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# **European Federation of National Associations of Orthopaedics and Traumatology**

Rolle, Switzerland

Annual financial statements  
for the year ended  
31 December 2024

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Financial year ended 31 December 2024

## Income Statement

	Notes	2024 CHF	2023 CHF
Membership Fees		149'535	156'819
Donations for restricted projects		-	37'745
Education	6.1	236'387	156'457
Annual Congress	5.1	2'170'054	2'288'769
Association Management		136'330	211'111
Miscellaneous		11'489	326
<b>Net Revenue</b>		<b>2'703'794</b>	<b>2'851'227</b>
Administration	6.2	400'172	503'355
Executive Committee	6.3	70'189	113'971
Marketing & Communication	6.4	186'096	217'923
Annual Congress	5.1	2'023'246	2'106'568
Post Graduate Training Programme		-	499
Public policies and initiatives	6.5	66'034	138'853
Education	6.1	601'482	608'767
<b>Total Operating Expenses</b>		<b>3'347'219</b>	<b>3'689'936</b>
<b>Operating Result</b>		<b>-643'425</b>	<b>-838'709</b>
Interest Income		128	1
Interest Expense		-18'893	-
Foreign Exchange Gain/(-Loss)		8'168	-5'795
<b>Financial Result</b>		<b>-10'597</b>	<b>-5'795</b>
<b>Result Before Non-recurring Items</b>		<b>-654'022</b>	<b>-844'504</b>
Release of indirect tax provision	6.6	-	125'020
<b>Result Before Variation of Restricted Funds</b>		<b>-654'022</b>	<b>-719'484</b>
Variation of Restricted Funds		60'237	163'905
<b>Net Gain / (Loss)</b>		<b>-593'784</b>	<b>-555'579</b>

Financial year ended 31 December 2024

## Balance Sheet

	Notes	2024 CHF	2023 CHF
Cash and Cash Equivalents	3.1	20'701	177'051
Accounts Receivable	3.2	47'912	197'907
Other Receivables	3.3	635'847	73'310
Prepaid Expenses		46'148	163'782
<b>Total Current Assets</b>		<b>750'608</b>	<b>612'050</b>
Tenant's guarantee / Deposits	7.1	-	28'255
Leasehold Improvements	3.4	-	-
Equipment	3.5	390	10'149
Intangible Assets	3.6	1'380	14'112
<b>Total Non-Current Assets</b>		<b>1'770</b>	<b>52'516</b>
<b>Total Assets</b>		<b>752'378</b>	<b>664'566</b>
Accounts Payable		1'072'933	458'787
Other Payables	4.1	16'098	-
Accruals	4.2	104'603	60'053
Provision	4.4	18'204	55'335
Deferred Revenue	4.3	-	406'451
<b>Total Current Liabilities</b>		<b>1'211'838</b>	<b>980'626</b>
Subordinated Loan		508'844	-
<b>Total Non-Current Liabilities</b>		<b>508'844</b>	<b>-</b>
Restricted Funds		116'173	174'629
<b>Total Restricted Funds</b>		<b>116'173</b>	<b>174'629</b>
Accumulated result		-490'693	64'890
Net Gain / (Loss)		-593'784	-555'579
<b>Total General Funds</b>		<b>-1'084'477</b>	<b>-490'693</b>
<b>Total Liabilities and Funds</b>		<b>752'378</b>	<b>664'566</b>

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 Prof. Dr. Theofilos Karachalios  
 EFORT President 2024/2025


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 Prof. Dr. Rob Nelissen  
 EFORT Secretary General

Financial year ended 31 December 2024

## Cash Flow Statement

	Notes	2024 CHF	2023 CHF
<b>Net gain / (loss) for the Year</b>		<b>-593'784</b>	<b>-555'583</b>
Depreciation		22'491	36'512
Change in Restricted Funds		-58'460	-175'768
Change in Provisions		80'503	-136'614
<b>Cash flow before change in working Capital</b>		<b>-549'250</b>	<b>-831'453</b>
Changes in operating assets and liabilities:			
Debtors		149'995	30'924
Deposits		28'255	-136
Other Receivables and Prepaid Expenses		-562'537	-6'355
Accounts Payable		614'146	256'764
Other Payables		16'098	-45'895
Accruals		44'550	-36'473
Deferred Revenue		-406'451	118'118
Interests paid		-	-
<b>Cash flow from operating activities</b>		<b>-665'194</b>	<b>-514'506</b>
Proceeds from Subordinated Loans		508'844	-
<b>Cash flow from financing activities</b>		<b>508'844</b>	<b>-</b>
<b>Net Change in cash and cash equivalents</b>		<b>-156'350</b>	<b>-514'506</b>
Balance at 1 January		177'051	691'557
Balance at 31 December		20'701	177'051
<b>Change in cash and cash equivalents</b>		<b>-156'350</b>	<b>-514'506</b>

