



Financial Report 2019 Budget 2020

March 11, 2020
Formal Methods Europe

Prepared by Nico Plat (Treasurer)

Introduction

This document provides:

- A look at the past: the 2019 budget as approved at the 67th FME meeting, AGM 2019, held on 3 April 2019 at the BCS-FACS offices in London, UK (minutes available from <http://www.fmeurope.org>).
- The proposed 2020 budget.

Although income and assets declined the past years, the association has remained financially solid. We have always had sufficient means to cover the potential financial risks involved in organizing our future symposia. However, as interest rates are nihil the possibility to limitedly support the formal methods community at large by sponsoring additional events is limited and stays dependent on the income from the FME Symposia. We are happy to report that FM 2019 will provide a significant surplus (although the exact amount is unknown at the time of writing this report) that will increase the financial situation of the association into a comfortable position.

For 2020 the treasurer proposes to continue the support for FormaliSE, now positioned at the 8th International Conference on Formal Methods in Software Engineering co-located with ICSE 2020 in Seoul. The treasurer also proposes to reopen the possibility of sponsoring other events, in line with the goals of the association. For the years to come the board and the membership of the association need to keep monitoring the balance between income and spending in the long run.

The bank statements and cashbook of our association for 2019 are reviewed by the independent financial examiners: John Cooke and Matteo Rossi (FME members). The treasurer asks for discharge of his duties for the financial year 2019.

Rotterdam, February 2020

Nico Plat
Treasurer

Approved Budget 2019 and Financial Report 2019

Below the budget for FME as it was approved by the membership at the Annual General Meeting 2019 (minutes available from <http://www.fmeurope.org>). The budget is presented in the same table as the financial results for 2019, to ease comparison between the two.

No .	Description	Budget 2019				Results 2019			
		Surplus and deficit		Balance		Surplus and deficit		Balance	
		Debit	Credit	Debit	Credit	Debit	Credit	Debit	Credit
01	Nett assets regular account (31-12-2018)			€ 127,00				€ 127,00	
02	Nett assets savings account (31-12-2018)			€ 56.413,97				€ 56.413,97	
03	Total assets end 2019				€ 51.340,97				€ 54.375,71
	Administrative items								
04	Interest received on deposit account		€ 0,00				€ 0,00		
05	Banking and organisational costs	€ 200,00				€ 135,00			
	Operational items								
06	Surplus FM'2018 Oxford		€ 0,00				€ 2.273,62		
07	Surplus FM'2019 Porto		p.m.				€ 0,00		
08	ICSE/Formalise 2019	€ 2.500,00				€ 2.500,00			
09	Joint BCS-FACS seminar	€ 500,00				€ 138,63			
10	Travel costs FME Board	€ 2.000,00				€ 1.627,02			
11	Miscellaneous (not budgeted)					€ 38,23			
12	Subtotals	€ 5.200,00	€ 0,00	€ 56.540,97	€ 51.340,97	€ 4.438,88	€ 2.273,62	€ 56.540,97	€ 54.375,71
13	Net deficit	-€ 5.200,00		-€ 5.200,00		-€ 2.165,26		-€ 2.165,26	
14	Totals	€ 0,00	€ 0,00	€ 51.340,97	€ 51.340,97	€ 2.273,62	€ 2.273,62	€ 54.375,71	€ 54.375,71

With respect to this report, the following observations can be made:

- [04] No interest was received on the savings account this year. This is in line with global current trends.
- [05] Banking costs and other operational costs were a bit less than projected.
- [06] The books for FLoC 2018 in Oxford were closed and a surplus was paid to FME. A break even was originally expected.
- [08] The FormaliSE conference in 2019 was co-located with the ICSE 2019 conference in Montréal, Canada. The support was used for covering part of the organizing and travelling costs.
- [09] There was a joint BCS-FACS/FME seminar in London. Travel expenses were paid to the invited speaker, but these were less than the projected amount.
- [10] The board held two physical meetings, viz. in London and Porto. Travel expenses were slightly less than expected.
- [11] An amount of € 38,23 was paid for the medal for the FME Fellow.
- [13] The fiscal year 2018 was closed with a deficit of € 2.165,26.
- [14] Total assets at the end of the year were € 54.375,71.

It is observed that the deficit of € 2.165,26 was less than the amount of € 5.200,00 projected. This is mostly due to the (unexpected) surplus of FM 2018 in Oxford.

Proposed Budget for 2020

The total gross available assets of the association on 1 January 2020 are € 54.375,71. This value is the starting point for the budget 2020, as shown below. The budget shows a surplus of € 23.000, leading to total gross assets of € 77.375,71 by 31 December 2020.

		Budget 2020			
		Surplus and deficit		Balance	
No.	Description	Debit	Credit	Debit	Credit
01	Nett assets regular account (31-12-2019)			€ 2.265,62	
02	Nett assets savings account (31-12-2019)			€ 52.110,09	
03	Total assets end 2020				€ 75.875,71
	Administrative items				
04	Interest received on deposit account		€ 0,00		
05	Banking and organisational cost	€ 200,00			
06	IT infrastructure	€ 50,00			
	Operational items				
07	Surplus FM'2019 Porto		€ 30.000,00		
08	ICSE/Formalise 2020	€ 2.500,00			
09	Sponsorships	€ 3.500,00			
10	Travel costs FME Board	€ 2.000,00			
11	Miscellaneous	€ 250,00			
12	Subtotals	€ 8.500,00	€ 30.000,00	€ 54.375,71	€ 75.875,71
13	Net surplus	€ 21.500,00		€ 21.500,00	
14	Totals	€ 30.000,00	€ 30.000,00	€ 75.875,71	€ 75.875,71

Remarks:

- [04] and [05] Interest and banking costs will be comparable to 2019 levels.
- [06] IT infrastructure concerns cloud storage for the FME data archive.
- [07] The surplus for FM'2019 in Porto has been much more than could have been expected, and it is the main reason for the significant surplus that is expected for this year's budget.
- [08] FME organizes Formalise as a separate event at ICSE 2020 in Seould, South Korea. With ICSE being held in Asia, FME sponsoring is set to € 2.500 to cover travel expenses and organizational cost.
- [09] Given the surplus expected for this year, the board proposed to set aside a budget of € 3.500 for other events this year, in-line with the goals of the association.
- [10] Travel costs for the board to accommodate for the AGM 2020 in London and a business meeting later this year (to be decided).
- [11] For unforeseen costs.

END OF REPORT