

Development of a financial strategy for the Federation.

Presented by FIC

SUMMARY

To provide IFATCA with a plan on how finances should be controlled and invested for the next five years.

1. INTRODUCTION

1.1 During the Annual Conference 2024 in Singapore, it was proposed that a strategy was formulated for use of Federation reserves. This was added to the FIC working programme for the year.

1.2 Therefore, FIC has investigated reasonable options to develop this topic further for Directors to discuss in conjunction with the working paper.

2. DISCUSSION

2.1 A strategy is defined as a plan designed to achieve long term goals or aims. Therefore, a financial strategy is an organisation's approach to managing financial resources available to it and the way it plans to use them into the future in order to achieve those goals or aims. As we know, the IFATCA mission is, 'to enhance air traffic safety, to promote the air traffic control profession, and to shape the future of air traffic management'. To do that, IFATCA is a member of a variety of global and regional committees, panels, and projects; while supporting its Member Associations (MA) through advice, guidance, and assistance.

2.2 The main source of income for the Federation is from subscriptions paid by MAs. Smaller amounts come from projects and contracts that IFATCA is a participant in. Generally, this provides a turnover just short of USD 500,000 per fiscal year (FY).

2.3 To meet short term goals, a plan in the shape of a budget is produced annually that sets out how the Executive Board (EB) will use projected income against the various competing demands for expenditure. Some of this expenditure is fixed costs such as office rent, etc, while others will vary from year to year depending on what the EB members and their area of responsibility need to achieve their aims for that year. FIC are consulted as part of this process too so that transparency and independent scrutiny occurs. This is presented to Directors at the Annual Conference

by the Executive Vice President Finance (EVPF) on behalf of the EB so that discussion and adoption may take place.

2.4 Over several positive FYs, IFATCA has accumulated a large cash balance that is deposited in IFATCA bank accounts. In recent years, some of this has been used to supplement the budget due to underspends in FYs that spanned the COVID pandemic.

2.5 However, there has been no coherent strategic financial plan published that formally sets out how the Federation will plan to manage financial reserves that it has or to identify areas of growth. Some previous work was conducted in 2022 by the previous EVPF, Mark Taylor, to enable further control of the financial pathway for the Federation. That work is attached at Annex A. Some of that will be used in this paper to provide recommendations for Directors to consider.

2.6 The most obvious weakness for the Federation is the prospect of losing its main income stream from membership subscription: through loss of MAs, weak financial strength of MAs, the effects of a global crisis such as a pandemic, the threat of a challenger organisation, collapse of the global financial payment system, lawsuit against the Federation, or a malicious act. With that in mind, vital areas that keep the Federation in existence should be protected, such as the Office (rent, payroll, insurance, telephone/internet), online tools that support both administration and finances, payments for bank accounts/accountants/auditors, and ICAO representation. Therefore, these elements should have sufficient resilience for operation for one year. Examining the agreed budget for FY 24/25, this would amount to \$161000 and as such, IFATCA should ring fence this amount as a Restricted Reserve in the Federation accounts.

2.7 While there are several reserves already established, there still remain unrestricted cash assets that have no defined purpose. Discussion has occurred previously with what would be best suited to Federation needs, taking into account the non-profit organisation status of IFATCA. While property investment had been introduced as an idea, it would simply present further complications and complexity to IFATCA organisation and finances. However, investment in financial products may provide a solution that would allow for some potentially notable financial growth, and therefore, income for reinvestment in IFATCA activities.

2.8 The EB continues to identify priorities that benefit MAs and also underpin Federation aims. These usually come in the form of Task Forces (TF) that investigate and explore various topics such as IFATCA 2030, training, wellbeing, or diversity for example. Their output informs Federation opinion and/or policy. These all require financial support.

2.9 Regionally strong, each IFATCA region has varying and competing financial requirements in order to fulfil the aims of IFATCA. The complexity in each also varies, especially in more developed areas. However, the need to assist in elevating those emerging regions cannot be understated. This should be included in any strategic plan.

