
FINANCIAL REPORT

2020

European Cancer Patient Coalition

40 Rue Montoyer

B-1000, Brussels

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INTRODUCTION

Financial statements for the year ended 31 December 2020

We present the financial statements of ECPC for the year ended 31 December 2020.

Board members

Our board members are responsible in law for the running of our organisation. All board members, except where otherwise stated, served for the whole year:

Ken Mastris – President (Appointed on 25th November 2020)

Pietro Presti – Vice President

Jacqueline Daly – Secretary

Maude Andersson

Kathi Apostolidis – Immediate past-president (Outgoing on 25th November 2020)

Robert Greene

Vasile Ianovici

Advisers

To help us in our work we retain a number of professional advisers:

Accountants: STUYTS Accounting & Tax

Jonathan Stuyts – Certified Tax Accountant

Bank: ING Belgique S.A., avenue Marnix 24 – 1000 Brussels

Solicitor: Kadrant Law – Giulia Mauri, Partner

Board responsibilities in relation to the financial statements

The board is responsible for preparing the financial statements in accordance with standard accounting practices.

The board is responsible for keeping accounting records which disclose with reasonable accuracy the financial position of the organisation at all times. They are also responsible for safeguarding the assets of ECPC and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Comments on the financial statements

The accounts show an increase in income to €1.74 million (2019 - €1.31 million). The surplus of income over expenditure was €927k (2019 - €284k). We are very satisfied with the performance of ECPC during 2020 and hope to continue to build on that to further support cancer patients in 2021.

A comprehensive accounting system has been in place for all of 2020 to ensure adequate record keeping and to provide detailed financial management information. Our sincere thanks to the

secretariat for its hard work and dedication in liaising with our external accountants to ensure adequate financial reporting in ECPC.

Approved by the board and signed on their behalf by:

Ken Mastris, President and Treasurer

Handwritten signature of Ken Mastris in blue ink.

Pietro Presti, Vice President

Handwritten signature of Pietro Presti in blue ink.

Date: 4th June 2021

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2020

	2020		2019	
	€	€	€	€
<u>INCOME</u>				
Income		1.747.624		1.305.423
<u>EXPENDITURE</u>				
Project costs	77.495		349.592	
Staff costs	383.794		292.318	
Securex	14.935		8.078	
Office rent & maintenance	43.937		43.127	
Energy consumption	2.391		1.346	
Office supplies & maintenance	5.535		18.722	
IT and website	28.180		22.963	
Communications	36.967		45.329	
Legal costs	44.987		6.475	
Accountancy costs	19.237		-	
Telecoms expenses	5.852		9.320	
External consultants	111.705		119.513	
Travel & accommodation	7.132		28.042	
Bank charges	591		610	
Insurance	1.858		238	
Board costs	10.785		54.731	
Scientific committee costs	2.393		6.872	
Exchange differences	3.991		706	
Depreciation	12.546		9.029	
Sundry expenses	6.747		4.016	
		821.058		1.021.027
<u>SURPLUS FOR THE YEAR</u>		926.566		284.396

BALANCE SHEET AS AT 31 DECEMBER 2020

	<u>2020</u>		<u>2019</u>	
	€	€	€	€
<u>FIXED ASSETS</u>				
Website		18.841		18.057
<u>CURRENT ASSETS</u>				
Accounts receivable	110.705		5.159	
Bank - Euro account	1.147.075		393.001	
Bank - US \$ account	98.863		12.896	
		1.356.643		411.056
<u>CURRENT LIABILITIES</u>				
Accounts payable	18.358		594	
Deferred income	35.933		33.893	
		54.291		34.487
<u>NET ASSETS</u>		<u>1.321.193</u>		<u>394.626</u>
Reserves brought forward		394.626		110.230
Surplus for the year		926.566		284.396
<u>RESERVES AT 31 DECEMBER</u>		<u>1.321.193</u>		<u>394.626</u>

<u>PROJECT COSTS</u>	2020	2019
	€	€
EU Project - DIAdIC	6,560	3,650
EU Project - PREFER	-	885
EU Project - IMMUNEImage	437	-
EU Project - QUALITOP	297	-
EU Project - LifeChamps	1,033	-
EU Project - PREDICT	1,500	-
EU project - LEGACY	30	-
EU Project - ERN EURACAN	847	42
EU Project - ELBA	2,000	236
EU project - iPAAC	395	409
EU Project - Palliative Sedation	134	199
EU Project - Instand-NGS4P	1,668	-
BD4BO Do-IT EU project	-	527
Bladder Cancer	-	29,361
Annual Congress	-	142,166
eSMART	6,334	40,759
JARC	-	701
ESMO	-	22,010
EAPM Congress	-	8,374
Social disparities	9,898	-
HTA Project	5,420	12,354
PMAM	813	-
CECOG	1,808	-
COVID-19 Support Project	10,271	-
EU Project - EURACAN	-	273
Immuno-Oncology Project	6,516	54,963
The Right to Be Forgotten Project	15,557	-
Project Nutrition	3,600	32,682
NMSC Project	2,377	-
	<u>77,495</u>	<u>349,592</u>

