



**International Melges 24 Association interim (early November) report 2016**

## Accounting Report 1.1.-31.10.2016

### International Melges 24 Class Association

Compilation of financial statements has been done by an authorized accounting firm Yrityspalvelu Pentti Mäkinen Oy.

Financial statements are prepared in accordance with the laws and regulations governing the preparation of the financial statements in Finland.

Helsinki 3.11.2016

Authorized accounting firm  
Yrityspalvelu Pentti Mäkinen Oy



Aarto Hirvi  
Accountant

# TREASURERS INTERIM (early NOVEMBER) REPORT

## January – December 2016

### INCOME

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### INCOME

**ISAF Royalty Fees** have coming down a great deal due to the world wide economic situation since 2011 (2011: 16 boats, 2012: 7 boats, 2013: 3 boats, 2014: 1 boat, 2015: 10, 2016: 4). The high volume production years are really missed. The new boats ordered directly correlates to our income levels (3968€ in 2011 & now appr 800-900€). Second handmarket are still superb.

**Class Affiliation / membership fees** YTD 306 members from 20 nations. Members picked up from 272 / +8%. Meaning +1995€. Each NCA must wake up to get the numbers up!

Scandinavia 2016 vs. 2015	+0%	(in total 63 boats)
Asia / Pacific 2016 vs. 2015	-13%	(in total 14 boats)
Europe 2016 vs 2015	-3%	(in total 169 boats)
Central Europe 2016 vs. 2015	-13%	in total 90 boats
America 2016 vs. 2015	+50%	(in total 123 boats, incl. CHI 16 boats)

**Sail Royalties** Sold YTD 409 \* 90€ = 36 810€ which is the same level as 2014-2015. But having increased the sail label unit price to 100€ / +5€ (15 vs 14 +10€) we have now achieved +1 450€ vs 2015. Why are we selling only 400+ sails? (2010: 615 2011: 753 2012: 581 2013: 585 2014: 415 2015: 416 2016: 409)

**Advertising** Still no advertisers on our superb website.

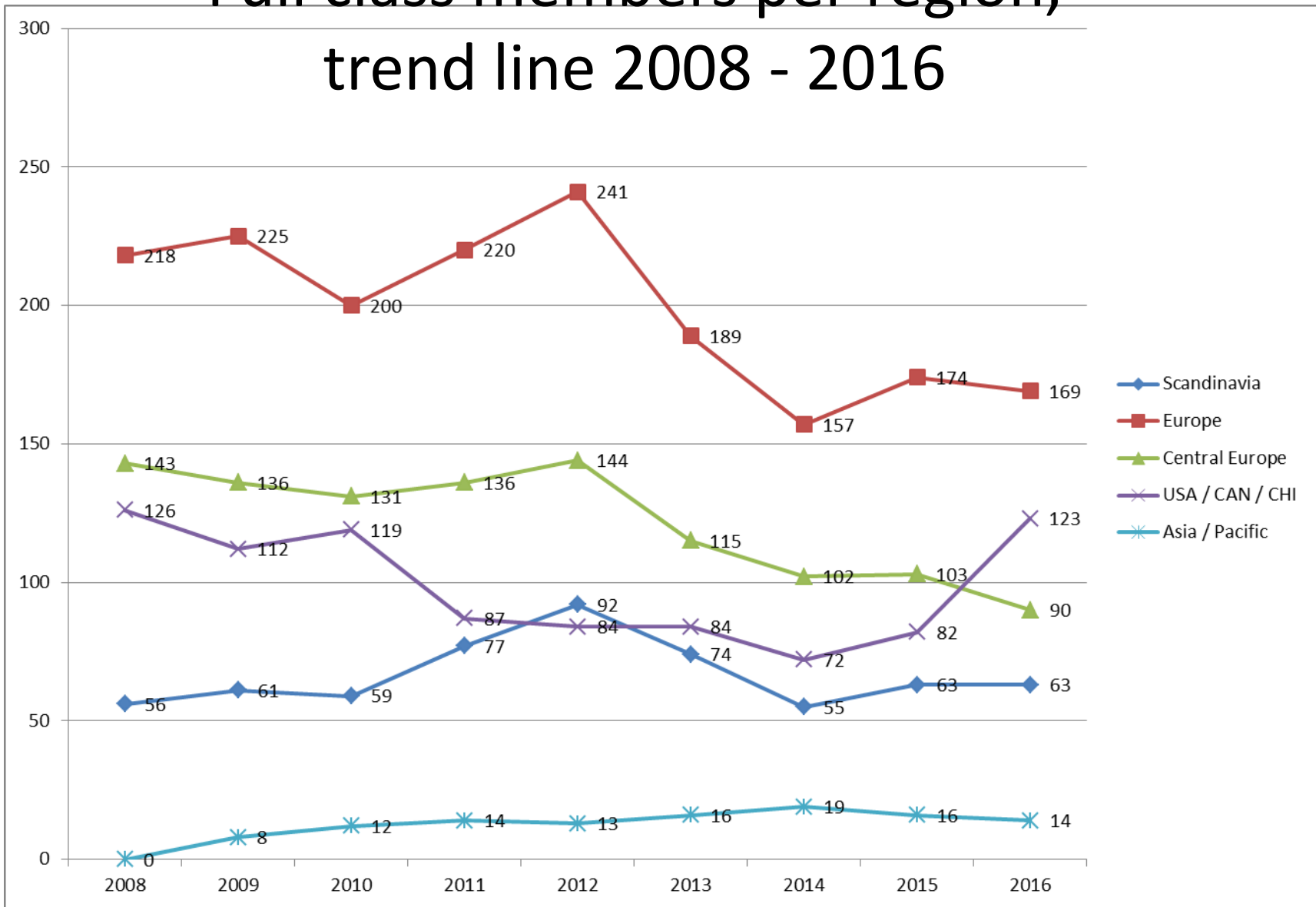
**Income overall** both our major income sources increased our income +9% (66 466 vs 60 458) during this financial year although the expectations were looking relatively ok.

