European Blind Union

11th General Assembly, Rome, Italy, 28/30 October 2019

Treasurer's Report for the period 2015–2018

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An organisation's performance is measured by all the tangible results it achieves, the diversity and number of the projects it conducts, its visibility and the cohesion of its members. Others will talk before you on these different aspects, which, however, all have one common factor: they can only be attained once a sine qua non condition has been fulfilled, by which I mean a healthy financial state, because, as we all know, 'money makes the world go round'. It is therefore this important topic that I shall talk of before you, which I shall do as clearly and simply as possible so as not to drown you under a weight of figures; you will find the main elements of the accounting statements and balance sheets in the comparative tables in annexe 1 attached to this report, and all my annual reports are also at your disposal. I shall focus more upon the efforts made over the four years 2015 to 2019 to ensure that the European Union of the Blind has a healthy and transparent cash flow, able to support its members' actions in case of need.

# I. A HEALTHY CASH FLOW

##  1. OUR REVENUES: STEADY FUNDING BUT STILL NEEDING DEVELOPMENT

Despite a slight drop in 2015, the annual total amount of our funding has remained stable during these four years:

Thanks to the excellent work of our project officer, the operating grant awarded to us annually under the auspices of the REC programme of the European Commission has grown by 29.3% between 2015 and 2018; it represents 48% of our resources this year. We should bear in mind that this grant is considered part of the accounts consolidated as 'REC expenses' to cover 80% of specific expenses for the different projects accepted by the Commission (travel costs, translation of documents such as our newsletter or various reports, external evaluation, training and lobbying). The grant is furthermore used to finance an important part of our general expenditure and above all a not unimportant part of salaries.

Following the proposal of my predecessor, Vincent MICHEL, the rates of our members' contributions have been stabilised since our General Assembly in 2015. We have to thank him warmly for this, since, after an increase of 20% the first year, the contributions have remained at a very satisfactory level, in line with the budget estimates, and represent 44% of our resources in 2018. If they remain divided into four groups, according to the wealth of the different countries, it should be noted that Iceland has been reclassified from group 2 to group 3 and that 20 other members have, at their request, benefitted during this period from reductions ranging from 10% to 50%, as shown by the table in annex 2. We should note here that since 2015 ten countries have benefitted from reductions in the level of their subscription; these reductions have been extended after bilateral discussion and a close study of each country's situation. I am convinced that in most cases these benefits will need to be continued for the coming period, but each beneficiary is now invited to complete, preferably online, a form giving the precise reasons for the request that the contribution remain at this same level. To be taken into account all requests for reduction must be accompanied by this form and returned to us without fail by the 15th January at the latest so that the Office in February can study all these requests together. This formality will be required every two years.

In conformity with article 7, paragraph 2.2.3 of our Constitution (see Annex III) and after several meetings in which the European Blind Union Board deferred this difficult decision, two countries have been deprived of their membership: Azerbaijan, which has not responded and has not paid its subscription since 2008, and Georgia, in the same position since 2010. Our attempts to make contact with these associations have been fruitless; we believe that the Board must respect the Constitution, and that the first obligation of every member of an organisation is to pay its contribution, which demonstrates the interest of that member. It is now our duty to confirm that this decision is now final. In addition, the Malta Blind Association has informed us of their wish to withdraw from the European Blind Union, and since our attempts to dissuade them have been equally fruitless, we have with regret recognised their decision.