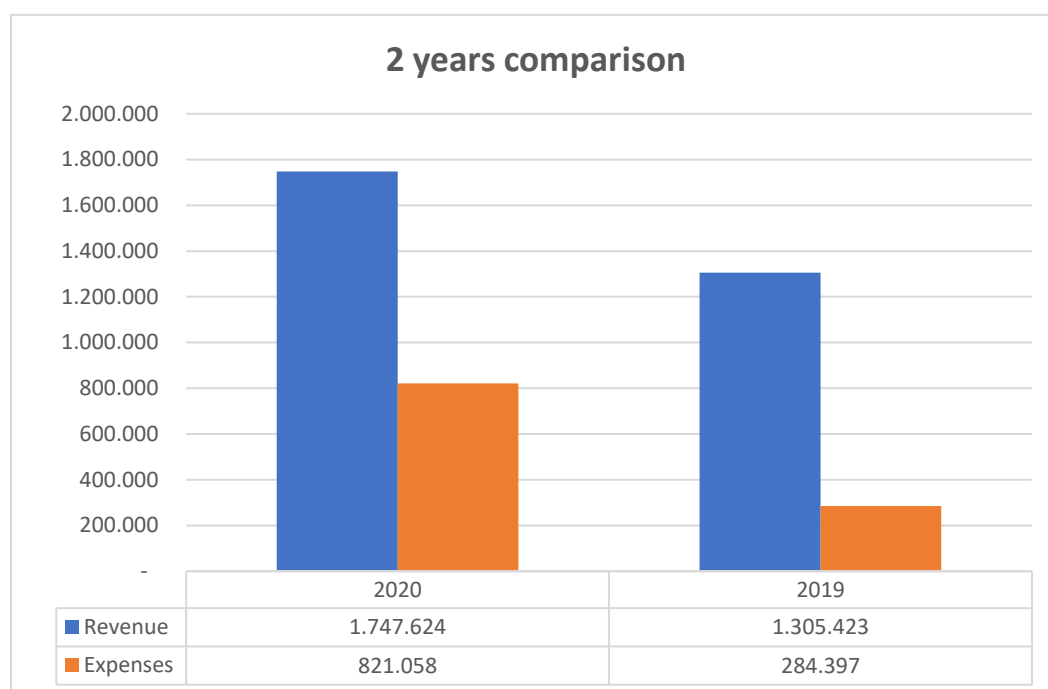
2020 FINANCIAL OVERVIEW

REVENUES	2020	2019	variance
EU-Funded Projects	320.181	290.839	
Grants from Pharmaceutical Companies	1.073.575	958.413	
Grants from non-Pharmaceutical Companies	323.159	43.553	
Other Revenues	30.709	12.618	
TOTAL	1.747.624	1.305.423	34%

