

Treasurer's Annual Financial Report for 2019

Harry Dolstra, EBMT Treasurer

Final numbers for voting 2019

SOURCE OF INCOME



EBMT Members donations
€591,000
4,0%



Scientific Sponsors donations
€703,000
4,8%



Annual Meeting
€7,749,000
52,9%



Results from investments
€116,000
0,8%



*Grants for Studies, Clinical Trials
& Education*
€4,629,000
31,6%



Accreditation (JACIE)
€867,000
5,9%



Total Income:
€14,655,000
100%

DESTINATION OF RESOURCES



Scientific Studies
€2,375,000
22,7%



EBMT Registry
€863,000
8,2%



Annual Meeting
€4,020,000
38,3%



Educational Activities
€1,672,000
15,9%



*Standards & Accreditation
(JACIE)*
€643,000
6,1%



Management and administration
€924,000
8,8%



Total Expenditure
€10,497,000
100%

<https://www.charitywatch.org/charitywatch-criteria-methodology>

Program %	Cost to Raise \$100	Efficiency Rating	
90-100%	\$0 - 4	A+	2019 + 2018 + 2017
80 - 89%	\$5 - 11	A	A range = Excellent
75 - 79%	\$12 - 15	A-	B range = Good
72 - 74%	\$16 - 19	B+	C range = Satisfactory / Average
68 - 71%	\$20 - 26	B	D = Unsatisfactory / Poor
65 - 67%	\$27 - 30	B-	F = Failing
61 - 64%	\$31 - 33	C+	
56 - 60%	\$34 - 37	C	
50 - 55%	\$38 - 40	C-	
36 - 49%	\$41 - 59	D	
0 - 35%	\$60 - 100	F	

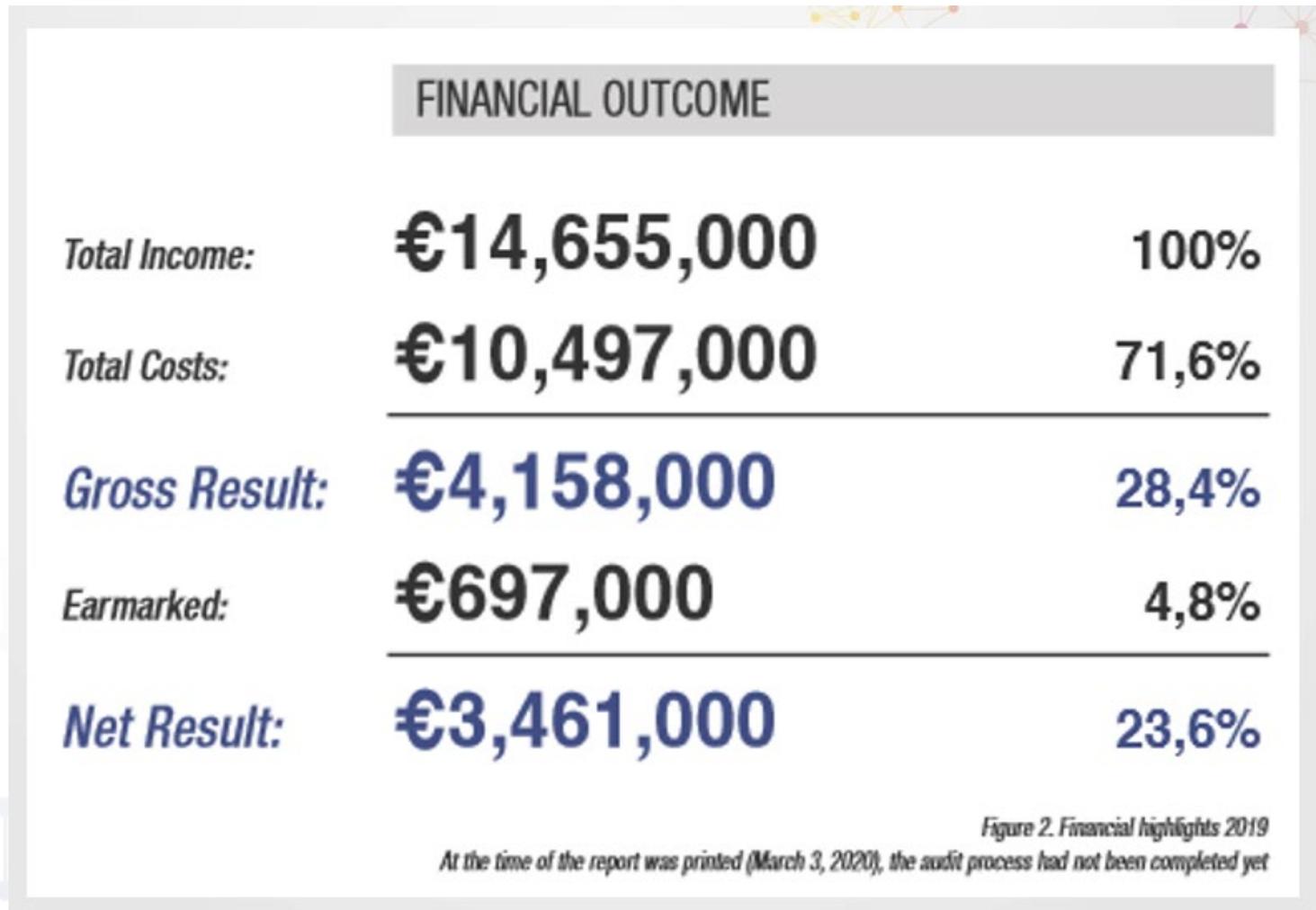
Cancer Research Institute A
 City of Hope & Affiliates A-
 Leukemia & Lymphoma Soc. A-
 American Red Cross B+



