

**Assets**

	Note	31.03.2020	31.03.2019
		EUR	EUR
<b>Current assets</b>			
<b>Cash on hand and at banks</b>		<b>7 426 550</b>	<b>10 074 834</b>
<b>Securities and investments</b>	1	<b>13 526 427</b>	<b>8 901 488</b>
Accounts receivable			
- Third parties		657 476	1 495 876
- Related parties		507 687	469 928
<b>Accounts receivable</b>		<b>1 165 163</b>	<b>1 965 804</b>
Other assets		746 982	1 133 432
Provision for other assets		-9 200	-9 200
Work in progress		27 695	19 410
<b>Other current assets</b>		<b>765 476</b>	<b>1 143 642</b>
<b>Prepaid expenses and accrued income</b>		<b>397 885</b>	<b>731 408</b>
<b>Total current assets</b>		<b>23 281 502</b>	<b>22 817 176</b>
<b>Non-current assets</b>			
Deposits	2	23 720	23 697
Guarantee Deposits	3	241 683	241 683
Provision for guarantee deposits		-241 683	-241 683
<b>Financial assets</b>		<b>23 720</b>	<b>23 697</b>
Furniture, fittings and office equipment		138 087	172 168
Land and building		5 372 401	5 427 597
Revaluation reserve of ERSJ property		-156 358	-100 431
<b>Property, plant and equipment</b>	4	<b>5 354 130</b>	<b>5 499 334</b>
<b>Total non-current assets</b>		<b>5 377 849</b>	<b>5 523 031</b>
<b>Assets</b>		<b>28 659 351</b>	<b>28 340 207</b>

**Liabilities and association's equity**

	Note	31.03.2020	31.3.2019
		EUR	EUR
<b>Current liabilities</b>			
Accounts payable			
- Third parties		2 139 360	1 878 829
- Related parties		9 767	14 782
<b>Accounts payable</b>		<b>2 149 128</b>	<b>1 893 611</b>
Other payables		24 973	32 275
<b>Other current liabilities</b>		<b>24 973</b>	<b>32 275</b>
Accrued expenses		2 430 271	2 098 746
Deferred income		2 393 124	2 718 086
<b>Accruals and deferrals</b>	5	<b>4 823 395</b>	<b>4 816 832</b>
<b>Total current liabilities</b>		<b>6 997 495</b>	<b>6 742 718</b>
<b>Non-current liabilities</b>			
Romain Pauwels Award		0	131 351
Provisions	6	3 836 051	3 817 236
<b>Total non-current liabilities</b>		<b>3 836 051</b>	<b>3 948 587</b>
<b>Total liabilities</b>		<b>10 833 547</b>	<b>10 691 305</b>
<b>Associations' equity</b>			
Fortune at the beginning of the year		17 648 902	17 435 732
Revaluation Euro conversion		-1 064	0
Net result of the year		177 966	213 170
<b>Total association's equity</b>		<b>17 825 804</b>	<b>17 648 902</b>
<b>Liabilities and association's equity</b>		<b>28 659 351</b>	<b>28 340 207</b>

## Income Statement

Note	31.03.2020	31.03.2019
	EUR	EUR
<b>Membership fees</b>	<b>737 749</b>	<b>862 502</b>
Registration	10 101 247	9 064 948
Evening symposia	2 014 437	2 376 993
Exhibition space	4 865 827	4 699 458
Advertising	316 020	292 409
Sponsorship	1 447 221	1 747 138
Commissions	573 310	352 631
Other income	77 084	42 001
<b>Meeting income</b>	<b>19 395 146</b>	<b>18 575 578</b>
Publications	1 830 214	2 129 798
Grants	2 394 031	2 023 068
Services	176 685	172 365
<b>Other operating income</b>	<b>4 400 930</b>	<b>4 325 231</b>
<b>Total operating income</b>	<b>24 533 825</b>	<b>23 763 311</b>
Grants and awards	-2 691 065	-3 009 437
Meetings, travel & representation	-2 414 227	-2 214 273
Communication, printing	-404 247	-387 305
Production and distribution of journals	-304 854	-678 510
Infrastructure, maintenance and administration	-7 697 580	-7 399 126
Professional services	-2 581 435	-2 635 970
Staffing and officers' allowances	-7 833 959	-7 161 098
<b>Total operating expenses</b>	<b>-23 927 367</b>	<b>-23 485 719</b>
<b>Operating surplus</b>	<b>606 458</b>	<b>277 592</b>
<b>Other expenses</b>		
Donations to ERS Charity	-327 602	-39 683
Insurances	-166 539	-222 789
VAT not recoverable	7	-182 407
Provision bad debts	0	-2 268
Depreciation	-193 310	-210 089