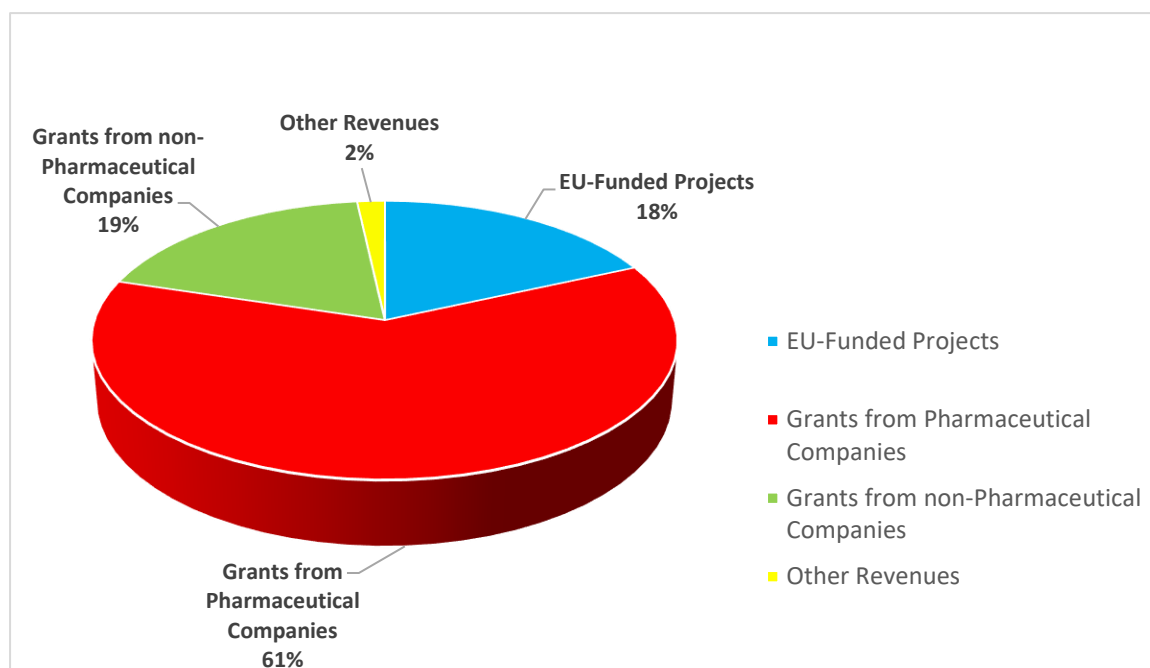
EXPENSES	2020	2019	%
Staff costs and consultants	495.679	411.831	
Mgmt and Running Costs	234.706	198.001	
Board and Scientific Cttee	13.178	61.603	
AGM	-	142.166	
Advocacy & Awareness	-	-	
Projects	56.260	160.445	
EU-Funded Projects	21.235	46.980	
TOTAL	821.058	1.021.027	-20%

BALANCE	926.566	284.396

For the financial year 2020, the revenue from different sources amounts to a total of **1 747 423 EUR**. Running costs, HR, operational costs, and implementation of projects during 2020 came to a total of **821 058 EUR**, leaving a positive balance of **926 566 EUR**



2020 REVENUE BREAKDOWN



Source of ECPC funding in 2020

For 2020 ECPC managed to keep the diversification the revenue stream in comparison to 2019 while registering a total revenue increase of 34% (which is nearly 5% more than the previous year)

- Pharma contribution decreased from 73,42% in 2019 to 61.43% in 2020
- Non-pharma contributions increased from 3.34% in 2019 to 18.49% in 2020
- EU Projects decreased from 22,28% in 2019 to 18,32% in 2020
- Other sources (such as fundraising and Advisory Board requests) increased from 0,97% in 2019 to 1.76% in 2020

Pharma industry financial contributions correspond mainly to grants to support the implementation of short to medium term projects. All the projects funded by the industry are one-year projects. The industry does not fund ECPC by itself, but all the grants received are finalized to specific projects.

Public funding from the European Union derives from the 3rd Health Programme (IMI and Horizon2020). All the projects last from 3 to 5 years, and the grant instalments are provided by the European Commission regularly during the lifetime of the projects.

In 2020 ECPC was awarded 6 new EU projects allowing the organisation to rely on a predictable, solid cash flow:

- **Instand-NGS** (Jan 2020 – June 2024) – 136,087.50 EUR
- **QUALITOP** (H2020, Jan 2020 - Dec 2023) – 272,625.00 EUR
- **Immune-Image** (H2020, Jan 2020 - Dec 2024) – 100,000.00 EUR
- **INTERVENE** (Jan 2021 – Dec 2026) – 250,000.00 EUR
- **T2EVOLVE** (Jan 2021 – Dec 2025) – 144,000.00 EUR
- **TIGER** (Feb 2021 – July 2026) – 223,125.00 EUR