2.10 The ability to react flexibly and with agility are key when responding to unforeseen events. With the world an increasingly unpredictable place, it would be wise to not tie money up too much that would hinder these attributes. So having unallocated cash would be advantageous in this respect.

2.11 Looking at the latest budget, it is worth considering how much reliance on MAs there is to fund both Regional Meetings and the Annual Conference. With sponsorship key, IFATCA should perhaps evaluate where expenses fall. Maybe the core business of these meetings should be financially sourced from IFATCA central funds, alleviating or transferring risk from MAs. Local Organising Committees could then seek sponsorship that could then be used to support other functions at an Annual Conference, such as welcome and leaving events, for example.

2.12 Another area to explore, is the knowledge, experience, and expertise that IFATCA has access to and how this can be exploited to develop a stream of income. Whether as a guest speaker or consultant, that access should come with a price; maybe covering transport and accommodation costs or the time an individual provides. In the longer term, this may provide another income stream for IFATCA.

2.13 With all this in mind, a coherent financial strategic plan needs to set out the financial direction required for the Federation for the next 5 years, in line with current modern thinking. This should be reviewed annually for changes to the current climate and to ensure that direction is on course to meet the aims.

3. CONCLUSION

3.1 Developing a strategic financial plan for IFATCA encompasses many different elements. When piecing this together several points must be included, such as:

- The reason for a strategic financial plan
- Organisational structure including key roles and responsibilities.
- A strategic analysis of the organization.
- Any financial controls and reporting cycles are in place.
- Evaluation of the organisation's financial position.
- Forecast the financial position including any variables.
- Implementation of the strategic financial plans including any timelines.

3.2 The IFATCA EB needs to define priorities that will drive the strategic financial plan into the future. It's acknowledged that these may change but can be incorporated into the annual review process.

3.3 Any weaknesses should be suitably mitigated against, especially if it requires to protect funds for contingencies.

3.4 Exploiting opportunities to invest in established financial products or utilise the chance to seek financial remuneration for IFATCA expertise would ease the burden on the subscription stream.

4. RECOMMENDATIONS

4.1 It is recommended that Directors agree that:

- a. ***IFATCA adopts a longer-term strategic approach to financial planning.***

- b. An official strategic financial plan named the ‘Gold Book’ is published.**
- c. The ‘Gold Book’ is reviewed annually as part of the budget formulation process.**

It is also recommended that in the IFATCA Administrative Manual, Article III, Paragraph 1, an additional sub paragraph, 1.2, be added:

1.2 Strategic Financial Plan

In order to ensure that robust financial governance and strategic control of IFATCA finances are maintained, as well as underpinning Federation aims, a Strategic Financial Plan (the Gold Book) is formulated no more than every 5 years by the Executive Vice President Finance, on behalf of the Executive Board. This plan should be reviewed on an annual basis as part of budget formulation. Any changes to strategic financial direction should be reported to Directors at the Annual Conference.

5. REFERENCES

IFATCA Administrative Manual, Version 69, August 2024

6. ANNEXES

A – IFATCA Strategic Financial Plan 2025, The IFATCA Gold Book.

Annex A to WP A.3.5.5

IFATCA Strategic Financial Plan 2025, The IFATCA Gold Book

1. Executive Summary

1.1 There has been no clear and defined strategic financial plan beyond the current and following financial year for a considerable period. As such, there has been a lack of focus looking towards the horizon and, therefore, any coherent assessment of where IFATCA is now and where it would like to be in five years' time.

1.2 The purpose of this document is to address this. Through identifying key individuals, analysis of the organisation, recognising potential opportunities, and planning for the future, the Executive Board will be able to articulate to the IFATCA membership a strategic plan for the future of IFATCA finances.

2. Organisation Structure and key people

2.1 IFATCA is a not-for-profit organisation based in Montreal, Canada, representing Air Traffic Controllers from across the world. Professional bodies for ATCOs, normally but not restricted to countries, gain membership of IFATCA by satisfying the requirements of membership laid down in the IFATCA Constitution and Administrative Manual¹ followed by election by the current Member Associations during the Annual Conference. These Member Associations form the Federation.