2024, CHF	Opening	Allocation	Utilisation	Transfer	Total Variation	Reevaluation	Refund	Closing
<b>Restricted Funds</b>								
Smith & Nephew Fellowships	32,803	-	-28,409	-	-28,409	562	-	4,957
Microport Fellowships	24,552	-	-	-	-	-	-	24,552
Grünenthal Elearning and Webinars	-	-	-	-	-	-	-	-
Grünenthal Data Collection	-	-	-	-	-	-	-	-
Grünenthal Fellowships	-	-	-	-	-	-	-	-
Grünenthal Awareness Campaign	-	-	-	-	-	-	-	-
Grünenthal Communication Activities	-	-	-	-	-	-	-	-
Medacta Educational Grant	4,837	-	-	-	-	46	-	4,883
Stryker Fellowship	103,272	-	-22,573	-	-22,573	1,082	-	81,781
CORE-MD Project - European Society of Cardiology	9,162	-	-9,256	-	-9,256	93	-	-0
<b>Total Restricted Funds</b>	<b>174,628</b>	<b>-</b>	<b>-60,237</b>	<b>-</b>	<b>-60,237</b>	<b>1,784</b> 	<b>-</b>	<b>116,173</b>
<b>General Funds</b>								
General Funds	-490,693	-593,784	-	-	-593,784	-	-	-1,084,477
<b>Total General Funds</b>	<b>-490,693</b>	<b>-593,784</b>	<b>-</b>	<b>-</b>	<b>-593,784</b>	<b>-</b>	<b>-</b>	<b>-1,084,477</b>
<b>Closing balance at 31 December 2024</b>								<b>-968,304</b>

2023, CHF	Opening	Allocation	Utilisation	Transfer	Total Variation	Reevaluation	Refund	Closing
<b>Restricted Funds</b>								
Smith & Nephew Fellowships	49,759	-	-14,760	-	-14,760	-2,196	-	32,803
Microport Fellowships	24,552	-	-	-	-	-	-	24,552
Grünenthal Elearning and Webinars	-16,103	-	-0	15,368	15,368	735	-	-
Grünenthal Data Collection	36,077	-	-19,062	-15,368	-34,430	-1,647	-	-
Grünenthal Fellowships	27,001	-	-27,001	-	-27,001	-	-	-
Grünenthal Awareness Campaign	147	-	-147	-	-147	-	-	-
Grünenthal Communication Activities	21,003	-	-20,044	-	-20,044	-959	-	-
Medacta Educational Grant	5,138	-	-	-	-	-301	-	4,837
Stryker Fellowship	117,121	27,748	-36,320	-	-8,572	-5,277	-	103,272
CORE-MD Project - European Society of Cardiology	85,700	9,998	-84,317	-	-74,319	-2,219	-	9,162
<b>Total Restricted Funds</b>	<b>350,395</b>	<b>37,745</b>	<b>-201,650</b>	<b>-</b>	<b>-163,905</b>	<b>-11,863</b>	<b>-</b>	<b>174,629</b>
<b>General Funds</b>								
General Funds	64,890	-555,583	-	-	-555,583	-	-	-490,693
<b>Total General Funds</b>	<b>64,890</b>	<b>-555,583</b>	<b>-</b>	<b>-</b>	<b>-555,583</b>	<b>-</b>	<b>-</b>	<b>-490,693</b>
<b>Closing balance at 31 December 2023</b>								<b>-316,064</b>

Financial year ended 31 December 2024

and fair view of the Federation's assets, financial position and results of operations.

## Notes to the financial statements

### General information

The European Federation of National Associations of Orthopaedics and Traumatology ("EFORT") is an association located in Rolle, Switzerland.

The aim of the Federation is the promotion of the sciences of orthopaedics and traumatology. To accomplish these objectives, the Federation organises European congresses and training programmes, collaborates with universities and other qualified institutions, stimulates basic and clinical research and undertakes any other activity which might be useful in fulfilling its aims. The funds of the Federation may be used only for the aims outlined above.