<b>INTERNATIONAL MELGES 24 MEMBER COUNTS</b>													
Country	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Australia	0	0	0	3	0	7	10	10	11	15	17	16	14
Austria	2	13	3	4	5	6	9	10	8	7	8	9	7
Belgium	0	0	1	1	0	1	1	0	1	0	0	0	0
Bulgaria (until 2010)	0	0	0	0	1	7	1	0	0	0	0	0	0
Canada	0	0	0	0	0	0	0	0	0	13	32	16	24
Chile	0	0	0	0	0	0	0	0	0	2	0	14	16
Czech Republic	0	0	0	10	15	10	8	4	6	6	6	4	3
Denmark	0	0	0	0	0	0	3	15	18	18	16	19	17
Estonia	0	0	1	3	4	5	5	5	6	6	3	2	4
Finland	14	0	11	12	14	17	14	20	20	10	5	5	7
France	39	31	31	30	18	10	5	3	6	1	3	0	4
Germany / Bulgaria	12	16	21	22	20	23	28	36	46	41	47	43	37
Hungary	0	0	0	0	1	8	10	12	9	10	12	10	12
Italy	38	46	49	57	69	60	50	40	35	20	13	15	12
Lichtenstein	0	0	0	0	0	0	0	0	0	1	0	0	0
Japan	6	5	0	0	0	1	2	4	2	1	2	0	0
Netherlands	1	1	1	2	2	4	3	15	14	15	3	7	2
Norway (incl DEN until 2009 & SWE until 2010)	20	16	23	34	38	39	37	26	33	28	23	23	21
Russia	0	0	0	0		0	0	0	1	4	0	0	0
Slovenia	0	0	0	2	3	4	6	5	4	1	0	3	4
Sweden	4	0	0	0	0	0	0	11	15	12	8	14	14
Switzerland	9	7	2	0	8	7	8	9	11	9	7	9	6
Turkey	4	8	7	7	0	0	0	0	0	1	0	0	0
UK (incl IRL since 2011)	27	30	20	19	19	17	11	9	9	4	3	8	16
Ukraine	0	0	0	0	2	3	3	2	4	4	3	3	3
USA / Canada	116	128	106	121	126	112	119	87	84	69	40	52	83
total full members	292	301	276	327	345	341	333	323	343	298	251	272	306
growth / decrease vs previous year									6%	-13%	-16%	8%	13%