## Income Statement

	Note	31.03.2020	31.03.2019
		EUR	EUR
<b>Financial income and expense</b>			
Bank and credit card charges		-249 127	-218 448
Financial income, interest		125 667	240 725
Financial losses, interest		-424 757	-223 852
Exchange rate difference, net		568 908	280 394
Translation difference		394	579
Provision valuation securities		0	0
<b>Other Income</b>			
Rent		93 269	90 661
Other income		899	749
Extraordinary income, net	8	329 418	281 451
Extraordinary income (Previous year adjustments)		-38 115	169 891
Taxes		-33 117	-29 336
<b>Total other income (expenditure), net</b>		<b>-428 492</b>	<b>-64 421</b>
<b>Net result</b>		<b>177 966</b>	<b>213 170</b>

**Cash-Flow**

	Note	2019-2020		2018-2019
		EUR	%	EUR
<b>Cash-flow from operating activities</b>				
Net Result		177 966		213 170
<b>Adjustments for :</b>				
Depreciation and Amortization		193 310		210 089
Debtors and Trade Receivables		1 178 807		821 129
Prepaid Expenses & Accrued Incomes		333 523		46 417
Creditors & Trade Payables		248 215		631 166
Accruals and Deferrals		6 563		-836 925
Long Term Provisions		-112 536		-57 256
<b>Cash generated from operations</b>		<b>2 025 848</b>	1.0	<b>1 027 790</b>
Investment of Property, Plant & Equipment		-48 106		-85 505
Purchase/sale of Financial Assets		-23		-22
Purchase/sale of Investments		0		0
Purchase/sale of Intangible Assets		0		0
<b>Cash-flow from investing activities</b>		<b>-48 129</b>	0.0	<b>-85 527</b>
Issuance (repayment) of long-term Debts		0		0
Issuance (repayment) of Equity		0		0
Payment of Dividend		0		0
<b>Cash-flow from financing activities</b>		<b>0</b>	0.0	<b>0</b>
Foreing currency effect on cash and cash equivalent		-1 064		227
<b>Net increase (decrease) in cash and cash equivalents</b>		<b>1 976 655</b>		<b>942 490</b>
Cash at April 1		18 976 322		18 033 832
Cash at march 31		20 952 977		18 976 322
Net Increase (decrease) in cash		1 976 655		942 490

## Notes on the financial statements 2019/20

### General Information

#### The Association

The European Respiratory Society ("ERS"), an association created in 1990 in London, is incorporated in Switzerland in accordance with Article 60 ff of the Swiss Civil Code.

The main purposes of the association, outlined in the statutes, are as follows :

- to promote basic and clinical research; to collect, assess and disseminate scientific information concerning all aspects of lung health and disease;
- to provide training in respiratory medicine and research;
- to encourage and support continuous education in respiratory medicine.

### Significant Accounting Policies

#### *Accounting basis*

The financial statements have been prepared in accordance with the provisions of the Swiss Code of Obligations, article 957 ff.

#### *Securities and investments*

Securities and investments are stated at market value. Gains and losses are recognised in the income statement.

#### *Revenue recognition*

Income from meetings is recorded in the year the meeting took place.

#### *Foreign currency transactions*

The society's accounting records are maintained in Euros for the Lausanne and Brussels operations and in Pounds Sterling for the UK branch. Transactions denominated in foreign currencies are converted into Euros and Pounds Sterling respectively at exchange rates on the transaction date. Assets and liabilities held in foreign currency are converted at year-end exchange rates.

Realised exchange rate differences on transactions in foreign currencies are reported as part of "exchange rate difference, net" in the income statement.

