

GENERAL ASSEMBLY
27 April Lyon, France

Treasurer's Report on Accounts for 2016

David Duce
8 April 2017

The audited accounts for 2016 prepared by our auditors, Audit & Co SA, are appended to this paper. These look rather different to last year's for a number of reasons.

1. Following some changes in Swiss accounting practice the auditors are using different software which produces a more detailed breakdown of the accounts. Some of the terminology of used such as "Shareholders Equity" is unfamiliar terminology for an Association, but maps to the term "Fortune" in previous years.
2. "Event account – Expenditure" and "Event account – Income" in previous year's accounts have been replaced by "Conference Surplus". In accordance with the latest Swiss accounting practice we account for all events in the year in which they occur. Conference surplus is the difference between event income and expenditure in the given year.
3. The auditor has now asked us to use official exchange rates specified by the Swiss Tax Authorities – the rates on 1 January 2017 for conversation of transactions during the year and the rates on 31 December 2017 for the revaluation of assets. Previously we have used a rate taken on the date of the General Assembly. This should simplify the audit process next year.
4. The audited accounts include equipment depreciation as we agreed last year.
5. The item "Exceptional result" in the Profit and Loss Account and the Notes to the Financial Statements is taxation for 2015 paid in 2016. Essentially in year X our taxation includes estimated taxation for year X-1 and this is then corrected in year X+1 when the taxation return for year X is submitted. So the "taxes" just contains the Professional, and Cantonal and Communal tax for 2016 which was assessed and paid in 2016.
6. The item "Finacial result" (*sic*) comprises bank charges, bank interest and difference in value of assets at 1 January 2016 exchange rates and 31 December 2016 rates.

The Balance Sheet and Profit and Loss Account (with 2016 budget comparison) on the next two pages are the same as the audited accounts, but using the Euro currency rather than CHF at an exchange rate of €1 = 1.07200 CHF, the Swiss Tax Authorities official rate on 31 December 2016.

The full audited accounts appear in the Appendix to this document.

Balance Sheet at 31 December 2016

Assets	2016 €	2015 €	2016 CHF	2015 CHF
Cash	0.00	13.85		14.85
Banks	749478.54	737915.33	803441.00	791045.23
Accrued income	12722.14	0.00	13638.13	
Event account - Expenditure	0.00	279389.28		299505.31
Federal withholding tax	0.00	0.00		0.00
Hardware	22388.06	37334.96	24000.00	40023.08
Depreciation	0.00	-7465.56		-8003.08
	<u>784588.74</u>	<u>1047187.86</u>	<u>841079.13</u>	<u>1122585.39</u>
Liabilities				
Event account - Income	0.00	275806.20		295664.25
Accounts payable	62919.24	57826.82	67449.43	61990.35
Fortune	713554.84	641211.58	764930.79	687378.81
Results for year	8114.65	72343.26	8698.91	77551.98
	<u>784588.73</u>	<u>1047187.86</u>	<u>841079.13</u>	<u>1122585.39</u>

Profit and Loss Account for the Year 2016

	Budget 2016 (K€)	2016 €	2015 €
Membership Fees	71	73259.24	77289.12
Conference Surplus	48	86492.35	166188.8
Royalties	29	31265.16	33472.08
Bookshop	0	9.19	85.71
Operating Expenses	-139	-146686.69	-122552.59
Depreciation		-7481.34	-7465.56
Financial result		-13166.9	-70554.24
Exceptional result		-11312.13	0
Taxes	-2	-4264.23	-4120.06
Net surplus	7	8114.65	72343.26

	Budget 2016 (K€)	2016 €	2015 €
Operating Expenses			
Executive Brd	8	9570.64	10540.61
Chapters	4	3052.55	2176.95
Workshops Brd	1	98.01	325.51
On-line Brd	15	3762.93	0
Secretariat	2	1080.65	1642.5
Ops Services	71	96567.97	72997.82
Treasurer	7	13568.73	7981.9
Promotion Brd	10	9543.8	14628.18
Education Brd	4	0	334.89
Bookshop & Publns	1	0	1178.33
CGF	9	2322.75	1922.95
Strategic Proj.	4	5893.47	6591.35
Contingency	2	1225.19	2231.6
Professional Brd	1	0	0
	139	146686.69	122552.59

AUDIT & C^o SA

 Membre de la Chambre fiduciaire

REPORT OF THE STATUTORY AUDITORS TO
THE GENERAL MEETING OF THE MEMBERS OF
EUROGRAPHICS ASSOCIATION
GENEVA

AUDIT & C^o SA

 Membre de la Chambre fiduciaire

REPORT OF THE STATUTORY AUDITORS TO
THE GENERAL MEETING OF THE MEMBERS OF
EUROGRAPHICS ASSOCIATION
GENEVA

As statutory auditors, we have audited the accounting records and the financial statements (balance sheet, statement of income and expenses) of **EUROGRAPHICS ASSOCIATION, Geneva**, for the year ended December 31st, 2016.