2.2 Day to day administration of IFATCA rests with the Executive Board. However, during the Annual Conference this responsibility is handed to Directors, a representative of each member association.

2.3 Major strategic decisions are made at the Annual Conference with each Member Association entitled to one vote regardless of the size or location of their membership. Recommendations for decisions are contained in various working papers and come from the Executive Board, IFATCA Standing Committees, task forces, or from Directors themselves.

2.4 The structure of IFATCA is found in the diagram below:

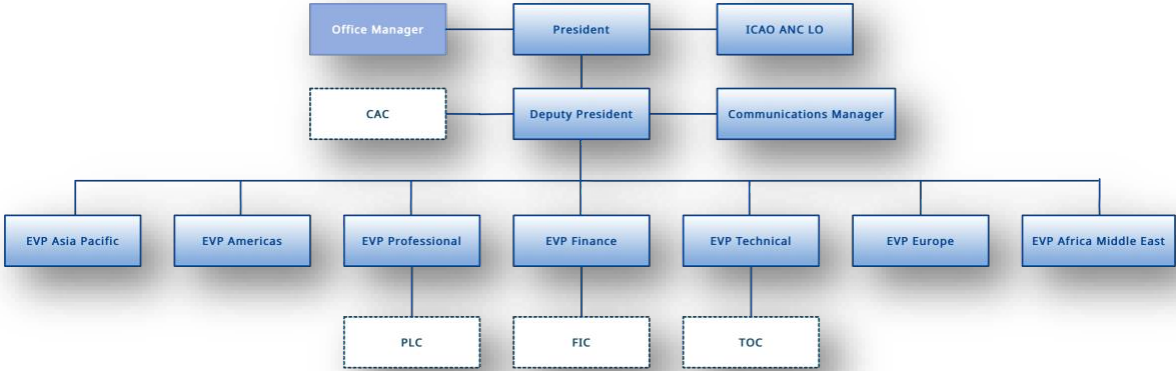


Figure 1: IFATCA Organisation Wire Diagram

2.5 Members of the Executive Board, nominated by their home MA, are elected by Directors at the Annual Conference for a two-year term. Election of half the Executive Board is conducted in alternate years to ensure continuity and retention of corporate knowledge. The Office Manager is the sole employee of the Federation and is based in Montreal.

¹ [IAM, Part 1, Article II, Para. 2](#)

2.6 Four Standing Committees support the EB by conducting research into various topics and present papers on their work at the Annual Conference. CAC covers constitutional and administrative subjects, FIC is responsible for finance, PLC has a portfolio for professional and legal matters, and TOC is responsible for covering technical and operational subjects. Members for each committee are drawn from the MAs and are appointed by Directors at the Annual Conference for a one-year term. Each committee is headed by an elected Chairperson who coordinates the work of each committee and reports to the relevant EVP.

Key Personnel²

2.7 **President (PCX)** - the Chief Executive Officer of IFATCA, providing both leadership and strategic direction of the Federation. Elected by Directors at the Annual Conference, they are normally an experienced member of the IFATCA EB. The current incumbent has a wealth of operational experience, been the IFATCA Deputy President, involved with IFATCA in many roles for a number of years, and also been President of their own MA.

2.8 **Deputy President (DP)** - supporting the PCX, the DP provides oversight of the administrative functions of the Federation which include the Office, and the public and media relations. The present post holder is an extremely experienced operational ATCO as well as having a vast knowledge of IFATCA and also the workings and interactions at ICAO.

2.9 **Executive Vice President Finance (EVPF)** - with responsibility for all Federation financial assets, control of income and expenditure, plus maintaining working relationships with banks, accountants and auditors. The current EVPF is also an experienced ATCO but also has extensive experience from leading their home MA and involvement in industrial relations. They have also been involved with IFATCA for a number of years too.

2.10 **Executive Vice President Professional (EVPP)** - providing oversight of professional matters, they also have responsibility for the direction of work programmes for PLC. Another extremely experienced ATCO, they were also President of their home MA. Working up through the Professional side of IFATCA through PLC, Committee C Chair, and to this post, they have served IFATCA for many years.