Our other resources are basically drawn from the ONKYO project, which has been renewed every year for over ten years; the change of bank in 2017 should enable us to increase our revenue slightly; we have very few donations and deeply regret that our generous donor, Mr CARDINAUX, who donated €206,000 to us in the course of the previous term of office, has now ended all donations to us. It is therefore imperative that we seek sponsors: I would like to share with you some words on this subject that seem to me important: To face the move of companies from philanthropy to sponsoring, EBU devised a Sponsorship Strategy, an Ethical Sponsorship Policy and sponsorship offers in late 2018. This set of documents provides a clearer intervention frame for the EBU office when both approaching potential sponsors or responding to collaboration offers. Contacts are mostly being made with assistive technology companies and optical pharmaceutical companies, i.e. niche markets. As a European NGO, EBU also approaches international companies. This should not be considered as interfering with national members’ own sponsoring options, especially when such companies initiate the collaboration. Sponsors want counterparts. EBU’s counterparts are mostly our information channels: website, newsletter, Focus, podcast, social media and events. Unfortunately, EBU’s low direct audience means a very low cost/benefit ratio for sponsors. Our members will therefore play a crucial role in the success of EBU’s sponsoring. The more they relay/translate information, the more potential clients will be reached, and the more companies will find interest in sponsoring EBU.

## 2. OUR EXPENDITURE: INCREASING BUT UNDER CONTROL

Without taking into account the year 2015, in which expenditure increased because of the General Assembly, it can be seen that expenditure has increased by 27% in three years, this being particularly the case in 2018 for the reasons that we shall see below.

The salaries and costs of our five employees in the |Paris office represent 59% of our budget. Over this period we have: revised our calculation method for the seniority bonus, detailed the terms for granting overtime hours, applied a 3% increase to all salaries from January 1st 2018 in line with French inflation, and increased the value of restaurant vouchers to €9. Each employee has benefited from an individual increase, with the exception of the lobbying officer hired in February 2018, which partly explains the increase in salaries this year. We should remember here, as we stated above, that the REC programme shoulders a significant part of these remunerations, based on the estimated time which each employee spends on projects accepted by the European Commission.

The REC programme also pays 80% of specific expenditure linked to the projects accepted, and a significant part of our general expenses.

In 2018, there was also a significant increase in the following costs: participation in meetings/conferences, travel expenses, subsidies granted by the Solidarity Fund, of which we shall speak below. We aim to interest all our members in our activities, especially those from less advanced countries.

Throughout this period, we have been very careful to keep our outgoings within the limits fixed by the annual Budget Estimates. Accordingly, since January 2016 we have ended the support contract in the search for sponsors, since we did not consider the report given satisfactory. No severance pay has been claimed from us. The 'exceptional expenses' have only rarely been accepted; they concerned the maintenance of our twitter account for a short period, help given to the World Blind Union to prepare the Marrakesh Treaty, and finally a study on the possible transfer of our office from Paris to Brussels, on which the various reports will be available to the next Board.

## 3. RESULTS REMAIN IN SURPLUS

In each of the four fiscal years for which we have provided accounts there has been a surplus, more or less significant depending on the year under consideration. For the whole period there has thus been a surplus of €148,691, which we have been able to distribute as follows: €45,000 to the Solidarity Fund, €10,000 to the AFUB Fund, €15,000 for forward provision for our General Assembly, and the remaining €78,691 to our reserves.

The total of our assets against liabilities balance sheet is therefore constantly increasing and our bank balance has increased by 20% since 2014, with cover for rather over one year's operation, which is more than satisfying.

# II TRANSPARENT FUNDING

Since the General Assembly of 2015, certain members have referred to a lack of transparency as regards the EBU's funds. Knowing the rigour and integrity of my predecessor this is certainly not the case; at most there should have been regular better information given to our associates. This is what we have been doing since October 2016 in publishing on the 15th of every month a very detailed document which presents, explaining them if necessary, all the receipts, outgoings, and balances of our different bank accounts. This document is addressed to each of the members of the Board, who thereby have all the means to follow our funds. Its preparation is carried out by our staff accountant with the assistance of our Paris office; I would like to thank them warmly for the valuable work they are doing and for all their scrupulous care in meeting the agreed deadlines.