These financial statements are the responsibility of the Committee. Our responsibility is to express an opinion on these financial statements based on our audit. We confirm that we meet the legal requirements concerning professional qualification and independence.

Our audit was performed according to the Swiss standards for audits.

This standard requires the audit to be planned and performed so that any significant anomalies in the financial statements may be detected. A limited audit primarily encompasses interviews, analytical control operations and appropriate detailed verifications of available documents at the audited company. On the other hand, the scope of this audit does not include verifications of operating cash flows and the internal control system as well as interviews and other audit operations intended to detect fraud or other violations of the law.

During our audit, we did not find information allowing us to conclude that the financial statements and the proposed distribution of earnings do not comply with the law and the bylaws.

We recommend that the financial statements submitted to you be approved.

Geneva, April 10, 2017


AUDIT & C^o S.A.
Antoine RICHARD

Enclosures :

Financial statements consisting of

- Balance sheet
- Profit and loss account

EUROGRAPHICS ASSOCIATION - Geneva
BALANCE SHEET AS AT DECEMBER 31, 2016
(with previous year comparatives' figures)

	2016 - CHF	2015 - CHF
ASSETS		
Current Assets		
Cash	803'441.00	791'060.08
Trade Debtors / accounts receivable	-	-
Other accounts receivable	-	299'505.31
Other short-term receivables - related parties	-	-
Inventory goods	-	-
Prepaid expenses and accrued income	13'638.13	-
Total current assets	817'079.13	1'090'565.39
FIXED ASSETS		
Financial fixed assets	-	-
Financial participation	-	-
Tangible fixed assets	24'000.00	32'020.00
Intangible fixed assets	-	-
Total fixed assets	24'000.00	32'020.00
TOTAL ASSETS	841'079.13	1'122'585.39

EUROGRAPHICS ASSOCIATION - Geneva
BALANCE SHEET AS AT DECEMBER 31, 2016

(with previous year comparatives' figures)

	2016 - CHF	2015 - CHF
LIABILITIES AND EQUITY		
SHORT-TERM LIABILITIES		
Trade creditors / payables	-	-
Other payables - with interests	-	-
Other payables short-term	-	295'664.25
Other payable short term - shareholder	-	-
Other accrued liabilities and provisions	67'449.43	61'990.35
Total short-term liabilities	67'449.43	357'654.60
LONG-TERM LIABILITIES		
Long-term liabilities - with interest	-	-
Other long-term liabilities	-	-
Provisions and similar posts provided by law	-	-
Total long-term liabilities	-	-
SHAREHOLDERS' EQUITY		
Equity	764'930.79	687'378.81
Legal reserve issued from capital	-	-
Legal reserve issued from profit	-	-
Accumulated profits / (losses)	-	-
Result of the business year	8'698.91	77'551.98
Total shareholders' equity	773'629.70	764'930.79
TOTAL LIABILITIES AND EQUITY	841'079.13	1'122'585.39

EUROGRAPHICS ASSOCIATION - Geneva
 PROFIT AND LOSS ACCOUNT FOR THE YEAR 2016
(with previous year comparatives' figures)

	2016 - CHF	2015 - CHF
PROFIT AND LOSS ACCOUNT		
Membership Fees	78'533.91	82'853.94
Conference surplus	92'719.80	178'154.39
Royalties and others products	33'516.25	35'882.07
Bookshop	9.85	91.88
Other income	-	
Dissolution / (attribution) provision for receivables	-	
Cost of sales	-	
Salaries and social charges	-	-
Other operating expenses	-157'248.13	-131'376.38
Depreciation	-8'020.00	-8'003.08
Finacial result	-14'114.92	-75'634.14
Non-operating result	-	-
Exceptional result	-12'126.60	-
Taxes	-4'571.25	-4'416.70
Net profit	8'698.91	77'551.98

SIGNIFICANT ACCOUNTING POLICIES

The principles of evaluation used in these annual financial statements comply with Swiss accounting requirements. The main items of the financial statements have been reported in the balance sheet in accordance with the following information.

The financial statements comply with the principle of fiscal year accounting which records transactions when they are realized, independently from the corresponding treasury activity. The financial statements are also prepared according to the principle of historical cost. Thus, the value attributed to the items in the financial statements reflects the costs as of the date of origin of the operations or events indicated.

Receivables arising from the sale of goods and services

The receivables arising from the sale of goods and services and other short-term receivables are recorded at their nominal value, deducting the individual value corrections that are economically necessary.