2.11 **Executive Vice President Technical (EVPT)** - in charge of technical matters for IFATCA, they also provide the direction of work programmes for TOC. A wide range of experience as an ATCO. Representing their home MA at various Annual Conferences, they had previously worked as a member of TOC prior to election as EVPT.

2.12 **Executive Vice President Africa/Middle East, (EVP AFM)** - a regionally important position that ensures that liaison and representation of regional MAs is maintained and that their voice and opinion is heard. Oversees the activities within

² [IAM, Part 1, Article V, Paras 1 & 3](#)

the region and encourages non-member organisations to IFATCA affiliation. At present the post holder is an impressively experienced and knowledgeable ATCO across a broad range of ATM topics. Deeply involved with their home MA, they have been involved with the AFM region for some time including being the IFATCA on various regional working groups and committees.

2.13 **Executive Vice President Americas (EVP AMA)** – similarly, a regionally important position that ensures that liaison and representation of regional MAs is maintained and that their voice and opinion is heard. Oversees the activities within the region and encourages non-member organisations to IFATCA affiliation. An exceptional individual currently holds this post with many years of operational experience. However, it is their commitment to representing ATCOs on the domestic stage that has been so remarkable. This has been carried across to the work within IFATCA, of which they have been involved with for a number of years.

2.14 **Executive Vice President Asia/Pacific (EVP ASP)** - again, a regionally important position that ensures that liaison and representation of regional MAs is maintained and that their voice and opinion is heard. Oversees the activities within the region and encourages non-member organisations to IFATCA affiliation. Regionally active for several years, the current post holder continues to provide IFATCA and MA views throughout the region and has been key in developing several programmes that not only benefit the ASP region but also the wider IFATCA membership.

2.15 **Executive Vice President Europe (EVP EUR)** - once more, a regionally important position that ensures that liaison and representation of regional MAs is maintained and that their voice and opinion is heard. Oversees the activities within the region, and encourages non-member organisations to IFATCA affiliation. A passionate advocate for ATCOs in the region, the present post holder has a long history of professional representation and high level strategic interaction. They too have had a long career as an operational ATCO and have been active within IFATCA for some time.

2.16 **ICAO ANC Liaison Office (ICAO LO)** – an ex Officio board member. IFATCA's representative at ICAO, through the Air Navigation Commission. Responsible for IFATCA activities and other representatives at ICAO, while also attending the Air Navigation Conference, providing IFATCA opinion through appropriate interventions. The post is currently held by a highly experienced ATCO, who has been active within IFATCA in the PLC and as a representative at ICAO.

2.17 **Communications Manager** – another ex Officio board member. Specific responsibility for the external and internal communication of the Federation through both printed and electronic means. Also chairs the Communications Steering Group and regional communication subgroups. A passionate and proud ATCO, the present occupier of the role has been an enthusiastic participant at a number of IFATCA conferences and regional meetings as well as several IFATCA Task Forces.

2.18 **Office Manager (OM)** – an important and key role that supports the day-to-day running of the Federation but provides administrative support to all members of the EB. From the Office in Montreal, they also act as a focal point for all MAs and

conducts liaison with various outside agencies on behalf of the EB. Having been with IFATCA as the sole employee for over 20 years, the current incumbent is a font of knowledge of all things about IFATCA.

3. Organisation Analysis

3.1 To analyse the Federation as an organisation, a strategic analysis tool must be used. To do that, a SWOT analysis will be utilised to identify and evaluate the strengths, weaknesses, opportunities, and threats related to the Federation. It will help assess the current position, make informed decisions, and plan for the future. A breakdown of each component as follows:

- **Strengths:** Internal factors that give an organisation competitive advantage. These could be things like strong brand recognition, unique products, skilled employees, or financial stability.
- **Weaknesses:** Internal factors that may hinder an organisation or project. This could include lack of resources, poor customer service, inefficient processes, or gaps in expertise.
- **Opportunities:** External factors or trends that could be leveraged for growth and success. This might include market trends, new technologies, regulatory changes, or untapped customer segments.
- **Threats:** External factors that could pose challenges or risks to an organization or project. This could include competition, economic downturns, changing regulations, or negative public

3.2 Strengths

3.2.1 IFATCA has a geographically strong membership base. Split into regions, all continents are represented. As such, it has the ability to tap into a vast array of knowledge, experience, and talent so that it can reach its goal of representing Air Traffic Controllers across the globe. As a respected international professional organisation, it has the ability to influence at a variety of levels including global, regional, and local, in the form of commissions, committees, working groups, task forces, and projects.