# Full members per region share comparison 2009 / 2012 / 2014 / 2016

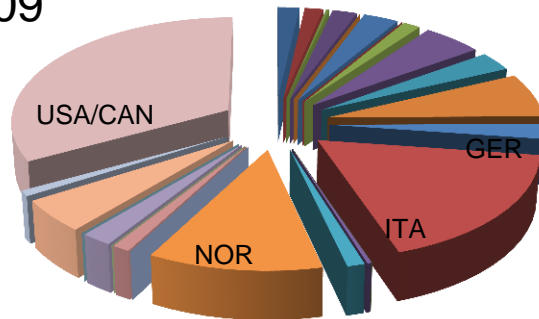
		2009	2012	2014	2016
Europe		66 %	70 %	63 %	55 %
America		31 %	24 %	29 %	40 %
Asia/Pacific		2 %	4 %	8 %	5 %
Other		1 %	1 %	1 %	0 %
		100 %	100 %	100 %	100 %

# Full class members per region, trend line 2008 - 2016

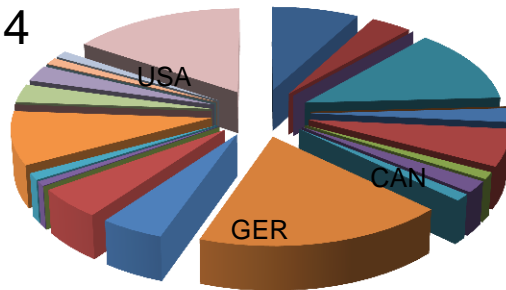


# Full members per NCA share comparison 2016 vs 2014 & 2009

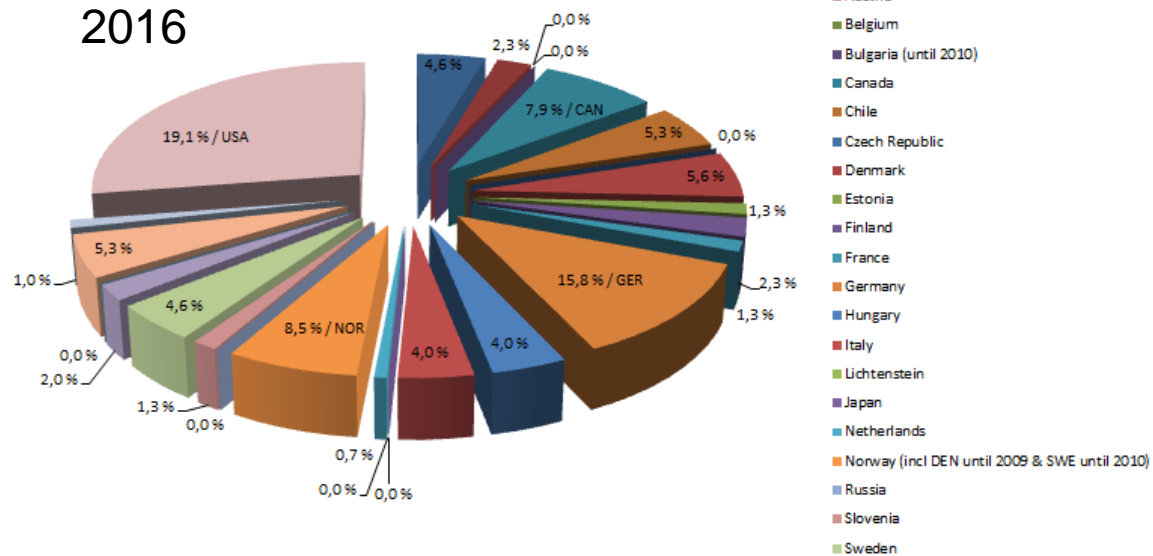
2009



2014



2016



2016 = USA 27.4%, GER 12.2%, CAN 7.9%, NOR 6.9%, DEN 5.6%  
Five NCA have a share of 60 %