EBMT

European Society
for Blood and Marrow
Transplantation

Final 2019 numbers for voting



Final Conclusions

The continued positive financial development of the organization has allowed EBMT to further building on strategic goals and improve its structure.

Currents highlights: in-housing educational events, e-learning, registry upgrade, cellular therapy registry, benchmarking system, CART PASS.

A total of € 500K will be earmarked in line with the board decisions for structural innovation (€ 300K) and registry implementation (€ 200K).

A total of € 197K will be earmarked for running projects.

The residual budget of € 3,461K will be returned to our reserves and used to further secure our key staff positions and main strategic projects in case of any unforeseen financial serious adverse event.

Additionally, € 1,067K will be used in 2020 to strategically invest in the goals mentioned above.

Due to the current issues with regard to the Covid-19 virus the EBMT has announced to move some of its events. The date of the annual congress 2020 is moved to 30 August – 2 September 2020. This will have a negative impact on the forecasted net result of 2020. Until the exact financial impact is known, measures have been to reduce the pace of implementation of our strategic plans.

Current cost estimate 1 M Euro loss

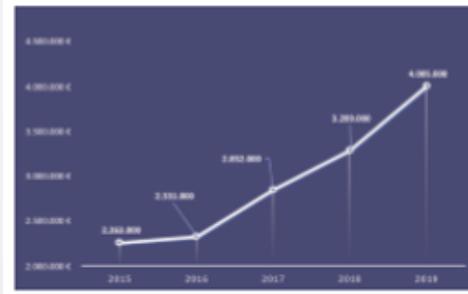
EBMT has closed for a sixth consecutive year with a positive result

- During last years the changed financial model allowed creation of a continuous reserve of income for strategic projects.
- This permitted a 14% increase in staff positions but also augmented financial obligations.

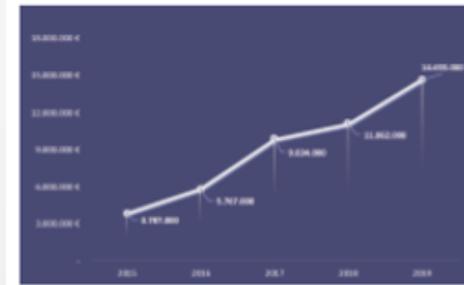
(A) NUMBER OF FTE EMPLOYEES



(B) TOTAL SALARY COSTS



(C) GROSS INCOME



- At the very same time we increase our reserves from € 2,267K in 2014 to € 8,720K in 2019 to cover salary costs incase of any unexpected event.

Spending our financial resources on our missions

Our increasing annual income has been used to further work on our mission and improve the organizational structure of EBMT in order to strengthen our growing organization for achieving our mission goals.

The budget needed for management (i.e. board and executive office expenses) decreased to 8,8% which is resulting in allocating 91,2% to our scientific studies, Registry, accreditation and education including the Annual Meeting, E-learning and Educational events (Figure 2 Financial highlights 2019).

Therefore, EBMT remains a very efficient organization when assessed by international rankings (A+ in line with CharityWatch)

Implementing the well-balanced strategic financial roadmap

In 2019, the main challenge was to implement and optimize EBMT's organization through a well-balance financial roadmap for the future in order to be able to cover all financial challenges in line with our ambitions but also further strengthen a strong backbone.