Income recognition

In general, income is recognized when it is probable that economic advantages associated with the transaction will revert to the company and can be reliably estimated.

Tangible Fixed Assets

The depreciation of a fixed asset begins when it is placed in service. It ceases when the asset is removed from the balance sheet. The depreciable amount of an intangible asset is allocated on a systematic and straight line basis over its useful life. The allocation to depreciation is reported as an expense.

Depreciation rate:

Computer Hardware	20.00%
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Conversion of Foreign Exchange

The books are kept in Swiss francs. The elements of the assets and liabilities denominated in foreign currencies are converted into Swiss francs at the exchange rate in effect on the date of the balance sheet. The profits earned and the resulting losses are recorded in the income statement. Income and expenses denominated in foreign currencies are converted at the daily rate.

Exchange rate

BALANCE SHEET AS AT 31 DECEMBER 2016

1 USD	1.016354
1 EUR	1.07200

NOTES TO THE FINANCIAL STATEMENTS

COMPARATIVE FIGURES OF FISCAL YEAR UNDER REVIEW

Due to the application of the new provisions of the Code of Obligations as of 1 January 2015, certain comparative figures for fiscal year 2014 have been reclassified for the purpose of better comparison.

EVENTS OCCURRING DURING FISCAL YEAR 2016

No significant events occurred during fiscal year 2016.

ASSETS

Cash

	2016 - CHF	2015 - CHF
Petty cash	14.85	14.85
UBS CHF - C710-5944.0	655.87	909.47
UBS EUR - HU11-8704.2	44'228.25	44'859.07
UBS CHF - C710-5944.3	24'859.80	24'857.30
UBS CHF - C710-5944.4	1'393.48	1'473.48
UBS USD - HU11-8704.3	89'676.33	77'726.91
UBS CHF - C710-5944.6	4'301.70	5'597.51
UBS EUR - HU11-08704.0	638'310.72	635'621.49
Total Cash	803'441.00	791'060.08

Trade debtors / accounts receivable

	2016 - CHF	2015 - CHF
Trade debtors CHF	-	-
Trade debtors USD	-	-
Trade debtors EUR	-	-
Allowance for doubtful accounts	-	-
Total trade debtors / accounts receivable	0.00	0.00

Other accounts receivable

	2016 - CHF	2015 - CHF
Event account - Expenditure	-	299'505.31
Value added tax	-	-
Pension/Unemploy./Fam. Allowance a/c	-	-
Equity a/c - Professional retirement Law 1	-	-
Equity a/c - Professional retirement Law 2 Executives	-	-
Accident insurance a/c	-	-
CEO health insurance a/c	-	-
Total other accounts receivable	0.00	299'505.31

EUROGRAPHICS ASSOCIATION - Geneva
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED AS AT DECEMBER 31, 2016

NOTES TO THE FINANCIAL STATEMENTS

Other short-term receivables - related parties

	2016 - CHF	2015 - CHF
XYZ a/c	-	-
a/c	-	-
a/c	-	-
Total other short-term receivables - related parties	0.00	0.00

Inventory goods

	2016 - CHF	2015 - CHF
Inventory goods	-	-
./ . Provision s/ stock	-	-
Services provided but not yet invoiced	-	-
Total inventory goods and services provided but not invoiced	0.00	0.00

Other prepaid expenses and accrued income

	2016 - CHF	2015 - CHF
Prepaid expenses CHF	13'638.13	-
Accrued income	-	-
Others	-	-
Total other prepaid expenses and accrued income	13'638.13	0.00

FIXED ASSETS

Financial fixed assets

	2016 - CHF	2015 - CHF
Various deposits and garanties	-	-
Total financial fixed assets	0.00	0.00

Participations

	2016 - CHF	2015 - CHF
Total participations	0.00	0.00

EUROGRAPHICS ASSOCIATION - Geneva
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED AS AT DECEMBER 31, 2016

NOTES TO THE FINANCIAL STATEMENTS

Tangible fixed assets

	2016 - CHF	2015 - CHF
Hard and software	40'023.08	40'023.08
Depreciation on hard and software 20%	-16'023.08	-8'003.08
Total tangible fixed assets	24'000.00	32'020.00

Intangible fixed assets

	2016 - CHF	2015 - CHF
Total intangible fixed assets	0.00	0.00

SHORT-TERM LIABILITIES

Trade creditors

	2016 - CHF	2015 - CHF
Trade creditors CHF	-	-
Total trade creditors USD	0.00	0.00

OTHER SHORT-TERM LIABILITIES

	2016 - CHF	2015 - CHF
Account payable	-	61'990.35
Total other short-term liabilities	0.00	61'990.35

Short-term liabilities - with interests

	2016 - CHF	2015 - CHF
Bank		
Total short-term liabilities - with interests	0.00	0.00