2014 = GER 15.8%, USA 13.4%, CAN 10.8%, NOR 7.7%, AUS 6.8%  
Five NCA have a share of 54.5%

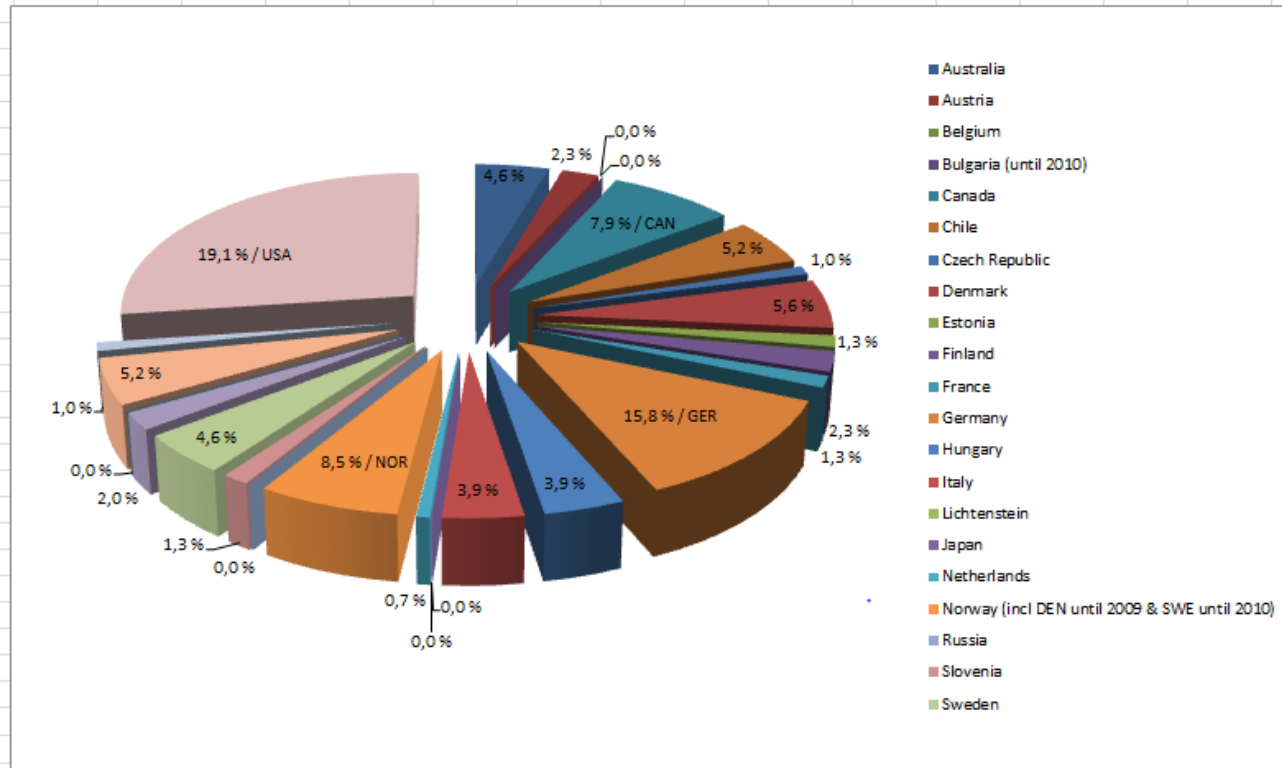
2009 = USA / CAN 37.6%, ITA 20.1%, NOR 13.1%, GER 7.7%, UK & FIN á 5.7%  
Two NCA had a share of 57.7%



