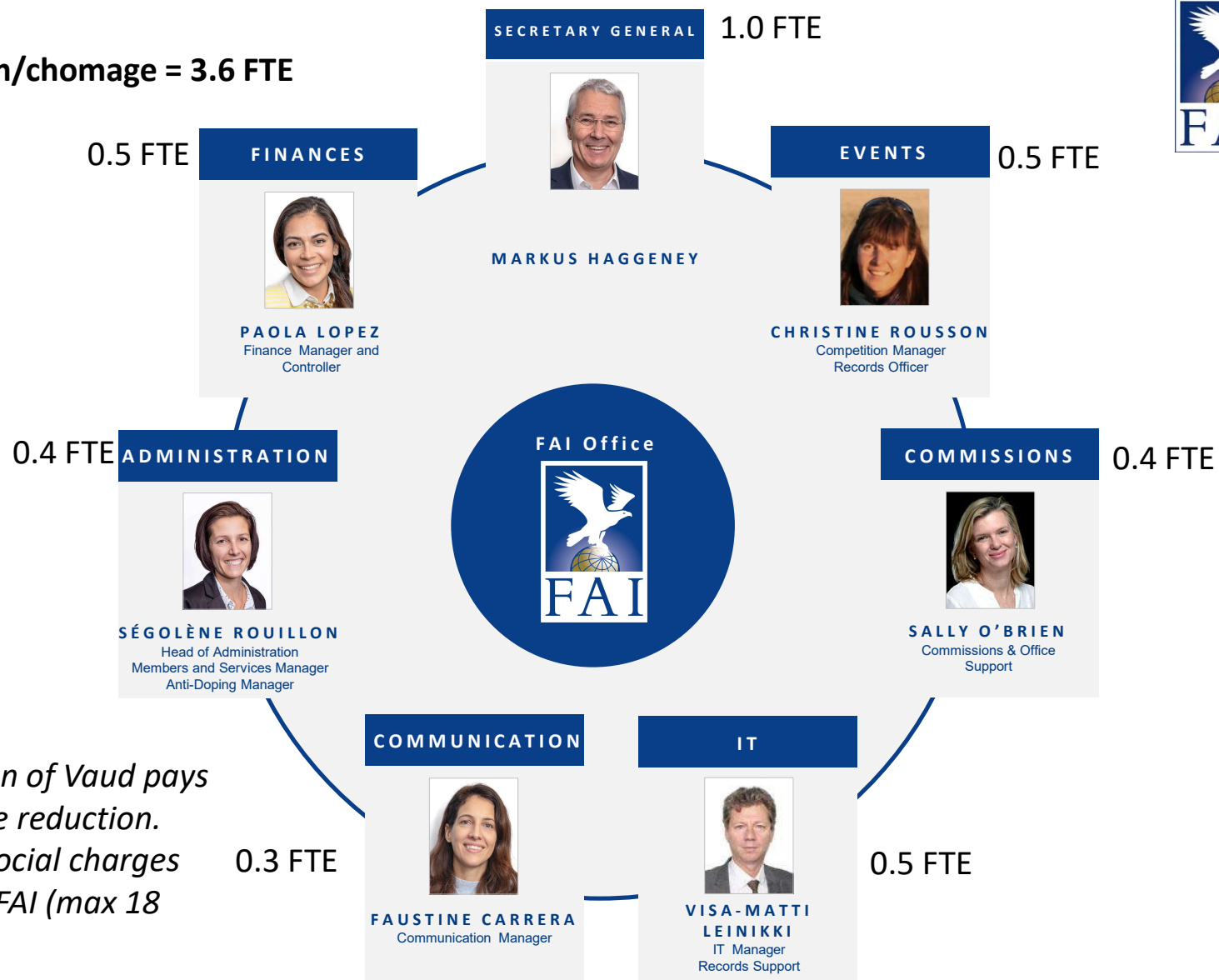
Staffing
nominal = 6.2 FTE



FAI Secretariat Lausanne SUI

April – December 2020

**Staffing
shortterm/chomage = 3.6 FTE**



*The Canton of Vaud pays
80% of the reduction.
100% of social charges
stay with FAI (max 18
months)*



THANK YOU!

**QUESTIONS &
FEEDBACK TO**

SEC.GEN@FAI.ORG