Other short-term liabilities

	2016 - CHF	2015 - CHF
Event account - Income	-	295'664.25
Pension/Unemploy./Fam. Allowance a/c	-	-
Tax at source account	-	-
Cantonal Tax account	-	-
Total short-term liabilities	0.00	295'664.25

Other short-term liabilities - shareholder

	2016 - CHF	2015 - CHF
Other short-term liabilities - shareholder		
Total other short-term liabilities - shareholder	0.00	0.00

EUROGRAPHICS ASSOCIATION - Geneva
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED AS AT DECEMBER 31, 2016

NOTES TO THE FINANCIAL STATEMENTS

Other accrued liabilities and provisions

	2016 - CHF	2015 - CHF
Accrued charges CHF	67'449.43	61'990.35
Other accrued liabilities	-	-
Total accrued liabilities and provisions	67'449.43	61'990.35

LONG-TERM FOREIGN CAPITAL

Long-term liabilities - with interests

	2016 - CHF	2015 - CHF
Total long-term liabilities - with interests	0.00	0.00

Other long-term liabilities

	2016 - CHF	2015 - CHF
Total other long-term liabilities	0.00	0.00

Provisions and similar entries provided by law

	2016 - CHF	2015 - CHF
Total provisions and similar entries provided by law	0.00	0.00

NOTES TO THE FINANCIAL STATEMENTSSalaries and social charges

	2016 - CHF	2015 - CHF
Salaries	-	-
Personal portion of vehicle	-	-
Social charges	-	-
Training costs	-	-
Insurance reimbursement	-	-
Total salaries and social charges	-	-

Other expenses

	2016 - CHF	2015 - CHF
Executive Board	10'259.73	11'299.53
Chapters	3'272.33	2'333.69
Workshop Board	105.07	348.95
On-line board	4'033.86	-
Central Secretariat	1'158.46	1'760.76
Operational - Services	103'520.86	78'253.66
Treasurer	14'545.68	8'556.60
Promotion Board	10'230.95	15'681.41
Education	-	359.00
Bookshop and Publication Board	-	1'263.17
CGF	2'489.99	2'061.40
Strategic Project	6'317.80	7'065.93
Contingency	1'313.40	2'392.28
Total other expenses	157'248.13	131'376.38

Depreciation and value corrections

	2016 - CHF	2015 - CHF
Depreciation	8'020.00	8'003.08
Value corrections	-	-
Total depreciation and value corrections	8'020.00	8'003.08

Financial result

	2016 - CHF	2015 - CHF
Creditor interests	6.99	8.76
./. Interests & bank charges	-2'060.93	-2'349.61
./. Loan interests	-	-
Difference of net exchange	-12'060.98	-73'293.29
Total financial result	-14'114.92	-75'634.14

NOTES TO THE FINANCIAL STATEMENTSNon-operating result

	2016 - CHF	2015 - CHF
Non-operating income		
Non-operating charges		
Total non-operating result	-	-

Exceptional result

	2016 - CHF	2015 - CHF
Income on previous financial year	-	-
Exceptional income	-	-
./. Charges on previous financial year	-12'126.60	-
./. Exceptional charges	-	-
Total exceptional result	-12'126.60	-

NOTES TO THE FINANCIAL STATEMENTS

TOTAL AMOUNT FROM DISSOLUTION OF HIDDEN OR REPLACEMENT RESERVES

There has not been a dissolution of hidden reserves during the fiscal year.

ANNUAL AVERAGE FULL-TIME STAFF NOT EXCEEDING THRESHOLDS OF 10, 50, 250

The annual average number of full-time staff does not exceed 10.

ESSENTIAL PARTICIPATIONS

None

None

TREASURY SHARES

2016 - CHF

2015 - CHF

Total

-

-

ASSETS PLEDGED AND DEBTS ARISING FROM LEASES NOT REPORTED IN THE BALANCE SHEET

Total amount of assets pledged or assigned to guarantee commitments, assets under reservation of ownership

Total amount of debts arising from leases

CONTINGENT COMMITMENTS

None

None

PARTICIPATION RIGHTS GRANTED TO BOARD MEMBERS AND PERSONNEL

None

None

EVENTS OCCURRING AFTER THE BALANCE SHEET DATE

None

None

DUE TO PENSION INSTITUTIONS

None

None

CHANGE OF AUDITORS

None

None

EUROGRAPHICS ASSOCIATION - Geneva

PROPOSED APPROBATION OF AVAILABLE EARNINGS

CHF

Deferred profits

Profit brought forward	0.00
Profit of the year	8'698.91
	8'698.91

Proposed appropriation of available earnings

To the legal reserve	
Retained earnings to be carried forward	8'698.91
	8'698.91