### 1 Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below.

#### 1.1 Accounting principles

EFORT prepares its accounts in compliance with the policies described in the following notes. Accounting policies applied are in compliance with the Swiss GAAP FER (Swiss Accounting and Reporting Recommendations) 21.

As permitted by Swiss GAAP FER 21, the accounts were prepared in compliance with the conceptual framework, the fundamental recommendations and recommendation 21. The accounts also comply with the article 69a of the Swiss Civil Code.

Information required by Swiss GAAP FER 21 on the performance of the Federation, and not disclosed in the financial report, are included in the annual report.

The financial statements have been prepared under the historical cost convention. The income statement is presented using the classification of expenses by function. The statements are based on economic values and present a true

#### 1.2 Foreign currency translation

##### (a) Functional and presentation currency

Items included in the financial statements were measured using the currency of the primary economic environment in which the Federation operates ('the functional currency'), which is Swiss Francs ("CHF"). The presentation currency is CHF.

##### (b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transaction. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

Balances in foreign currency are revalued using the exchange rates prevailing at the dates of closing.

Financial year ended 31 December 2024

## 2 Principles of valuation

### 2.1 Cash and cash equivalents

Cash and cash equivalents include cash, balances in bank accounts, and short-term time deposits with a residual term of less than three months. They are valued at their nominal value.

### 2.2 Accounts receivable

Accounts receivable are amounts due from parties for services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. These receivables are valued at their nominal values. Credit default risks are accounted for by specific allowances.

### 2.3 Property, plant and equipment

Property, plant and equipment are valued at purchase cost less any depreciation required by generally accepted accounting principles. Depreciation is charged on a straight-line basis over the useful life of the fixed asset. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the income statement.

The useful lives of assets have been determined as follows:

Furniture and Equipment	8 years
Computers and hardware	4-5 years
Software	4-5 years
Leasehold improvements	Lease term

### 2.4 Intangible assets

#### Computer software

Costs associated with maintaining software programs are recognised as an expense as incurred. Purchased software are capitalized and amortized on a straight-line basis over a period their estimated useful lives, which does not exceed 4 years. Internally developed software costs are capitalized only if the following conditions are met:

- software is clearly identifiable;
- costs are reliably determinable;
- the federation has sufficient resources to complete their development;
- software brings measurable benefits to the federation over the course of several years.

The amortization of internally developed software starts when the asset is ready for use.

### 2.5 Impairment of assets

The value of non-current assets is assessed on the balance sheet date for signs of impairment. If there is evidence of any lasting reduction in value, the realisable value is calculated (impairment test). If the book value exceeds the realisable value, the difference is recognised in profit and loss as unscheduled depreciation.

### 2.6 Provisions

Provisions are recognised if an event in the past gives rise to a justified, likely obligation which is of uncertain timing or amount, but which can be estimated reliably. Provisions are measured on the basis of the estimated amount of money required to satisfy the obligation.

### 2.7 Trade payables and other liabilities

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

Trade payables and other liabilities are stated at their nominal values.

### 2.8 Employee benefits

Wages, salaries, social contributions, paid annual leave, sick leave and other benefits are paid or accrued undiscounted in the year in which the associated services are rendered by employees of the federation. Legal or constructive obligations such as bonus are recognised for the amount expected to be paid in the year the services are provided.

EFORT is a member of a collective occupational pension that fully insures the risks with an Insurance Company. This pension scheme is financed by employer and employee contributions.

The economic impact of existing pension

**Financial year ended 31 December 2024**

schemes on the federation is reviewed each year and the related economic benefit or liability recognised. The employer contribution reserves available are recognised as assets. Changes in employer contribution reserves and stated changes in economic impact arising from excess/insufficient cover for pension schemes are recognised in the income statement under personnel expenses.

## **2.9 Exceptional items**

Exceptional items are disclosed separately in the financial statements where it is necessary to do so to provide further understanding of the financial performance. They are material items of income or expense that have been shown separately due to the significance of their nature or amount.

## **2.10 Revenue recognition**

Revenue is recognised when the services are rendered, if the amounts can be measured reliably and if it is probable that the Federation will receive future economic benefits.

The main revenue streams of the Federation are Membership fees, Annual Congress income, donations and grants for specific projects.

Membership fees are recognised in the accounting period they relate to.