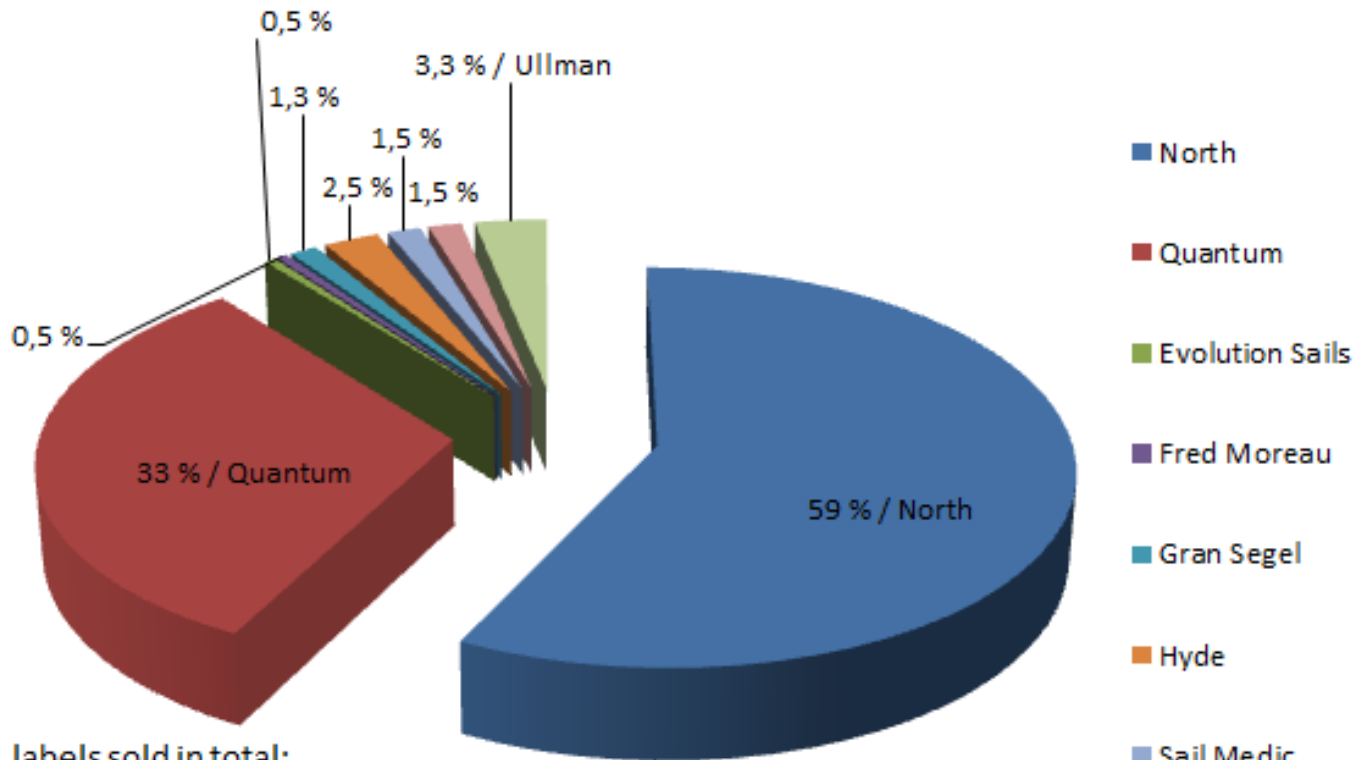
# Full members per NCA 2016

INTERNATIONAL MELGES 24 MEMBER COUNTS

Country	2016	
Australia	14	4,6 %
Austria	7	2,3 %
Belgium	0	0,0 %
Bulgaria (until 2010)	0	0,0 %
Canada	24	7,8 %
Chile	16	5,2 %
Czech Republic	3	1,0 %
Denmark	17	5,6 %
Estonia	4	1,3 %
Finland	7	2,3 %
France	4	1,3 %
Germany	37	12,1 %
Hungary	12	3,9 %
Italy	12	3,9 %
Lichtenstein	0	0,0 %
Japan	0	0,0 %
Netherlands	2	0,7 %
Norway (incl DEN until 2009 & SWE until 2010)	21	6,9 %
Russia	0	0,0 %
Slovenia	4	1,3 %
Sweden	14	4,6 %
Switzerland	6	2,0 %
Turkey	0	0,0 %
UK (incl IRL since 2011)	16	5,2 %
Ukraine	3	1,0 %
USA	83	27,1 %
<b>total full members</b>	<b>306</b>	<b>100,0 %</b>



# Sail royalties per loft share comparision 2016 vs 2011



sail labels sold in total:

2016 in total 409  
 2015 in total 416  
 2014 in total 415  
 2013 in total 633  
 2012 in total 581  
 2011 in total 753

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### EXPENDITURE

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### EXPENDITURE

*Personnel, photography & costs* have been rather stable during past few years to keep up with the changing world. The class truly is global and professionally managed. Huge thanks to Hank Stuart & Egidio Babbi for their services. Welcome Benedek Fluck, John Abel and Antonio Espin.