## Notes on the financial statements 2019/20

### ***Consolidation of UK branch***

Intercompany positions are eliminated. The balance sheet of the UK branch was translated into Euros using the year-end exchange rate and the income statement was translated at the average yearly exchange rate.

Translation differences resulting from the consolidation process are reported as part of "exchange rate difference, net" in the income statement.

### ***Office furniture and equipment***

Office furniture and equipment are stated at cost and are depreciated straight line over their estimated useful lives:

- Furniture, fittings and office equipment	3 - 8 years
- Hardware and software	3 years
- IT Development	5 years
- Buildings	66 years

### ***Risk Assessment***

The Finance and Budget Committee have performed a risk review and taken appropriate measures in order to ensure the financial statements are free from any material misstatement.

### ***Contingent liabilities and firm commitments***

None.

### ***Pledged Assets***

EUR 73 000/CHF 77'273 (prior year: EUR 73000/CHF 81'619) are blocked in the UBS current accounts to guarantee any outstanding amounts on UBS issued credit cards.

## Notes on the financial statements 2019/20

### Details on balance sheet and income statement captions

#### 1. Securities and investments

The securities and investments are valued at market price and include the following:

	31.03.20		31.03.19	
	CHF / €	0.9447	CHF / €	0.8944
	31.03.20	31.03.20	31.03.19	31.03.19
Investment manager	EUR	CHF	EUR	CHF
Capitalised Contracts of Paneurolife, Luxembourg	578 517	612 382	570 764	638 153
	173 684	183 851	167 676	187 474
	717 057	759 031	712 867	797 034
Piguet & Cie, Lausanne	6 355 768	6 727 816	4 415 732	4 937 089
	0	0	0	0
	0	0	0	0
Rothschild, Lausanne	0	0	0	0
	2 834 200	3 000 106	0	0
	2 322 278	2 458 218	2 423 315	2 709 431
Vontobel	544 924	576 822	611 133	683 288
<b>Total securities and investments</b>	<b>13 526 427</b>	<b>14 318 225</b>	<b>8 901 488</b>	<b>9 952 469</b>

#### 2. Deposits

EUR 23 720/CHF 25 109 (prior year: EUR 23 697/CHF 26 495) are pledged as a warranty for the rent of the ERS Brussels offices.

#### 3. Guarantee deposits

This caption mainly relates to the deposit of EUR 241 683/ CHF 255 830 requested by the ERS tax agent in Italy who was appointed to meet all obligations of ERS with respect to Italian VAT during the Florence congress in 2000. ERS has engaged legal procedures against the agent to enforce rightful reimbursement of this deposit. The legal procedure is still ongoing and despite two rulings in 2019 in favor of ERS, the agent opposed the rulings. The trial has now being taken to the highest court in Italy - la Corte di Cassazione and because of the COVID crisis the trial is on hold.

A full provision was booked in a prior period.

#### 4. Property, plant and equipment

The land and building were pledged by title deeds of CHF 10 345 000 (EUR 9'773'264, exchange rate 1.0585). All titles are currently hold by ERS. (Prior Year EUR 9'252'303, exchange rate 1.1181).



## Notes on the financial statements 2019/20

5. Accruals and deferrals	31.03.20		31.03.19	
	CHF / €	0.9447	CHF / €	0.8944
This item includes:	<b>31.03.20</b>	<b>31.03.20</b>	<b>31.03.19</b>	<b>31.03.19</b>
	EUR	CHF	EUR	CHF
Deferred Income Congress Exhibition & Evening Sympo	0	0	543 267	607 409
Deferred Membership Fees and MB Vouchers	47 280	50 048	51 397	57 465
Deferred Education, Research Seminars, Task Forces	547 955	580 031	805 438	900 534
Officers allowances	70 000	74 098	70 000	78 265
White Book	45 000	47 634	45 000	50 313
Provision for auditors - legal fees	36 000	38 107	36 000	40 250
Otsuka & ECDC	0	0	37 000	41 369
Provision Alat Research & ARELP ERS contribution	27 000	28 581	27 000	30 188
Implementation new strategy 2018-2025	92 503	97 918	92 503	103 424
Educational Grant	0	0	5 000	5 590
Provision for ongoing projects (ERS website, IT Projects, Training Programme, Ebus)	488 037	516 605	91 907	102 758
Staff: vacation, overtime, 13th salary,	456 739	483 475	415 088	464 097
Audit Spanish VAT	50 000	52 927		
Provision Fellowship in industry	0	0	99 500	111 248
Congress speakers	135 900	143 855	137 200	153 399
Task forces, Research seminars & CRCs	1 998 276	2 115 249	1 365 219	1 526 408
Provisions for EU Grants	-10 876	-11 512	249 398	278 843
ERSJ - Accrued expenses	272 756	288 722	204 215	228 326
ERSJ - Deferred incomes	566 825	600 005	541 701	605 659
<b>Total accruals and deferrals</b>	<b>4 823 395</b>	<b>5 105 742</b>	<b>4 816 832</b>	<b>5 385 544</b>