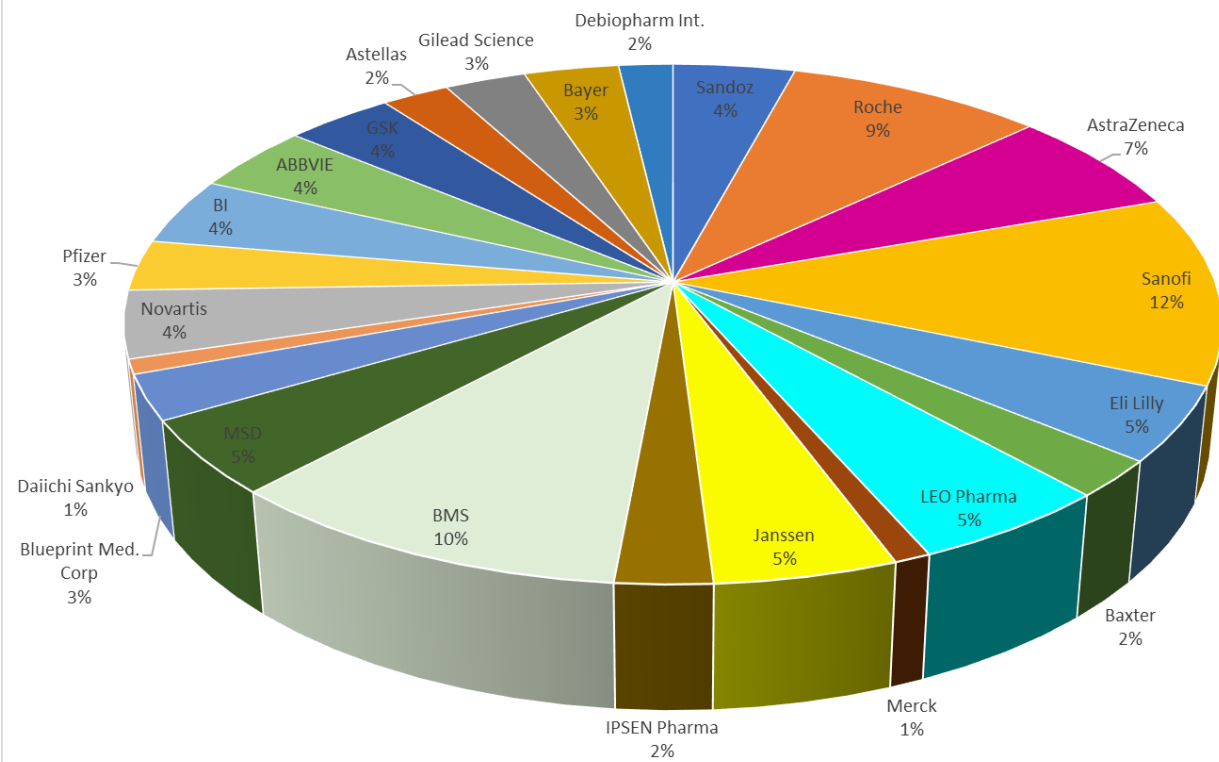
Revenues from EU funded projects in 2020

EU Projects Revenue		
QUALITOP	95.419	30%
LEGACY	31.777	10%
INSTAND	25.721	8%
ImmunoSABR	2.431	1%
Diadic	10.696	3%
PIONEER	18.669	6%
LIFECHAMPS	97.969	31%
imSAVAR	10.000	3%
iPAAC WP 7 and WP8	25.000	8%
EIT Health	2.500	1%
TOTAL	320.181	

Revenues from Pharmaceutical Companies in 2020

Pharma Industry Revenue breakdown		
Sandoz	45.000,00	4,2%
Roche	95.000,00	8,8%
AstraZeneca	70.000,00	6,5%
Sanofi	126.000,00	11,7%
Eli Lilly	50.000,00	4,7%
Baxter	25.000,00	2,3%
LEO Pharma	55.000,00	5,1%
Merck	10.000,00	0,9%
Janssen	50.000,00	4,7%
IPSEN Pharma	26.500,00	2,5%
BMS	112.582,42	10,5%
MSD	50.000,00	4,7%
Blueprint Med. Corp	30.000,00	2,8%
Daiichi Sankyo	9.743,30	0,9%
Novartis	45.000,00	4,2%
Pfizer	33.749,47	3,1%
BI	45.000,00	4,2%
ABBVIE	45.000,00	4,2%
GSK	40.000,00	3,7%
Astellas	25.000,00	2,3%
Gilead Science	30.000,00	2,8%
Bayer	35.000,00	3,3%
Debiopharm Int.	20.000,00	1,9%
Total:	1.073.575	

