// TREASURER'S LETTER TO MEMBERS

It is my pleasure to give you an update on CED finances, particularly on costs related to our new office.

2018 finances

For 2018 we currently expect to record a loss of around €118.000, mainly due to the costs related to the new CED office.

Income

Income in 2018 is projected to be €21.000 higher than the income planned in our budget. The additional income will come from contractually agreed landlord contributions for the renovation of the new office (€11.000), reimbursement of the rental guarantee of our old office (€6.000), payment for our participation in the Joint Action on Patient Safety (€3.000) and payment for the sale of our old furniture (€500).

Expenses

With the exception of costs of the new office and personnel costs, most costs recorded in 2018 have been lower than budgeted. We expect savings of around €5.000 related to meetings, mainly due to being able to organise Board and Working Group meetings in the CED office; savings of around €12.000 related to lower translation and accounting costs and of €9.000 related to the unused part of the communications budget. Personnel cost are expected to be around €22.000 over the budget which includes the costs of recruitment and reimbursement of temporary staff and an administrative intern to cover the maternity and medical absences of the regular staff.

Costs of the new office

The total one-off cost of the new office will be around €134.000. This includes renovation works (€85.000), furniture (€32.500), audiovisual teleconferencing system (€8.300), IP (Internet Protocol) telephone system (€3.700), migration to the cloud (€1.300) etc. €54.500 of this will be covered from landlord contributions for renovation (€11.140), free rent/rent discounts (€42.840) and the sale of the furniture used in the old office (€500). €79.500 will be covered from reserves. This calculation does not include payments related to bank guarantees as they are remain included in our assets and are counted as part of our reserve in final accounts.

The ongoing costs of the new office are estimated at €75.300/year, compared to €53.500/year for the old office (calculated on the assumption that we would no longer be able to use the free conference room on the 1st floor, benefit of which is estimated at €7.500/year). These costs are already budgeted in the 2019 Budget.

CED reserves

In 2018, the decision was made to use part of CED reserves to cover the move to the new office, without additional increases in membership fees. The reserves are therefore expected to fall to around €316.000 at the end of 2018. Considering that the costs for 2019 are budgeted at €582.000, the level of reserves will equal to around 54% of the annual costs. The Board will discuss the reserves policy (in addition to reviewing the CED sponsorship policy) during the November Board meeting and it will be my pleasure to report to you on the discussion during the General Meeting.

Mick Armstrong
Treasurer
16 October 2018

Council of European Dentists

President Dr Marco Landi
Transparency register: 4885579968-84

Avenue de Cortenbergh 89/6
B-1000 Brussels

T +32 (0)2 736 34 29

ced@cedentists.eu
www.cedentists.eu