## 6. Provisions

This positions include reserves for exchange loss risks and other necessary provisions.

## Notes on the financial statements 2019/20

### 7. VAT not recoverable

Some ERS revenue is not subject to VAT and, as a consequence, the related input VAT paid on suppliers' invoices is not fully recoverable.

	31.03.20		31.03.19
CHF / €	0.9447	CHF / €	0.8944

### 8. Extraordinary income, net

	31.03.20	31.03.20	31.03.19	31.03.19
	EUR	CHF	EUR	CHF
- previous year adjustments	0	0	-26 732	-28 297
- recharge of overhead	265 694	281 247	308 183	326 223
- other extraordinary expenses	-303 809	-321 593	0	0
	<b>-38 115</b>	<b>-40 346</b>	<b>281 451</b>	<b>297 926</b>

#### Extraordinary income (Previous year adjustments)

The main amount is related to reversal of closed Task Forces + Research seminars.  
Other extraordinary expenses refers to a financial loss

	31.03.20	31.03.20	31.03.19	31.03.19
	EUR	CHF	EUR	CHF
<b>9. Fee to statutory auditor</b>				
- audit fee	36 000	38 107	36 000	40 250
- fee for other services	0	0	0	0
	<b>36 000</b>	<b>38 107</b>	<b>36 000</b>	<b>38 107</b>

### 10. Number of full time employees on an annual average

ERS has an annual average that falls in the range of 50 to 250 full time employees (prior year: 50 to 250 FTE).

### 11. Significant post balance sheet events

From the end date of the financial year (31.03.2020) until the release of the financial statements by the Council no significant events have occurred which need to be disclosed at this point.

### 12. Equivalent of the Balance Sheet and Profit and Loss statements in Swiss Franc

For information purposes and to be compliant with article 358d para. 3 of Swiss Code of Obligation, we provide the Balance Sheet and Profit and Loss statement in CHF using year-end exchange rates.

The exchange rates CHF vs EUR used are: CHF 0.9447 for the financial year FY 2019-20 and CHF 0.8944 for the financial year 2018-19.