The EBMT Board decided to partially release allocated reserves in 2020 (1.067 k€) to support our roadmap and EBMT organization for the next few years which covers the following 7 strategic topics:

1) IMPLEMENTING MACRO REGISTRY

In 2019 we continued to work on the migration of the Registry into MACRO. This project will be finalized in 2020 and has the highest financial priority. Reserves have been earmarked to cover all expected costs. In addition, reserves are being used and held for any unexpected expenses.

2) RESTRUCTURING THE ORGANIGRAM

In 2019 we restructured the managerial infrastructure of the EBMT and organized it in six departments, which are the Science, Registry, Educational, JACIE, Support and Business departments. Each department is led by a department head that together with the Executive Director form the EBMT management team.

Furthermore, we recruited a Medical Officer to support all medical aspects within the organization, and an HR Coordinator and IT Coordinator to better support our organization and mission. Further implementation of the restructured organigram will continue in 2020 to strengthen the efficiency and mission goals of the EBMT.

3) SETTING UP SUCCESSFUL BUSINESS UNIT

In 2019 we continued with setting up the business unit in order to increase and streamline the process of setting up retrospective and prospective studies in collaboration with pharma, institutions and non-profit organizations.

The funded studies are a growing segment of the activities of EBMT, and my compliments go to the business, operational and finance teams in the Leiden office to streamline the contracting of the scientific studies.

4) STARTING THE CAR T PASS STUDIES

In receiving the qualification opinion from EMA on the cellular therapy module of the EBMT Registry, the Board decided to strengthen manpower to support this initiative, which will collect post-market evidence for safety and efficacy of different commercial CART products. The first contract with Novartis has been signed and more companies are likely to follow. The finance involved in these contracts allow more manpower to execute these PASS studies and increase the Registry data and quality.

In addition, this registry tool will also be helpful for all researchers who are executing clinical studies with immune effector cells in order to gather more comprehensive data sets.

5) LAUNCHING THE BENCHMARKING PROJECT

In order to finance the “benchmarking project”, which will allow centres to know their own clinical transplantation outcomes compared to the rest of Europe (Snowden et al. BMT 2019), we have increased the JACIE fees.

Furthermore, for the first time we have an internal Medical Officer within the EBMT organization to support benchmarking reporting. In 2020 we will give back valuable information to each reporting centre about the quality of their daily clinical care.

6) CONSOLIDATING THE EDUCATION & EVENTS UNIT

The in-housing process of the Annual Meeting and educational events by the Barcelona office continues to be a huge success in order to increase the EBMT's positioning and visibility and to improve financial control.

7) IMPLEMENTING E-LEARNING TOOLS

We further invested in developing a sophisticated e-learning platform, which will allow the community to further educate themselves with online training.

AUDITING PROCESS

At the time of preparation this presentation (18 March 2020), the audit process had not yet been completed.

No information from the auditors has reached us that indicates we won't obtain an "unqualified opinion".

It will be the fifth consecutive time EBMT obtains an unqualified opinion. This demonstrates that the EBMT is maintaining its high standard of modern management, improving its financial stability and provides assurance that money is spent and allocated according to our mission.

At the end of the audit process EBMT will receive a **Auditor's Management Letter**. The outcome of this will be presented in the Board meeting after obtaining the letter.

Financial team EBMT offices



Andreu Gusi



Bas Natkiel



Liesbeth
Hoekstra

THANK YOU!

Financial committee members from 2019 and update ToR 4 year mandate



Harry Schouten



Alejandro Madrigal

Financial options for future strategic goals in and beyond 2019

Further development of the registry

Implementing benchmarking

Implementing the cellular therapy project and PASS studies

Investing in IT and human resources

Developing e-Learning content

Risk management: EBMT's liquidity

- **Current ratio:** liquidity of an organization

- This indicator says something about the financial position of the organization. It shows if current liabilities can be covered from the current assets. A ratio of 1,2 – 1,5 is considered as healthy.
- **Current ratio** = Current assets / current liabilities (disadvantage snap shot and can substantially change per time point through the year)

Liquidity

$$\text{Current ratio} = \frac{16.882.000}{7.044.000} = 2,4$$

- **Cash runway:** How long can the organization run without income

- **Cash runway ratio** = Current assets / current + future liabilities
- **Burn:** approximately **1 Mio Euro a month**

Liquidity

$$\text{Runway ratio} = 12 \times \frac{16.882.000}{11.983.000} = 16,9$$



**46th Annual Meeting
of the European Society
for Blood and Marrow
Transplantation**

30 August - 2 September 2020
Madrid, Spain