Annual Congress revenue is composed of registration fees and sponsorship income. Revenue from sponsorship and registration fees are recognised in the period when the services are rendered. Sponsorship invoiced in advance are deferred in the balance sheet.

Grants and Donations received for restricted projects are recognised as an income when expenses are incurred. If they are not used or partially used during the financial year, the unused amounts are recorded in restricted funds. When used in subsequent years, the restricted funds are reduced accordingly. These movements are captured by the variation of restricted funds in the income statement.

## **2.11 Leasing**

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are

charged to the income statement on a straight-line basis over the period of the lease.

The Federation leases certain property, plant and equipment. Leases of property, plant and equipment where the Federation has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's commencement at the lower of the fair value of the leased property and the present value of the minimum lease payments.

Each lease payment is allocated between the liability and finance charges. The corresponding rental obligations, net of finance charges, are included in the Finance Lease Liabilities. The interest element of the finance cost is charged to the income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant and equipment acquired under finance leases is depreciated over the shorter of the useful life of the asset and the lease term rebates and excluding taxes and value-added taxes.



Financial year ended 31 December 2024

**3.1 Cash and Cash Equivalents**

	<b>2024 CHF</b>	<b>2023 CHF</b>
Petty cash	374	5,150
UBS, Switzerland, EUR account	885	92,266
UBS, Switzerland, EUR account	56	135
UBS, Switzerland, CHF account	5,702	65,610
Santander, Spain, EUR account	13,684	13,890
<b>Total Cash and Cash Equivalents</b>	<b>20,701</b>	<b>177,051</b>

**3.2 Accounts Receivable**

	<b>2024 CHF</b>	<b>2023 CHF</b>
Receivables from third parties	47,912	372,180
Bad debt provision	-	-174,273
<b>Total Accounts Receivable</b>	<b>47,912</b>	<b>197,907</b>

**3.3 Other Receivables**

	<b>2024 CHF</b>	<b>2023 CHF</b>
Receivable from payroll insurance	13,567	10,286
Other Receivables from MCI	467,132	-
Other Receivables from third parties	155,148	63,024
<b>Total Other Receivables</b>	<b>635,847</b>	<b>73,310</b>

Financial year ended 31 December 2024

**3.4 Leasehold Improvements****2024, CHF**

	Office	Conference rooms	<b>Total</b>
Purchase value at 1 January 2024	448,661	169,607	<b>618,268</b>
Disposals	-448,661	-169,607	<b>-618,268</b>
As at 31 December 2024	-	-	<b>-</b>
Accumulated depreciation 1 January 2024	448,661	169,607	<b>618,268</b>
Depreciation	-	-	<b>-</b>
Disposals	-448,661	-169,607	<b>-618,268</b>
As at 31 December 2024	-	-	<b>-</b>
Net book value at 31 December 2024	-	-	<b>-</b>
<i>thereof leased assets</i>	-	-	<b>-</b>

**2023, CHF**

	Office	Conference rooms	<b>Total</b>
Purchase value at 1 January 2023	448,661	169,607	<b>618,268</b>
As at 31 December 2023	448,661	169,607	<b>618,268</b>
Accumulated depreciation 1 January 2023	448,661	169,607	<b>618,268</b>
Depreciation	-	-	<b>-</b>
As at 31 December 2023	448,661	169,607	<b>618,268</b>
Net book value at 31 December 2023	-	-	<b>-</b>
<i>thereof leased assets</i>	-	-	<b>-</b>

Financial year ended 31 December 2024

**3.5 Equipment****2024, CHF**

	Furniture & Equipment	Hardware	Total
Purchase value at 1 January 2024	17,488	87,301	<b>104,789</b>
Additions	-	-	-
Disposals	-17,488	-61,938	<b>-79,426</b>
As at 31 December 2024	-	25,363	<b>25,363</b>
Accumulated depreciation 1 January 2024	17,333	77,307	<b>94,640</b>
Depreciation	155	9,604	<b>9,759</b>
Disposals	-17,488	-61,938	<b>-79,426</b>
As at 31 December 2024	-	24,973	<b>24,973</b>
Net book value at 31 December 2024	-	390	<b>390</b>
thereof leased assets	0	0	<b>0</b>