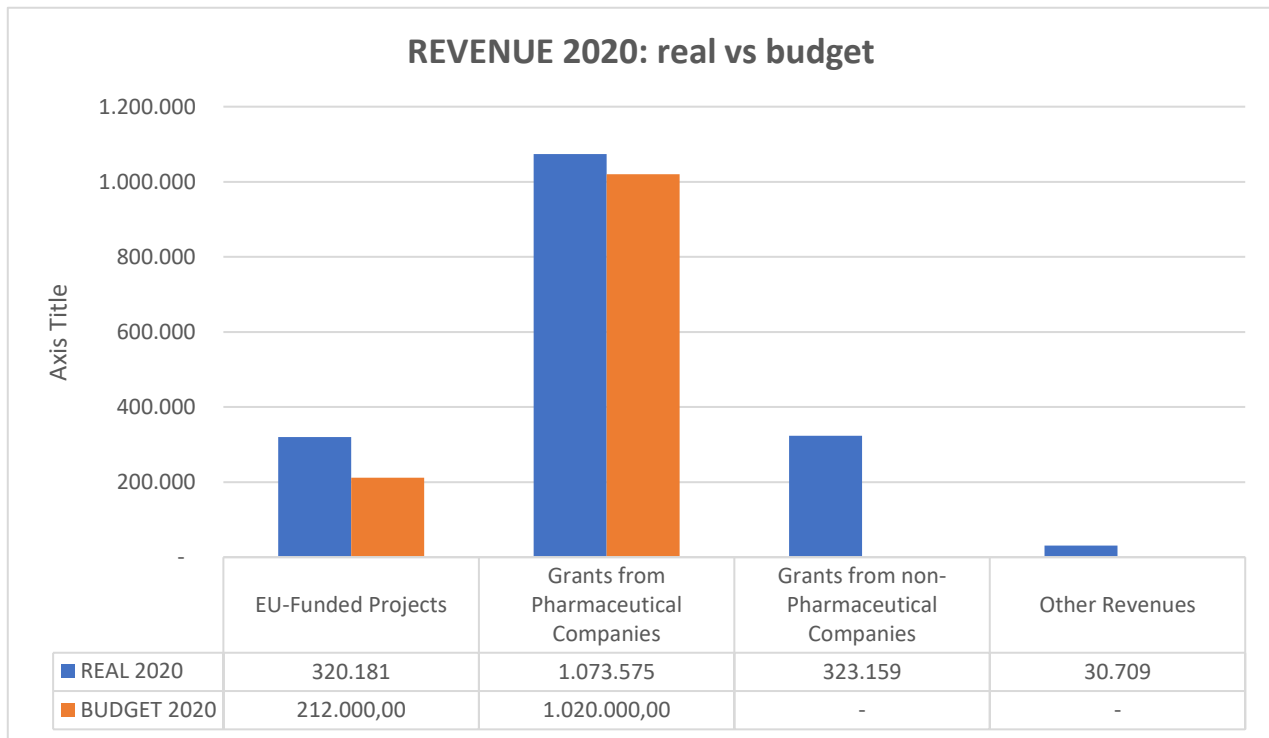
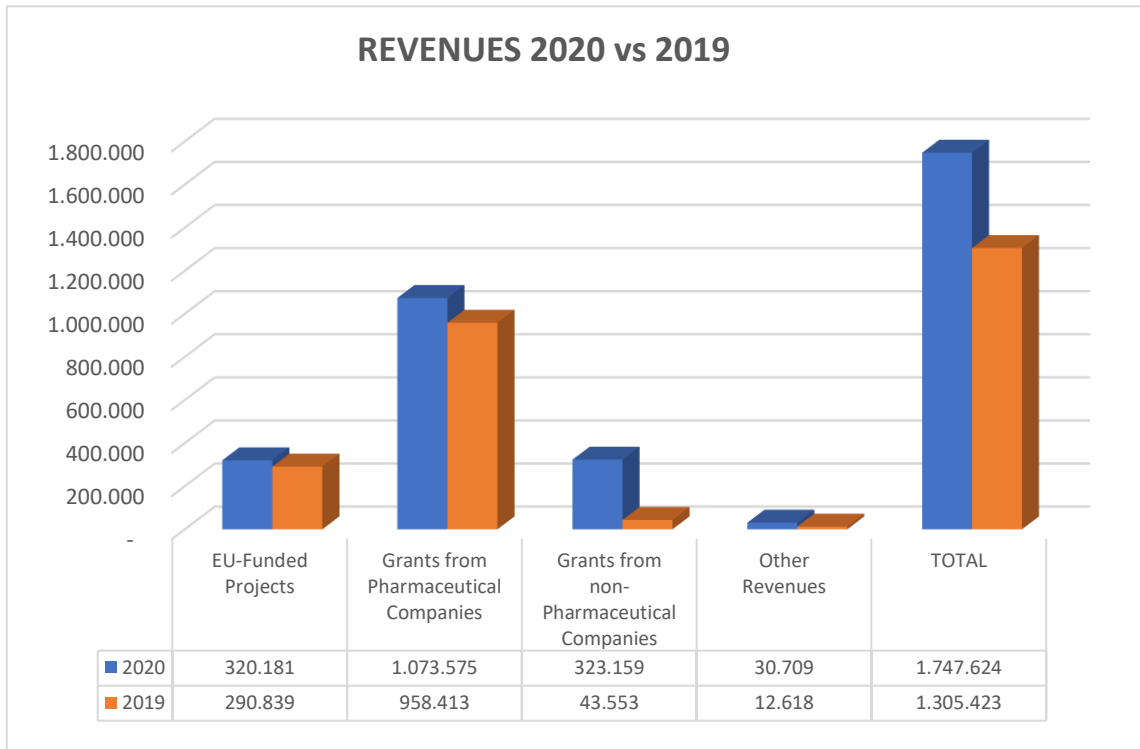
Breakdown PHARMA Revenues 2020



