

Report by the Honorary Treasurer for the Financial Year 2016, including Forecast 2017 and Budget 2018

General Assembly
Copenhagen 22 September 2017

To approve Financial Year 2016

THE ACTUARIAL ASSOCIATION OF EUROPE (AAE)

Statement of Income and Expenditure for the year ended 31 December 2016

	2016	2015
	EUROS	EUROS
INCOME		
From members		
Annual contributions due from National Associations	433.982	422.979
Other		
ECA 2016	90.169	-
AAE Meetings	6.260	-
The European Actuary	3.500	-
Interest received	-409	1.321
	<u>533.501</u>	<u>424.300</u>
EXPENDITURE		
ECA 2016	142.248	-
AAE Meetings	14.334	2.368
The European Actuary	12.557	
Salary / fee costs of Secretariat	211.383	182.749
Secretariat travel	24.003	20.468
Secretariat expenses	1.034	363
Brussels office - rent/utilities	18.861	13.631
Professional fees	30.023	28.320
Chairman's / Officers' expenses	43.936	34.961
IT Support	3.209	3.214
Conference calls	4.830	2.066
Web site	3.112	3.650
Promotional Seminar	417	1.482
Printing	36.445	19.412
Taxes: Swiss/Belgian	1.026	1.818
VAT	1.338	28.811
Bank charges	1.243	769
Depreciations	1.186	-
	<u>551.185</u>	<u>344.082</u>
Total income	533.501	424.300
Total expenditure	<u>551.185</u>	<u>344.082</u>
Surplus of income over expenditure	<u>-17.683</u>	<u>80.218</u>

- ECA2016: impact income (EUR 90,169) and expenses (EUR 142,248)
- Actuarial House: rent unchanged, costs slightly higher
- Officers' expenses: increased presence and less compensation by employers and local associations
- AAE meetings: organisation, speakers, catering
- The European Actuary: AAE took over the production of the magazine

Forecast 2017

	2017 Budget	2017 Forecast	2017 Forecast vs. Budget %
Annual Fee	Euros 18-20	Euros 18-20	
Number of Members	21,000	22,791	
INCOME			
Contributions (fees)	438,300	452,000	3.1%
ECA 2016	0	0	
AAE meetings	0	0	
The European Actuary	0	0	
Interest received	0	0	
Total Income	438,300	452,000	3.1%
EXPENDITURE			
AAE Secretariat Employment	210,000	195,000	-7.1%
AAE Secretariat Travel	30,000	25,000	-16.7%
AAE Secretariat Office Expenses	1,000	3,000	200.0%
Conference calls	4,000	4,500	12.5%
Brussels office (rent/utilities)	17,500	18,000	2.9%
IT services	6,000	7,000	16.7%
Web Site	5,000	19,000	280.0%
Professional Fees	25,000	30,000	20.0%
Legal costs	5,000	0	-100.0%
Bank Charges	1,000	600	-40.0%
Board expenses	32,000	55,000	71.9%
Tax Swiss/Belgian	2,000	3,000	50.0%
VAT payments B (non-Belgian invoices)	4,000	1,500	-62.5%
Publications (incl. EU newsletter)	25,000	26,000	4.0%
AAE Meetings	7,000	15,000	114.3%
The European Actuary	6,000	8,000	33.3%
Promotional events	15,000	15,000	0.0%
ECA 2016	0	0	
Depreciations	0	1,200	
Total Expenditure	395,500	426,800	107.9%
Income -/- Expenditure	42,800	25,200	58.9%
Balance EOY	648,688	631,088	

- Membership better than expected
- No recruitment or external input
- New website design fully covered in 2017
- Officers' expenses continue to increase – expense policy strictly applied
- AAE meetings: shared costs Reykjavik meeting, organisation, catering
- Promotional event: AAE promotional seminar in planning

To approve Budget 2018

	2018 Budget	2019 Forecast	2020 Forecast	2021 Forecast	2022 Forecast
	Euros 19-20	Euros 20	Euros 20	Euros 20	Euros 20
Annual Fee					
Number of Members	23,000	23,300	23,600	23,900	24,200
INCOME					
Contributions (fees)	456,145	466,000	472,000	478,000	484,000
ECA 2016	0	0	0	0	0
AAE meetings	0	0	0	0	0
The European Actuary	0	0	0	0	0
Interest received	0	0	0	0	0
Total Income	456,145	466,000	472,000	478,000	484,000
EXPENDITURE					
AAE Secretariat Employment	200,000	205,000	210,125	215,378	220,763
AAE Secretariat Travel	30,000	30,750	31,519	32,307	33,114
AAE Secretariat Office Expenses	3,000	3,075	3,152	3,231	3,311
Conference calls	5,500	5,638	5,778	5,923	6,071
Brussels office (rent/utilities)	18,500	18,963	19,437	19,922	20,421
IT services	7,500	7,688	7,880	8,077	8,279
Web Site	6,000	6,150	6,304	6,461	6,623
Professional Fees	30,000	30,750	31,519	32,307	33,114
Legal costs	0	0	0	0	0
Bank Charges	600	615	630	646	662
Board expenses	60,000	61,500	63,038	64,613	66,229
Tax Swiss/Belgian	3,000	3,075	3,152	3,231	3,311
VAT payments B (non-Belgian invoices)	2,000	2,050	2,101	2,154	2,208
Publications (incl. EU newsletter)	26,000	26,650	27,316	27,999	28,699
AAE Meetings	10,000	10,250	10,506	10,769	11,038
The European Actuary	12,000	12,300	16,000	16,400	16,810
Promotional events	15,000	15,375	15,759	16,153	16,557
ECA 2016	0	0	0	0	0
Depreciations	1,200	1,230	1,261	1,292	1,325
Total Expenditure	429,100	439,828	454,216	465,571	477,210
Income -/- Expenditure	27,045	26,173	17,784	12,429	6,790
Balance EOY	658,133	684,305	702,090	714,519	721,308

- No structural changes
- Continued increase officers' expenses
- Publications: Newsletter and The European Actuary – further developed
- Slow growth of Qualified Actuaries
- Fixed contribution per capita
- Expenses index linked
- Expected surplus shrinks over time

To approve annual subscription 2019



In accordance with the Statutes, the General Assembly is invited to approve to maintain the annual fee for 2019 at EUR 20 per full member per Member Association.

THANK YOU !

I would like to take this opportunity to remind the General Assembly that I shall be relinquishing my position as Honorary Treasurer.

I have served in this capacity for two years, and it has been a pleasure and a privilege to do so. I am pleased to be able to hand over a sound financial position to my successor.