

<b>Subject:</b>	<b>TREASURER'S REPORT TO IPC PLENARY MEETING 2011</b>	<i>Annex no. -</i>	<b>18</b>
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## IPC Plenary Meeting 2011, Bar, Montenegro

### TREASURER'S REPORT

Attached to this report are an October 31, 2010 Balance Sheet and a Profit and Loss Statement for the ten months then ended. At the Plenary Meeting, you will be provided with schedules updated to December 31, 2010 and a 2011 and 2012 Budget proposal.

Any spending or budget requests for 2011 MUST BE SUBMITTED IN WRITING in accordance with the Internal Regulations.

There are three main issues to be addressed:

- a) Potential FAI levy on ASC Competition Revenue
- b) IPC Annual Deficit
- c) FAI Reporting and budgets

During a presentation to the FAI Executive Board in May, the FAI Secretary General, M Stephane Desprez, proposed that 20% of ASC Competition Revenue be transferred to FAI General Revenue in order to improve FAI's financial position. It should be noted that NAC annual dues have not increased for seven years. The IPC Bureau is opposed to this "taxation", as are all other ASCs, as if it were implemented it would have a catastrophic effect on IPCs ability to pay its way. The matter was not specifically raised at the FAI General Conference, but a Working Group of six (two Executive Board members, two ASC Presidents and two NAC representatives) was proposed to look at the matter of FAI finances and annual deficits.

IPC has now had a deficit for the last two years and our cash balance is getting close to the level that we decided would be the minimum unless the money was spent on assets of long term enduring benefit to IPC. The deficits cannot continue and, unlike FAI, IPC must take immediate action. The Bureau discussed this at the meeting in Dublin in October and intends to propose these measures for your consideration:

- a) Increase the Sanction Fee
- b) Bring Jury travel expense reimbursement into line with the Judges' limits

In addition the Bureau has asked the Judges' Committee to look at ways to reduce the overall cost of Judges' travel.

The intent is to bring IPC income and expenses into balance and incur no further deficits.

FAI will now bring its financial reporting into line with current international standards. Accrual accounting will be used, ASC accounts will be consolidated with the FAI accounts and ASC budgets must be prepared a year in advance, so that after Plenary approval the budget goes to the FAI Executive Board for approval.

I wish to thank my colleagues on the Finance Working Group: Doris Merz, Pål Bergan and Johann Gritsch; for their assistance during the year.

Richard Buzz Bennett  
IPC Treasurer