# III A FUND ABLE TO SUPPORT OUR MEMBERS IN TIME OF NEED

Undoubtedly the most important decision made in this term of office was at the end of 2016 when the possibility of benefiting from a support fund initially dedicated only to developing countries was opened to all our members. This new 'Solidarity Fund' can therefore be called upon by all organisation members wishing to set up or participate in a project, organise a meeting/conference, or simply needing exceptional help to pay a part of their contribution. The amount of support given in each case, which cannot exceed 80% of the cost, is limited to €10,000. The regulations and detailed documents with reference to this Fund are available from our Paris office for everyone. From its creation to the present, the Solidarity Fund has supported the following projects:

1.   ALBANIA – 2017 – Education of Albanian Blind Voters for their participation in Elections – €10,000

2.   DENMARK – 2017 – Braille conference – €4000

3.   MACEDONIA – 2018 – Challenges, needs and condition of the physiotherapist's profession in people with impaired vision in Western Balkan countries – €9600

4.   MONTENEGRO – 2018 – Easier way to ratification of Marrakesh Treaty in the Western Balkans countries – €9910

5.   ALBANIA – Copyright and Related Rights:  Beijing and Marrakesh Treaties - Sub Regional Meeting – €1930

6.   MONTENEGRO – 2018 – Participation in good practice jury meeting – €1200

7.   MONTENEGRO – 2018 – ADVISE – €2400

8.   ALBANIA – 2019 – Participation in CRPD Committee meeting – €1250

I would like now to draw your attention to the difficulties we meet in administering the aid fund in African countries: the Commission of Development set up in preceding terms of office has not functioned for four years. It is therefore urgent to re-establish this Commission and to review the working regulations of the Fund so that, as it did in the past, it can once again develop concrete actions to help our friends on the other side of the Mediterranean. If you are interested, please be sure to make yourselves known to me.

# IV DELIBERATIONS OF THE GENERAL ASSSEMBLY

## 1. CONFIRMATION OF THE DECISION TO EXCLUDE AZERBAIJAN AND GEORGIA

The General Assembly, after listening to the explanations given by the Treasurer:

Considering that the first responsibility of all members of an organisation is to pay an annual contribution to maintain that member's interest in the organisation,

Considering that despite the efforts made by the European Blind Union to recall Azerbaijan and Georgia to their aforesaid responsibility, these two countries have not paid their contribution since 2008 and 2010 respectively,

Considering that the General Assembly and Board of the European Blind Union has the absolute responsibility to apply and make applicable the Constitution of the Union,

Confirms the decision taken by the Board at its meeting in Rome on the 4th and 5th of February 2017 to exclude the members Azerbaijan and Georgia for non-payment of their contribution over a long period.

This decision can be reviewed if one or other of these members indicates their intention to return to the European Blind Union and to respect the regulations, above all by paying the contribution.

## 2. LEVEL OF CONTRIBUTION

The General Asssembly accepts the principle of maintaining the contributions at the present levels with the understanding that members which request reductions shall provide in a timely manner the documents which will allow the Board to make a decision with full understanding of the cause for the request. The reductions are valid for a period of two years; possible group changes apply throughout the period considered.

## 3. EXTERNAL AUDIT

The General Assembly entrusts the task of audit for the European Blind Union for the period 2019–2023 to la Société COGEP, 96-98 avenue Raymond POINCARE CS 31749 75771 Paris CEDEX XVI.

# CONCLUSION

To conclude, I would like to thank once again the staff of the Paris office and of the French Blind Federation for enabling me to carry out my work as Treasurer during this period; I should also say that the Federation provided me with the necessary financial support to participate in the work of the Board of the European Blind Union and I am most grateful to them. If you entrust me with this work for the four years to come, I will do my utmost to guard the good financial health of the EBU, for which each member country must feel equally responsible. Whether you are in Group 1, with a contribution of €16,000, or Group 4 with an annual participation of €1000, your contribution is equally important because it indicates primarily your commitment to our organisation. I am in no doubt that you understand this and for that I am most appreciative.

Philippe CHAZAL

Treasurer of the European Blind Union

Clermont-Ferrand, 27th September 2019.

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