

ECPC Board Statement: Closing of Accounts 2022

In the 20 years of excellent and consistent work and relentless efforts to put the needs of cancer patients and their carers on the agendas of the European policymakers, the European Cancer Patient Coalition (ECPC) has contributed tremendously to shaping the cancer policy landscape at EU level.

Due to the challenging situation that arose given the unprecedented circumstances in 2022, stemming from the resignation of the Director and the changes in the ECPC Board ahead of the end of their mandate, a new ECPC Board took over the governance of the organization in June 2022 with the mandate to rebuild ECPC and stabilize it. The new Board made its priority the restoration of the credibility of ECPC and assuring the sustainability of the organization, including creating a resilient workforce, supporting the existing EU-funded projects, and taking care of the immediate tasks needed to stabilize the organization. The Board acknowledged the difficulties that the organization and the staff had to go through during this period.

In order to ensure the transparency of its operations for all its members, staff, stakeholders and partners, the ECPC Board and the AGM of 2022 decided to conduct a Statutory Audit. This audit is different from a limited audit, which most non-profits go through, as it is an extremely thorough audit of all financial aspects of the organization. The decision was made to ensure transparency and to allow an external statutory auditor, bound by the government's code, to conduct the audit of the 2022 accounts and inform the ECPC Board regarding their status to support its efforts towards a quick recovery ensuring at the same time, the sustainability of the organization.

The ECPC Board strongly believes in and is working diligently to assure the continuity of the organization and of the ongoing activities, EU-funded projects, and Joint Actions, as well as the work implemented in the only and recognized bridge between civil society and policymakers, the European Parliamentary Intergroup, namely the Challenge Cancer Intergroup.

Discussion with the Statutory Auditor

ECPC, since its inception, has always conducted limited external audits. However, with the circumstances taking place over the years 2020 to 2022, a decision to conduct a Statutory Audit on the financials of the organization was taken by the Board. This decision was a positive one as it allowed ECPC and the Statutory Auditor to look at all aspects of the financials of the Coalition for the year 2022. Given the importance of transparency, ECPC, from now onwards, will be conducting Statutory Audits on a yearly basis.

Due to the circumstances created in 2020 - 2022, ECPC's current Board made the decision to change accountants and decided to hire a strong external accounting firm with an analytical approach to oversee the accounts. The Auditor noted that this was a very positive step as the accounting firm put in place a robust bookkeeping system that allows every single financial transaction to be followed.

The Statutory Auditor audited the annual accounts showing a gap of 868,259.77 Euros, reflecting the cost of EU-funded projects, the provision and operational expenses. This gap, mostly resulting from less revenue in 2022, especially reflects the abrupt stop of external support due to the challenging circumstances that were created in late 2021 and 2022.

It is important to note that ECPC has since strengthened its accounting systems and finances with appropriate safeguards, and the organization has liquidity. The EU prefinancing funds that were not allocated in 2022 due to the extraordinary period that the organization was going through, were moved to 2023, for future use.

Regarding the continuity of ECPC: the Statutory Auditor noticed the excellent work the organization has done and is currently doing. However, as ECPC is in the process of reorganization and is strengthening its foundation, it needs time to raise the necessary funds for its sustainability.

As the closing of the accounts had to be completed by mid-2023, the auditor needed to take an opinion on the accounts. Given that the organization is in the process of reorganization, the outcome of which presents uncertainties, the auditors decided to not give an opinion (disclaimer of opinion) on the annual accounts. The association is convinced to raise the necessary funds in the next months, to stabilize the organization and gather the support it urgently needs.

Governance

ECPC's Statutes provide a solid basis for the functioning of the organization. However, with the circumstances that were created in 2020 to 2022, the Board recognizes that the Statutes need to be strengthened to ensure stability and continuity within the organization – at Board level and Staff level.

ECPC is taking all the decisions it needs to, to rebuild itself into a strong patient organization with the appropriate safeguards that any professional organization needs to have. However, it needs a little time. And support.

One of the important changes it is making is in its governance. The Board has indicated to the Statutory Auditor the changes it has already made regarding governance, namely to strengthen the Board and leadership to ensure a strong and resilient organization supported by the hardworking secretariat. The Board also indicated that it will propose more than one extraordinary Annual General

Meeting (AGM), to maximize the due involvement of the ECPC members in the amendments to the Statute to ensure stability by establishing connections to key public stakeholders, especially through Memoranda of Understanding (MoUs). The Scientific Committee will also be strengthened for increased involvement and contribution in ECPC's Research Projects.

The ECPC Board is an integral part of the future of the organization. The new Board that was elected in June 2022 had a challenging mandate to rebuild a new ECPC and to take care of the immediate tasks needed to stabilize the organization as a result of the previous difficult years. The situation also required the presence of a leader who had the most experience to navigate the challenging circumstances. Professor Francesco de Lorenzo was the Past-President of ECPC and was re-elected in the interim period to restore the organization to the leading position it had. According to the Statutes, the position of the President is for 3 years, with the next elections to take place in the yearly General Assembly.

Now that the organization has stabilized, with a strong Board and staff, the Board has decided to pave the way forward for new leadership at the helm of ECPC. Given the time needed to adapt the statutes for this change, the Board will be conducting an Extraordinary General Assembly Meeting at the beginning of February 2024, to approve the changes to the new Statutes and taking the indications and suggestions from all ECPC members, partners and supporters.

After taking into account all the suggestions and changes to the Statutes, the Board will take the responsibility to have an Extraordinary General Assembly in the first quarter of 2024, to hold the elections for the new President.

To ensure the stability of the organization and the right governance of the transition period, the Board decided to request Global Cancer Strategies (GCS), and Malvika Vyas, the Strategic Advisor to the Board, to guide this crucial transition period.

GCS will continue its relationship with ECPC and will continue to drive strategy and transformation in the organization, with the aim to hire a new Director in 2024.

Request to ECPC supporters

ECPC has been the cornerstone of representing the patient voice at the EU level. It has worked diligently for 20 years. It has been through some challenging times, just like any other organization. However, it has gotten through the difficult times with the support from its supporters. The situation that was created in 2020 - 2022 was an unfortunate one, and ECPC wishes no non-profit organization (patient or otherwise) to experience such circumstances.

The circumstances created, unfortunately, resulted in the withdrawal of public support from many of its supporters. The facts are clear now, and the organization has bounced back.



ECPC is making an active change in strengthening its governance, leadership, and staff, putting in place a robust accounting and internal audit system – in order to ensure that such a situation never arises again.

ECPC is an organization that is run by patients. Not carers. But, patients. Those living with the disease. Those who have survived the disease. Those who have been cured from the disease. Those who want a better life for the 1 in 5 who will be diagnosed with the disease. The work that is done by ECPC is integral to the future of cancer policy within the European Union and beyond.

It was created 20 years ago as a small patient organization. Over the years, it evolved into the largest patient organization, representing the voice of patients with cancer. The drastic transition from a small to a medium to large-sized organization has indeed resulted in some gaps which are now being recognized and filled.

ECPC's commitment to transparency and openness with its members, partners and friends is a statement of how much the Board and staff believe in this organization.

We hope that this transparency, openness, and the concrete actions ECPC is taking will allow ECPC to close the gap of resources and restore the organization to where it was before the challenging circumstances.

We thank you for your support.

Francesco de Lorenzo
ECPC President

George Kapetanakis
ECPC Secretary of the
Board

Evgenia Aleksandrova
ECPC Treasurer

Maria Begona Barragan
Board Member

Alin Bujan
Board Member

Georgia Orfanou
Board Member