**2023, CHF**

	Furniture & Equipment	Hardware	Total
Purchase value at 1 January 2023	17,488	87,301	<b>104,789</b>
Additions	-	-	-
Disposals	-	-	-
As at 31 December 2023	17,488	87,301	<b>104,789</b>
Accumulated depreciation 1 January 2023	17,243	67,885	<b>85,128</b>
Depreciation	90	9,422	<b>9,512</b>
Disposals	-	-	-
As at 31 December 2023	17,333	77,307	<b>94,640</b>
Net book value at 31 December 2023	155	9,994	<b>10,149</b>
thereof leased assets	0	0	<b>155</b>

Financial year ended 31 December 2024

**3.6 Intangible Assets****2024, CHF**

	Software	Total
Purchase value at 1 January 2024	186,557	<b>186,557</b>
Additions	-	-
Disposals	-92,557	<b>-92,557</b>
As at 31 December 2024	94,000	<b>94,000</b>
Accumulated depreciation 1 January 2024	172,445	<b>172,445</b>
Depreciation	12,732	<b>12,732</b>
Disposals	-92,557	<b>-92,557</b>
As at 31 December 2024	92,620	<b>92,620</b>
Net book value at 31 December 2024	1,380	<b>1,380</b>

**2023, CHF**

	Software	Total
Purchase value at 1 January 2023	186,557	<b>186,557</b>
Additions	-	-
Disposals	-	-
As at 31 December 2023	186,557	<b>186,557</b>
Accumulated depreciation 1 January 2023	145,445	<b>145,445</b>
Depreciation	27,000	<b>27,000</b>
Disposals	-	-
As at 31 December 2023	172,445	<b>172,445</b>
Net book value at 31 December 2023	14,112	<b>14,112</b>

**4.1 Other Payables**

	2024 CHF	2023 CHF
Social security, pension and payroll taxes	16'098	-
<b>Total Other Payables</b>	<b>16'098</b>	-

4.2 Accruals

	2024 CHF	2023 CHF
Other accruals	104'603	60'053
<b>Total Accruals</b>	<b>104'603</b>	<b>60'053</b>

4.3 Deferred Revenue

	2024 CHF	2023 CHF
Congress Sponsorship deferred revenue	-	406'451
<b>Total Deferred Revenue</b>	<b>-</b>	<b>406'451</b>

Financial year ended 31 December 2024

**4.4 Provision****2024, CHF**

	Tax provision	Employees related	Total
Opening balance at 1 January 2024	0	55'335	<b>55'335</b>
Additions	-	18'204	<b>18'204</b>
Release	-	-	-
Usage	-	-55'335	<b>-55'335</b>
Revaluation	-	-	-
Closing balance at 31 December 2024	0	18'204	<b>18'204</b>

**2023, CHF**

	Tax provision	Employees related	Total
Opening balance at 1 January 2023	124'140	52'019	<b>176'159</b>
Additions	-	55'335	<b>55'335</b>
Release	-125'020	-	<b>-125'020</b>
Usage	-	-52'019	<b>-52'019</b>
Revaluation	880	-	<b>880</b>
Closing balance at 31 December 2023	0	55'335	<b>55'335</b>

The provisions are for overtime and unused vacation of the staff.

In 2019, an additional provision has been accrued for CHF 136'709 regarding a tax risk for VAT. At 31 December 2023, the risk is considered as unlikely and therefore the provision was released.

Financial year ended 31 December 2024

**5.1 Annual Congress**

Congress	2024 Income	2024 Expenses	2023 Income	2023 Expenses
Vienna 2023	-	-	2,288,769	1,325,037
Hamburg 2024	2,170,054	1,469,502	-	65,480
Lyon 2025	-	4,357	-	-
Staff costs	-	549,387	-	706,878
<b>Total in CHF</b>	<b>2,170,054</b>	<b>2,023,246</b>	<b>2,288,769</b>	<b>2,106,568</b>

**6.1 Education**

Activities	2024 Income	2024 Expenses	2023 Income	2023 Expenses
EBOT	58,423	88,644	106,443	71,267
Fora	-	849	-	8,111
EFORT abroad	-	1,171	-	3,005
EFORT Open Reviews (EOR)	177,964	213,932	50,000	76,630
Visiting Fellowships	-	43,516	-	43,257
Travelling Fellowships	-	-	-	-
eLearning project	-	168,449	-	101,077
Speciality Societies Committee	-	-	-	543
Orthopaedic Education Group	-	-	-	-
Education General	-	1,005	14	1,859
Staff costs	-	83,916	-	303,018
<b>Total in CHF</b>	<b>236,387</b>	<b>601,482</b>	<b>156,457</b>	<b>608,767</b>
Use of restricted funds	50,982	-	117,333	-
<b>Adjusted total in CHF</b>	<b>287,368</b>	<b>601,482</b>	<b>273,790</b>	<b>608,767</b>