3.2.2 At present, it is the only realistic and credible professional organisation representing Air Traffic Controllers at a global level.

3.2.3 The commonality of profession allows for a high degree of camaraderie amongst members which allows for relationships to grow and for exchanges of information to occur. This also provides an environment where healthy discussions can occur, and opinions are freely expressed.

3.2.4 With a large membership and a long history, the Federation has accrued a large amount of funds which in the past has been governed by the Executive Board

through shrewd stewardship. This would allow IFATCA to maintain its commitments for at least two years should income cease.

3.2.5 There are good working relationships with similar organisations within the aviation community such as IFALPA, IFATSEA, ECA, and IFAIMA, as well as other organisations such as ICAO, IATA, ITF, SESAR, and CANSO.

3.2.6 The membership of IFATCA has access to a broad range of professional technical expertise across the global ATM industry.

3.3 **Weaknesses**

3.3.1 Almost all the work of IFATCA is undertaken by volunteers. Therefore, the reliance on individuals to commit time to IFATCA is reliant on many considerations outside of the control of IFATCA such as personal time, family commitments, motivation, and employers. This area applies to all positions from the Executive Board to individual representatives.

3.3.2 Almost all of the financial income for the Federation is generated by payment of membership subscriptions. The reliance upon prompt payment is paramount to ensure that the financial plan for the year, the budget, is discharged as planned.

3.3.3 Further notable income comes from the work of SESAR. This work is subject to contract and is invoiced directly to SESAR. Many IFATCA activities within Europe are supported by this contract and feed directly into the budget.

3.3.4 The Federation has only one employee, the Office Manager based in Montreal. The individual has been in the employment of IFATCA for 20 years and therefore retains a high level of corporate knowledge. Although under contract, they have a notice period which means that their departure would be relatively short.

3.4 **Opportunities**

3.4.1 IFATCA has access to a multitude of ATC/ATM experience and knowledge from across the world. This allows the Federation to participate in future developments, working groups, committees, or task forces on topics and areas such as unmanned aerial systems, airspace, emerging technology, environmental developments, Space, etc.

3.4.2 Furthermore, these attributes could be harnessed to allow the expertise to be commercialised. The opportunity for external companies and organisations to access Air Traffic Controllers directly may be lucrative for IFATCA and valuable to those who wish to exploit the expertise in developing equipment, systems, studies, or procedures/policy/protocols.

3.4.3 The human element in ATC/ATM is an important aspect of the profession. Developing the human is essential in maintaining safety performance. With that in mind, the delivery of training courses would meet that development. Although several IFATCA courses are available and well received, they are not accredited.

Undertaking an accreditation process could prove to be fruitful and make the courses more attractive to prospective participants. Although some courses are assessed as nearing maturity, the aspiration should be for all courses to be developed fully with new ones researched and established.

3.4.4 As the voice of ATCOs internationally, the profile of IFATCA could be raised further. Exploitation of media outlets and collaboration with academia are examples of this.

3.5 Threats

3.5.1 A large reduction or cessation of income would severely limit the operation of IFATCA and put into doubt the very existence of the organisation. Restriction of activity would reduce the relevance and influence of IFATCA. This could be caused by a highly effective natural phenomenon such as the pandemic, catastrophic environmental event, collapse of the civilian aviation industry, or emergence of technology that dispenses with the need for humans.

3.5.2 A reduction in membership would have consequences on cash flow too. Smaller Member Associations, suspensions and terminations of membership, industrial pressures and tensions, and resignation would be examples of how that reduction could manifest.

3.5.3 Emergence of a similar organisation may offer an alternative means of representation. At present, there is only one similar organisation, but so far it has few members. However, those members are some of the largest associations in the world and at present hold membership of both organisations.