Revenues from non Pharmaceutical Companies in 2020

Grants from non-Pharma Companies		323.159
FOCA		150.000
Genzyme Sanosi Corporation		75.000
e-cancer		29.659
ARES Trading (Merck)		12.500
Danone Trading Medical		12.500
EFPIA		10.000
MNI		10.000
Precisionhear		10.000
Syneos Health Global Headquarters		7.500
OncoDNA		6.000

Other Revenue		42.209
Advisory Board		22.329
Fundraising		19.880



2020 EXPENSE BREAKDOWN

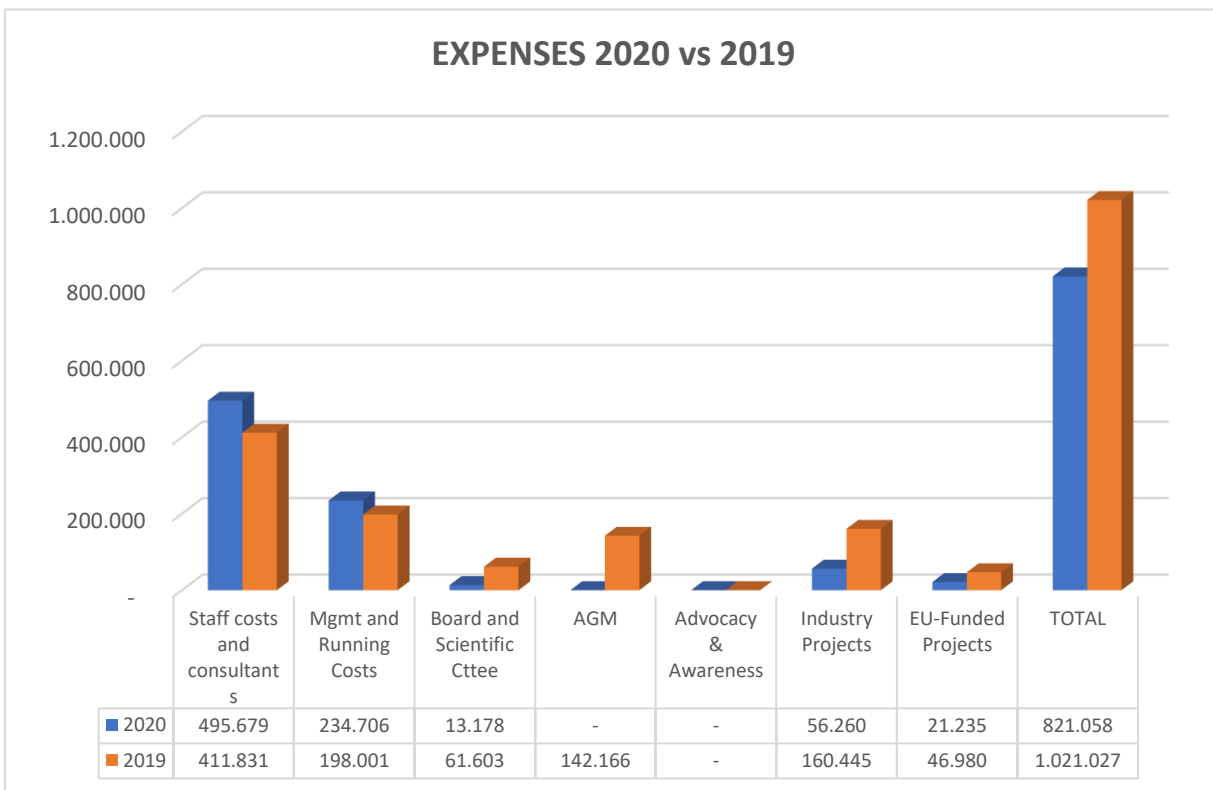
	2020	2019	variance
Staff Costs	496.679	411.831	+20,4%
Staff and Employer contributions	383.974	292.318	
External consultants	111705	119.513	

Management and Running Costs	234.706	198.001	+18,5%
Office rent & maintenance	43.937	42.127	
Energy consumption	2.391	1.346	
Office supplies & maintenance	5.535	18.722	
IT web site, maintenance & costs	28.180	22.963	
Telecom expenses	5.852	9.320	
Sundry expenses	6.567	4.016	
Payroll processing fees Securex	14.935	8.078	
Legal / Notary costs	44.987	6.475	
Communications	36.967	45.329	
Travel and accommodation	7.132	28.042	
Accountancy	19.237	-	
Bank charges	591	610	
Exchange differences	3.991	706	
Depreciation	12.546	9.029	
Insurance costs	1.828	238	