**6.2 Administration**

	<b>2024 CHF</b>	<b>2023 CHF</b>
Rent and utilities	107,278	148,932
Telephony and postage	14,181	17,580
Legal fees	4,130	8,690
Audit and accounting fees	92,250	147,710
Staff costs	128,688	172,059
Other expenses	53,645	8,384
<b>Total Administration</b>	<b>400,172</b>	<b>503,355</b>

Financial year ended 31 December 2024

**6.3 Executive Committee**

	<b>2024 CHF</b>	<b>2023 CHF</b>
Secretary	-	733
Travel expenses	4,701	47,581
Staff costs	59,334	61,054
Other expenses	6,154	4,603
<b>Total Executive Committee</b>	<b>70,189</b>	<b>113,971</b>

**6.4 Marketing & Communication**

	<b>2024 CHF</b>	<b>2023 CHF</b>
Service, support, CRM	14,328	14,595
Portal EFORT net and Public website	13,848	21,705
Depreciation	-	33,987
Staff costs	118,212	132,108
Other expenses	39,708	15,528
<b>Total Marketing &amp; Communication</b>	<b>186,096</b>	<b>217,923</b>

**6.5 Public policies and initiatives**

	2024 Income	2024 Expenses	2023 Income	2023 Expenses
Core MD	299	8,171	9,998	75,783
MedTech	-	-	-	30
European Activities	-	45,332	-	16,828
NORE	-	612	-	1,015
IP SSI	-	-	-	10,874
Staff costs	-	11,918	-	34,323
<b>Total in CHF</b>	<b>299</b>	<b>66,034</b>	<b>9,998</b>	<b>138,853</b>
Use of restricted funds	9,256	-	84,317	-
<b>Adjusted total in CHF</b>	<b>9,555</b>	<b>66,034</b>	<b>94,314</b>	<b>138,853</b>



## **6.6 Release of indirect tax provision**

In 2019, a provision was recognized for a VAT risk. At 31 December 2023, the risk is considered as unlikely and therefore the provision was released et recognized as an exceptional income.

### **7.1 Pledged assets**

By the end of August 2024, the EFORT's office rent has been terminated and all the employees are working now from home.

The rent of the Rolle offices was guaranteed by a deposit with the UBS that has been refunded. (2024 : CHF 0 / 2023: CHF CHF 28,255).

### **7.2 Pension Fund**

The position with the pension fund at the end of the year was a payable of CHF 393.20 (2023: CHF 0). The pension fund is fully insured with an insurance company. The capital ratio is therefore 100%.

### **7.3 Benefits to the Executive Committees and to the Management**

Indemnities to cover secretarial expenses and paid to the Members of the Executive Committee amounted to CHF 0 (2024: CHF 0).

These secretarial expenses exclude reimbursements by EFORT of the effective costs incurred by the Members of the Executive Board and other Committees in the normal course of their functions.

As permitted by Swiss GAAP FER 21, benefits paid to management are not disclosed.

### **7.4 Personnel**

For the year 2024, total personnel costs amounted to CHF 955'542 (2023: CHF 1'402'539).

In 2024 and in 2023, the Federation employed less than 50 full-time equivalent employees.

### **7.5 Transactions with related parties**

Receivables and payables to related parties were disclosed in the relevant notes. Transactions with related parties other than salary and indemnities are disclosed below.

The EFORT Foundation was invoiced for CHF 5'882 (2023: CHF 11'770), net of VAT, by EFORT for administration services.

Financial year ended 31 December 2024

## 7.6 Lease commitments

EFORT entered into operational lease and rental agreements. The future payment commitments are:

	2024 CHF	2023 CHF
<i>Printer</i>		
Due within one year	7'887	7'380
Due between one to five years	13'802	14'760
<b>Total printer</b>	<b>21'689</b>	<b>22'140</b>
<i>Office/storage rent</i>		
Due within one year	4'560	79'880
Due between one to five years	-	-
<b>Total office rental</b>	<b>4'560</b>	<b>79'880</b>
<b>Total Lease and Rental Commitments</b>	<b>26'249</b>	<b>102'020</b>

## 7.7 Going concern

EFORT faced a potential over-indebtedness situation identified in late 2023. In response, a structured plan was launched to address the issue through immediate and mid-term measures, developed in accordance with potential obligations under Art. 725b of the Swiss Code of Obligations and Art. 69d of the Swiss Civil Code.