3.5.4 Reputation and image are gained through hard work and credibility. Should IFATCA lose either, whether through a mistake or error, an intentional act, a malicious act, criminal activity, or poor work performance, then there could be consequences that could lead to loss of income as Member Associations leave, loss of influence, loss of relevance, loss of confidence in the organisation, and ultimately the collapse of IFATCA.

3.5.5 Internal cohesion at all levels is important in achieving the aims of the Federation. Division and friction erode the effectiveness of the area subject to tension. Although healthy debate and sharing of opinions is welcome, stepping beyond that destabilises the harmony that's been obtained over the years. The outcome is a distraction from the main tasks, division of the membership, incoherent management, lack of trust, and confusion to those unaware of the issue.

3.5.6 A lack of volunteers and/or support of employers, family, and home Member Association could impact the output of IFATCA. As mentioned, volunteers are the backbone of the Federation at all levels. Without them, IFATCA wouldn't exist. However, a volunteer must be committed. A lack of commitment can be damaging and increase the workload of others; it may even lead to the points in 3.4.5 in

extremis. The same could be argued about a volunteer who has unorthodox people and management skills.

3.5.7 The collapse of the IFATCA banking partner RBC, although unlikely, could present restrictions on access to cash, reduction of online services, and ultimately the ability for IFATCA to meet its financial obligations. Likewise, should failure of online expense management and accounting tools occur, it would increase workloads and stresses on the financial functions of the Federation and delay payments and recording of transactions. Additionally, should, in the unlikely event, IFATCA accounting and auditing partners fail, it could increase the likelihood of incorrect recording of IFATCA finances.



Figure 2: SWOT Analysis Diagram

4. Contingencies

4.1 As mentioned previously, income is heavily reliant upon the subscription fees paid by Member Associations. However, when analysing the threats to the Federation, that income stream may prove to be vulnerable and fragile. Over the course of the COVID pandemic, IFATCA has been fortunate that overall, Member Associations have been able to meet their financial obligations to IFATCA. Granted, there continues to be non-payments and the Executive Board endeavours to understand why and to offer assistance. The Financial Circumstances Fund is available for Member Associations to utilise, but the funds are drawn from IFATCA financial reserves.

Strategic Direction 1 (SD1): A restricted reserve is established to ensure that IFATCA may continue to operate for at least one year should a complete collapse of income occur.

4.2 Therefore, IFATCA needs to diverge from the reliance on that major income stream. As noted before, FIC has attempted to identify additional income streams and to this day hasn't been in a position to recommend a credible set of options. In the meantime, the Executive Board has held various discussions on the topic and below are the preferred solutions.

4.3 As identified in the SWOT analysis, the Federation has access to Air Traffic Controllers and associated ATM personnel, their expertise, knowledge, and experience. Such attributes should be harnessed for commercial exploitation. Therefore, requests should attract a fee. The amount should vary depending on the type of request. Examples of the fees should be:

- ATM Audit = \$20000
- Participation on a project = \$2500
- Input on a project = \$1000
- Participation as a panellist or speaker = \$500
- IFATCA Policy disclosure = \$100
- IFATCA comment = \$100

Although a new income stream, the nature and frequency of these are inconsistent and an unreliable source. However, when the opportunity arises, it shouldn't be ignored. The expertise that IFATCA has access to should not be given away for free.

4.4 Furthermore, and probably outside the scope of this document, IFATCA should cultivate professional relationships within the mainstream media to raise its profile so as to be a first point of call for ATC/ATM comment. Thus, advertising its ability to provide professional opinion on current developments within the industry.

Strategic Direction 2 (SD2): Commercially exploit the expertise that IFATCA has access to.

4.5 **Industry Partners.** Along with Member Associations, IFATCA has a small Industry Partner Membership; details concerning corporate membership is laid out in the IFATCA Administrative Manual. However, there are two levels of membership with each tier commanding a different fee and benefits. Currently, Standard is \$1000, and Premium \$3000. In addition to their subscription fee, should they wish to exhibit their products at an IFATCA meeting, an additional fee is levied, the same for any advertising.