Piret has been working as a full time class administrator since 2013. Doing everything to make the class work on a day to day basis, weekly marketing, governing / running our major and smaller events . Egidio stepping down and Antonio Cardona Espin taking responsibility. Have decreased the moving footage expenses. Please note that Pierrick Contin will be used in the 2016 Worlds.

*Expenditure overall* The overall decrease in expenditures was -11.44% (from 70 886.65€ to 62 777.40€).

### Balance Sheet

The surplus for 2016 shall be appr +3 500€ (2015: -10 427.71€). Our financial situation is good. Our balance sheet and especially our current bank assets (appr 20 000€) makes our financial life easy.

Our 2015 – 2012 financial years:

2015 = -10 427.71€      2014 = -15 889.70€      2013 = +3 678€      2012 = +21 974€

From my overview the future looks good now that the global economy is getting better

# THE INTERNATIONAL MELGES 24 ASSOCIATION EXECUTIVE COMMITTEE PROPOSES THE AGM 2016 THE FOLLOWING BUDGET FOR 2017:

**IN BRIEF,**

## **EXPENDITURE**

- 1) Strong emphasis in keeping the association professionally managed for the growing awareness and attention towards our class. Our strong personnel is needed for daily house keeping and securing our strong position as the premium one design keel boat class in the world.
- 2) The need for high class marketing and communication is A MUST. Also more focus must be given to the social media (see online report).

!!! All expenses shall be paid euros without any conversation rates and including VAT

**Net expenditure                    64 450 €**

## **INCOME**

- 1) Continuing with one class affiliation fee (= membership fee) & no change to full membership fee  
> risk ?
- 1) Small +5€ increase to the sail label fee

All fees shall be paid in euros without any conversation rates and including VAT

**Net income                            68 500 €**

## **SUMMARY**

Cost efficiency throughout the year is really important BUT not forgetting to build more awareness of our SUPERB BRAND. All NCAs served on a equal level.

# THE INTERNATIONAL MELGES 24 ASSOCIATION EXECUTIVE COMMITTEE PROPOSES THE AGM THE FOLLOWING BUDGET FOR 2017:

INTERNATIONAL MELGES 24 CLASS ASSOCIATION -- PRELIMINARY BUDGET 2017				>> version 3rd November 2016	
EXPENDITURE & INCOME preliminary budget for period 1st January to 31st December 2017					
Expenditure			Income		
Class meeting expenses		1 500,00 €	ISAF royalty fees		500,00 €
Class insurance		200,00 €	Class affiliation full 300 x á 100€	30 000,00 €	>> no change
Technical committee		300,00 €	Class affiliation asso 150x á35€	- €	>> no
Website, hosting & other fixed fees		3 500,00 €	Sail royalties 400 x á 95€	38 000,00 €	>> +5€ / sail
Marketing		1 000,00 €	Advertising web	- €	
Personnel			<b>Net income</b>		
Piret Salmistu		35 000,00 €		<b>68 500,00 €</b>	
John Abel		1 750,00 €			
Benedek Fluck		1 750,00 €			
Antonio Cardona Espin		750,00 €			
Footage EU (=Zerogradinord)		9 000,00 €			
Footage USA		3 000,00 €			
Photography		4 500,00 €			
Sponsorship		- €			
Event support		- €			
Postage		300,00 €			
Executive committee exceptional		300,00 €			
Bank charges		250,00 €			
Accounting fees		900,00 €			
Other		200,00 €			
<b>Net expenses</b>		<b>64 200,00 €</b>			
<b>SURPLUS</b>		<b>4 300,00 €</b>			

NOTE: All expenses are included with all possible VATs, costs etc

Prepared by: Tomi Hakola, treasurer, International Melges 24 Association