In February 2024, EFORT successfully managed a critical situation with its former PCO, Congrex, and delivered the Annual Congress in Hamburg. Concurrently, new funding avenues were pursued to address the over-indebtedness reflected in the 2023 accounts. In March 2024, EFORT secured subordinated loans from both the EFORT Foundation and MCI Group—now our new PCO—which resolved the over-indebtedness and ensured continued operations.

### Transitional Year 2024

Despite these measures, the Hamburg 2024 Congress was not a financial success due to declining industry sponsorship, rising inflation and venue costs, and lower delegate attendance. In response, EFORT implemented substantial cost-reduction measures:

- **Staffing:** 70% reduction (CHF 0.9 million annual savings)
- **Office:** Transition to full home-office model from September 2024 (CHF 140k savings)
- **Audit:** Change from full-scope to restricted audit (CHF 10k savings)
- **Accounting:** 50% reduction (CHF 60k savings)

Given the transitional nature of 2024, a deficit was anticipated.

Following legal advice, one long-term solution involves deregistering from the Swiss commercial register. This enables EFORT to shift from a voluntary full-scope audit (previously under Swiss GAAP FER 21<sup>1</sup>) to a restricted audit, which still complies with Art. 71 of the EFORT Statutes.

In line with the partnership agreement signed with MCI for the period 2025–2030, EFORT received an advance payment against expected income from the Lyon 2025 Congress. As a result, a portion

**Financial year ended 31 December 2024**

of the 2025 revenue has been utilized during the 2024 financial year to support ongoing operations. This is part of a broader strategy to address the Federation's over-indebtedness. The 2025–2030 timeframe has been specifically designed as the recovery period within which EFORT aims to fully resolve its financial imbalance.

The significant restructuring measures—including staff reductions, office relocation, and service reductions—have been implemented, with their full financial effect expected from January 2025 onwards. Additionally, a proposal has been made to transition from a full-scope audit to a restricted audit, which can be officialised by EFORT's deregistration from the Swiss commercial register. However, these benefits will only be reflected in the 2025 financial statements, to be presented in 2026 at the General Assembly.

As such, the 2024 financial year represents a transitional phase, marked by both operational changes and the use of forward-looking financial instruments. These actions reflect a deliberate shift toward a sustainable business model in response to evolving trends in medical education and reduced industry sponsorship.

**Realignment in 2025 and Beyond**

Preliminary results for Lyon 2025<sup>2</sup> are encouraging:

- **2,480 paid participants** (compared to 2,332 in Hamburg 2024)
- **€65,000** sponsorship/exhibition overperformance
- **Malaga 2026** selected as the next congress site, with confirmed venue cost reductions of €200k

EFORT maintains strong relationships with its creditors, with outstanding balances of approximately €280k. Payment schedules are in place, mitigating the risk of potential legal actions.

Financial forecasts through 2027 project net congress results of:

- **Lyon 2025:** €498k (preliminary as of 26 May 2025)
- **2026 and 2027:** €550k per year

These projections are supported by the joint strategic alignment undertaken by EFORT and MCI. As part of this collaboration, dedicated dialogue platforms have been established to provide insight into evolving congress market trends and to contribute to joint efforts aimed at reinforcing transparency, innovation, and purpose across the organisation.

**Conclusion**

Based on current projections and confirmed restructuring measures, EFORT expects to maintain adequate liquidity to support continued operations. Consequently, the financial statements for 2024 have been prepared under the **going concern** principle.

<sup>1</sup>Swiss GAAP FER 21: Swiss GAAP FER 21 "Accounting for charitable non-profit organisations" aims to increase the significance and comparability of the reporting of charitable non-profit organisations (individual as well as consolidated financial statements). The special features of charitable non-profit organisations, mainly the lack of the objective of earning profits and the raising of funds, are addressed by adding a statement of changes in equity and a performance report to the individual financial statements/ consolidated financial statements.

Source: <https://www.fer.ch/en/standards/swiss-gaap-fer-21-rechnungslegung-fuer-gemeinnuetzige-nonprofit-organisationen/>

<sup>2</sup>Status 26 May 2025 (15 days before the Lyon 2025 congress)