**BALANCE SHEET in CHF - NOTES**

<b>Assets</b>	Note	Taux CHF/€ 0.9447 au 31.03.20		Taux CHF/€ 0.8944 au 31.03.19	
		31.03.2020 EUR	31.03.2020 CHF	31.03.2019 EUR	31.03.2019 CHF
<b>Current assets</b>					
<b>Cash on hand and at banks</b>		<b>7 426 550</b>	<b>7 861 279</b>	<b>10 074 834</b>	<b>11 264 349</b>
<b>Securities and investments</b>	1	<b>13 526 427</b>	<b>14 318 225</b>	<b>8 901 488</b>	<b>9 952 469</b>
Accounts receivable					
- Third parties		657 476	695 963	1 495 877	1 672 492
- Related parties		507 687	537 406	469 928	525 411
<b>Accounts receivable</b>		<b>1 165 163</b>	<b>1 233 368</b>	<b>1 965 805</b>	<b>2 197 903</b>
Other assets		746 982	<b>790 708</b>	1 133 432	<b>1 267 254</b>
Provision for other assets		-9 200	<b>-9 739</b>	-9 200	<b>-10 286</b>
Work in progress		27 695	<b>29 316</b>	19 410	<b>21 702</b>
<b>Other current assets</b>		<b>765 476</b>	<b>810 285</b>	<b>1 143 642</b>	<b>1 278 670</b>
<b>Prepaid expenses and accrued income</b>		<b>397 885</b>	<b>421 176</b>	<b>731 408</b>	<b>817 764</b>
<b>Total current assets</b>		<b>23 281 502</b>	<b>24 644 334</b>	<b>22 817 177</b>	<b>25 511 155</b>
<b>Non-current assets</b>					
Deposits	2	23 720	25 109	23 697	26 495
Guarantee Deposits	3	241 683	255 830	241 683	270 218
Provision for guarantee deposits		-241 683	-255 830	-241 683	-270 218
<b>Financial assets</b>		<b>23 720</b>	<b>25 109</b>	<b>23 697</b>	<b>26 495</b>
Furniture, fittings and office equipment		138 087	146 170	172 168	192 496
Land and building		5 372 401	5 686 886	5 427 597	6 068 422
Revaluation reserve of ERSJ property		-156 358	-165 511	-100 431	-112 289
<b>Property, plant and equipment</b>	4	<b>5 354 130</b>	<b>5 667 545</b>	<b>5 499 334</b>	<b>6 148 629</b>
<b>Total non-current assets</b>		<b>5 377 849</b>	<b>5 692 653</b>	<b>5 523 031</b>	<b>6 175 124</b>
<b>Assets</b>		<b>28 659 351</b>	<b>30 336 986</b>	<b>28 340 207</b>	<b>31 686 280</b>

**BALANCE SHEET in CHF - NOTES**

<b>Liabilities and association's equity</b>	Note	Taux CHF/€ 0.9447 au 31.03.20		Taux CHF/€ 0.8944 au 31.03.19	
		31.03.2020 EUR	31.03.2020 CHF	31.3.2019 EUR	31.03.2019 CHF
<b>Current liabilities</b>					
Accounts payable					
- Third parties		2 139 360	2 264 592	1 878 830	2 100 660
- Related parties		9 767	10 339	14 782	16 527
<b>Accounts payable</b>		<b>2 149 128</b>	<b>2 274 932</b>	<b>1 893 612</b>	<b>2 117 187</b>
Other payables		24 973	26 435	32 275	36 086
<b>Other current liabilities</b>		<b>24 973</b>	<b>26 435</b>	<b>32 275</b>	<b>36 086</b>
Accrued expenses		2 430 271	2 572 532	2 098 746	2 346 541
Deferred income		2 393 124	2 533 211	2 718 086	3 039 005
<b>Accruals and deferrals</b>	5	<b>4 823 395</b>	<b>5 105 743</b>	<b>4 816 832</b>	<b>5 385 546</b>
<b>Total current liabilities</b>		<b>6 997 495</b>	<b>7 407 108</b>	<b>6 742 719</b>	<b>7 538 819</b>
<b>Non-current liabilities</b>					
Romain Pauwels Award		0	0	131 351	146 859
Provisions	6	3 836 051	4 060 602	3 817 236	4 267 929
<b>Total non-current liabilities</b>		<b>3 836 051</b>	<b>4 060 602</b>	<b>3 948 587</b>	<b>4 414 788</b>
<b>Total liabilities</b>		<b>10 833 547</b>	<b>11 467 711</b>	<b>10 691 306</b>	<b>11 953 607</b>
<b>Associations' equity</b>					
Fortune at the beginning of the year		17 648 902	19 732 673	17 435 732	19 494 334
Revaluation Euro conversion		-1 064	-1 051 782	0	0
Net result of the year		177 966	188 384	213 170	238 339
<b>Total association's equity</b>		<b>17 825 804</b>	<b>18 869 275</b>	<b>17 648 902</b>	<b>19 732 673</b>
<b>Liabilities and association's equity</b>		<b>28 659 351</b>	<b>30 336 986</b>	<b>28 340 207</b>	<b>31 686 280</b>