Board and Scientific Committee	13.178	61.603	-78,6%
Board Institutional costs	10.785	54.731	
Scientific Committee Institutional Costs	2.393	6.872	

Projects	56.260	160.445	-64,9%
Social Disparities Project	9.898	0	
HTA Project	5.420	12.354	
PMAM	813	0	
CECOG	1.808	0	
COVID-19	10.271	0	
Immuno-Oncology	6.516	54.963	
The Right to Be Forgotten	15.557		
Nutrition	3.600	32.682	
Non-Melanoma Skin Cancer	2.377	0	
Bladder Cancer		29.361	
JARC		702	
ESMO	0	22.010	
EAPM Congres		8.374	

EU-funded Projects	21.235	46.980	-54.8%
DIAdIC	6.560	3.650	
Immune-Image	437		
QUALITOP	297		
LifeChamps	1.033		
PREDICT	1.500		
LEGACY	30		
EURACAN	847		
iPAAC	395	409	
Palliative Sedation	134	199	
INSTAND-NGS4P	1.668		
ELBA	2.000	236	
E-Smart	6.334	40.759	
PREFER		885	
EURACAN		315	
DO-IT		527	



Staff Costs

Belgium has one of the highest rates of taxation for average salaries out of all EU and OECD countries. This means that almost half of the expenses for staff consists of social security, insurance and other social security taxes.

More information on the Belgian social security legislation can be found here: www.socialsecurity.be

In 2020, ECPC employed a total of 10 full time employees, 3 stagiaires and 1 external Financial Officer (till end of July 2020). The 20,4 % increase on staff costs compared to 2019 is due to several aspects:

- We hired new employees to sustain the increased workload due to EU - project implementation (which increased by 10% compared to 2019: [see revenue breakdown](#))
- We had to correct several mistakes done in 2018 and 2019 linked to ONSS (Belgian Social Security for employees) and we had to pay fines in several cases.
- We also had to correct mistakes made in 2019 regarding the extra-legal benefits for the employees (KBC hospital insurance, Group Insurance, CCT90 Bonus scheme). Retroactive payments for these benefits belonging to 2019 were actually paid in 2020.
- We increased the salary of some employees in December 2020.

Management and Running Costs

These costs cover the overall office management and overheads, including office rent & maintenance, energy consumption, telephone, internet, IT, office supplies, subscriptions to journals, Notary, Insurance and bank costs.

In 2020 the costs for Novabee (IT maintenance and support) increased, as we:

- set up a company Dropbox for sharing documents internally,
- had more requests of assistance, as the staff and the board worked from home
- hired new staff and they needed to be set up by Novabee and additional IT subscriptions needed to be bought

The GL code “Communications” on the balance sheet refers to all types of costs that allow us to carry on the activities for dissemination and various campaigns or webinars for EU and non-EU Projects like membership to different social media platforms, Euractiv, Politico, Twitter, MailChimp, UICC, FEAM etc. Most of these costs are allocated to EU and non-EU Projects, so entirely recuperated.

Board Costs

Board costs are exclusively related to travel and accommodation costs for board members attending institutional meetings (board meetings) or meetings and events organized by stakeholders. All travel costs both for staff and board members are normally covered by the organisers of the events or meetings or by the projects. Part of these costs are related to credit card charges from December 2019 which were debited on our bank account only in January 2020 and to travel costs from January and February 2020 related to Board Meetings

As of March 2020 due to COVID 19 all meetings moved online, hence travel in 2020 was only limited to 3 months.

Legal Fees

Legal fees are related to general legal services, such as the organization of the General Assembly and some to establishing the procedure for GDPR.

Most of the legal fee cost incurred in dealing with disagreements within the board and with Francesco de Lorenzo, other costs related to advice on the ECPC general regulations, the statute, and advice on the conduct of board meetings.

Accountancy

In 2020 we realized that the increase of the scale of ECPC activities (linked to EU-Projects and to ECPC Action Plan projects) was not translated in accounting practices according to Belgian Law and EU Accountancy Regulations. In 2020 we appointed an external certified accountant (Stuyts Accounting & Tax BV). Therefore, the new accountant was also in charge of filing the 2019 accounts under double entry bookkeeping system, so that we could produce a balance sheet also for 2019.