**INCOME STATEMENT in CHF - NOTES**

Income Statement	Note	Taux CHF/€ 0.9447 au 31.03.20		Taux CHF/€ 0.8944 au 31.03.19	
		31.03.2020 EUR	31.03.2020 CHF	31.03.2019 EUR	31.03.2019 CHF
<b>Membership fees</b>		<b>737 749</b>	<b>780 935</b>	<b>862 502</b>	<b>964 336</b>
Registration		10 101 247	10 692 545	9 064 948	10 135 228
Evening symposia		2 014 437	2 132 356	2 376 993	2 657 640
Exhibition space		4 865 827	5 150 658	4 699 458	5 254 314
Advertising		316 020	334 519	292 409	326 933
Sponsorship		1 447 221	1 531 937	1 747 138	1 953 419
Commissions		573 310	606 870	352 631	394 265
Other income		77 084	81 596	42 001	46 960
<b>Meeting income</b>		<b>19 395 146</b>	<b>20 530 482</b>	<b>18 575 578</b>	<b>20 768 759</b>
Publications		1 830 214	1 937 349	2 129 798	2 381 259
Grants		2 394 031	2 534 171	2 023 068	2 261 928
Services		176 685	187 028	172 365	192 716
<b>Other operating income</b>		<b>4 400 930</b>	<b>4 658 548</b>	<b>4 325 231</b>	<b>4 835 903</b>
<b>Total operating income</b>		<b>24 533 825</b>	<b>25 969 964</b>	<b>23 763 311</b>	<b>26 568 998</b>
Grants and awards		-2 691 065	-2 848 592	-3 009 437	-3 364 755
Meetings, travel & representation		-2 414 227	-2 555 549	-2 214 273	-2 475 708
Communication, printing		-404 247	-427 910	-387 305	-433 033
Production and distribution of journals		-304 854	-322 699	-678 510	-758 620
Infrastructure, maintenance and administration		-7 697 580	-8 148 174	-7 399 126	-8 272 726
Professional services		-2 581 435	-2 732 545	-2 635 970	-2 947 194
Staffing and officers' allowances		-7 833 959	-8 292 536	-7 161 098	-8 006 594
<b>Total operating expenses</b>		<b>-23 927 367</b>	<b>-25 328 006</b>	<b>-23 485 719</b>	<b>-26 258 630</b>
<b>Operating surplus</b>		<b>606 458</b>	<b>641 958</b>	<b>277 592</b>	<b>310 368</b>
<b>Other expenses</b>					
Donations to ERS Charity		-327 602	-346 779	-39 683	-44 368
Insurances		-166 539	-176 288	-222 789	-249 093
VAT not recoverable	7	-114 482	-121 183	-182 407	-203 943
Provision bad debts		0	0	-2 268	-2 536
Depreciation		-193 310	-204 626	-210 089	-234 894

**INCOME STATEMENT in CHF - NOTES**

<b>Income Statement</b>	Note	0.9447	Taux CHF/€ au 31.03.20	0.8944	Taux CHF/€ au 31.03.19
		31.03.2020	31.03.2020	31.03.2019	31.03.2019
		EUR	CHF	EUR	CHF
<b>Financial income and expense</b>					
Bank and credit card charges		-249 127	-263 710	-218 448	<b>-244 240</b>
Financial income, interest		125 667	133 023	240 725	<b>269 147</b>
Financial losses, interest		-424 757	-449 621	-223 852	<b>-250 282</b>
Exchange rate difference, net		568 908	602 210	280 394	<b>313 500</b>
Translation difference		394	417	579	<b>647</b>
Provision valuation securities		0	0	0	<b>0</b>
<b>Other Income</b>					
Rent		93 269	98 729	90 661	<b>101 365</b>
Other income		899	952	749	<b>837</b>
Extraordinary income, net	8	329 418	348 701	281 451	<b>314 681</b>
Extraordinary income (Previous year adjustments)		-38 115	-40 346	169 891	<b>189 950</b>
Taxes		-33 117	-35 056	-29 336	<b>-32 800</b>
<b>Total other income (expenditure), net</b>		<b>-428 492</b>	<b>-453 575</b>	<b>-64 421</b>	<b>-72 029</b>
<b>Net result</b>		<b>177 966</b>	<b>188 384</b>	<b>213 170</b>	<b>238 339</b>