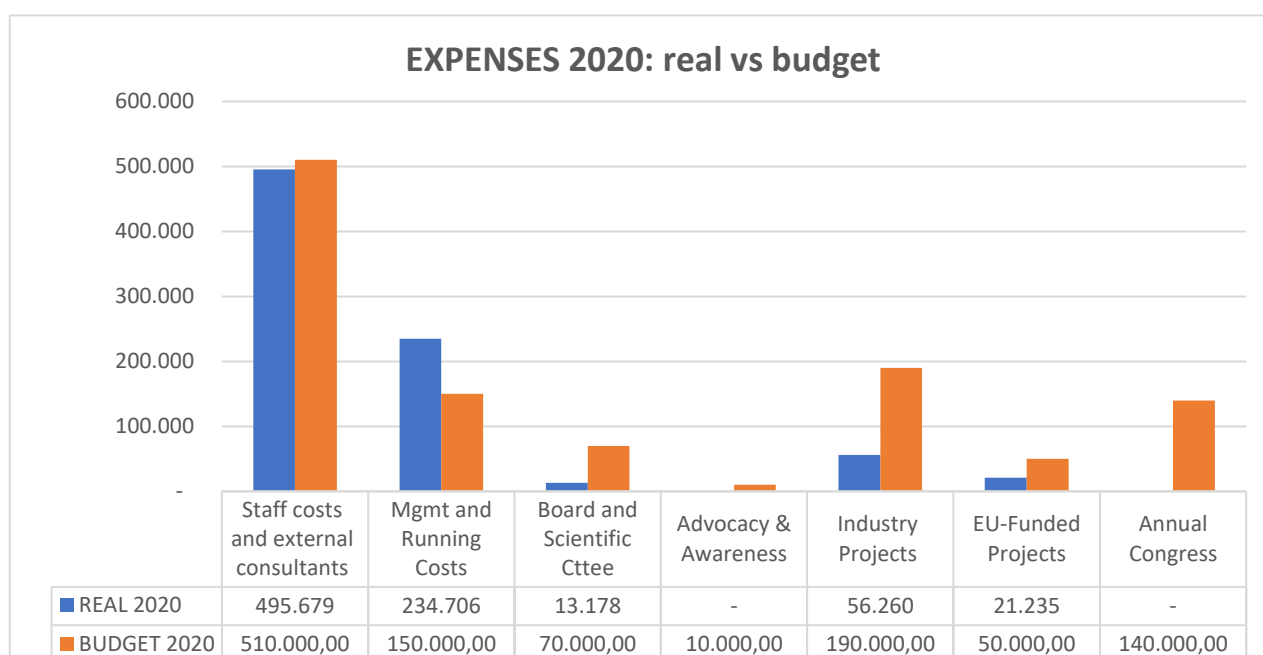
EU Projects

Since 2011, ECPC's Secretariat in Brussels has been working on several projects financed by the European Commission.

A significant percentage of payroll costs incurred in 2020 are covered by EU funded projects. EU funded projects, if managed properly and following the rules of the European Commission present very limited financial risks. This is why the secretariat put in place a sound management control system with detailed time sheets starting as of January 2021.

Foreign currencies

The ECPC accounting system is in Euro. Transactions to other currencies have been converted into Euro, at the exchange rate indicated on the day of the transaction. In this respect we need to consider 3991,00€ as difference among USD and EUR exchange rates.



FORECAST REVENUES 2021

TOTAL request of funds to Pharma	980.000
Annual Congress	50.000
HTA	130.000
Personalised Medicine	100.000
Rare Cancers	20.000
Cancer Related Complications and Comorbidities Initiative	120.000
Car-T	100.000
Non Melanoma Skin Cancer	100.000
MCC Awareness Campaign	25.000
Nutrition	15.000
Make Sense Campaign (Head & Neck)	50.000
COVID-19	100.000
Biosimilar	10.000
RTBF	50.000
Digital Health	60.000
Cancer and Inequalities	50.000

EU Projects	243.500
INTERVENE	87.500
TIGER	78.000
Immune Image	7.000
T2EVOLVE	66.000
iPAAC	5.000

TOTAL Forecast 2021 revenues: 1.223.500 EUR

FORECAST EXPENSES 2021

	2020	2021	<i>variance</i>
Staff	495.679	560.000	<i>11%</i>
Operations costs	234.706	300.000	<i>22%</i>
Board	13.178	25.000	<i>-32%</i>
AGM	-	40.000	
Industry Projects	56.260	60.000	<i>6%</i>
EU Funded Projects	21.235	30.000	<i>29%</i>
Advocacy & Awareness	-	10.000	
Election of the Board	-		
	821.058	1.010.000	<i>19%</i>