4.6 In order to assist with income streams, Industry Partnership membership should change. The package should be consolidated, and benefits strengthened so that Corporate partners are not unnecessarily penalised financially whereby they are subjected to extra fees to exhibit their products at IFATCA Conferences or meetings for example.

4.7 Therefore, in the near future, Industry Partners should be invoiced for \$5000, a solitary tier, for yearly membership. The package should include all fees for the opportunity to attend the Annual Conference and all Regional Meetings. The opportunity to advertise on all IFATCA social media outlets and publications, and to access the knowledge, expertise, and experience that IFATCA has. Furthermore, IFATCA should acknowledge the part that such Industry Partners play in the industry and for their support of IFATCA. As such, an annual meeting of Industry Partners should be initiated to enable dialogue between them and the Executive Board.

Strategic Direction 3 (SD3): Redevelop and update the Industry Partner package.

4.8 **Training courses.** As previously mentioned, IFATCA has provided a suite of courses in the past that are available to all MAs. The Think Safety Workshop, and Competency Based Training and Assessment Workshop were both sought after courses prior to the COVID pandemic. Additionally, English Language Proficiency, and Critical Incident Stress Management provided a more bespoke learning opportunity for MAs. At present, none of these IFATCA courses are accredited with any recognised education provider. It should be an aspiration for the Executive Board, specifically EVP Professional and the Training TF, to achieve accredited status. This would allow for reinforcement of the product quality, certificated course completion, and professional course design structure.

4.9 Successful delivery of the course requires several key requirements to be met to aid in the facilitation. A classroom, furniture, stationary, electrical outlets to support IT equipment, refreshments, lunches, and accommodation are all essential. At present, the cost of this is met by sponsorship and some funding from IFATCA. Additionally, course leaders and facilitators/instructors will have their travel and subsistence paid for by IFATCA as laid out in the IAM.

4.10 These courses provide individuals the chance for continued personal development, MAs to expand knowledge, ANSPs to also expand and update knowledge and experience, and government transport departments to access current thinking on course topics.

4.11 Furthermore, this is an opportunity to exploit these courses as an additional form of income. Therefore, it is recommended that each course attracts a participant fee as below:

- Each non-member participant = \$250
- Each individual participant of Tier 3 MA = 100% discount
- Each individual participant of a Tier 2 MA = 75% discount
- Each individual participant of a Tier 1 MA = 50% discount
- Each Industry Partner participant = 50% discount

4.12 To ensure success, and to be financially viable, each course requires a minimum of 20 participants. Some funding should be available from IFATCA financial resources to support each course.

4.13 In support of this, IFATCA should make a concerted effort to maximise publicity for these courses both to MAs and wider industry.

[Strategic Direction 4 \(SD4\): Redevelop, gain accreditation, and commercialise the training courses IFATCA has to offer.](#)

4.14 **Annual Conference and Regional Meetings.** The IAM and Constitution dictate that IFATCA requires an Annual Conference in order to conduct, confirm, and report the business of the Federation and involves all MAs. Likewise, Regional EVPs hold regional meetings for their MAs annually too, allowing for open discussion on topics and concerns specific to the region.

4.15 Organisation of such conferences and meetings invariably incurs costs. While some funding is available from IFATCA financial resources, the vast majority of financial liability falls on the organising committee; maybe the host MA or a combination with the home ANSP and MA. Clearly, this puts potential strain and stress on MA's finances. To offset this, organising committees regularly seek sponsorship from industry or other avenues within their domestic market. The use of registration fees also provides income to offset the costs of the organising committee. All this in turn makes hosting an IFATCA conference or meeting unattractive due to the financial risks posed and the sheer volume of work required to make it a success.

4.16 Such liability shouldn't put an MA at risk. It is therefore recommended that IFATCA holds all the financial risk due to its financial standing. At the earliest possibility, IFATCA should increase the grant paid to organising committees to \$50000. Similarly, a grant for regional meetings should also be made to the sum of \$7500. However, should an excess of funds be made from the conference or meeting, it should be credited back to IFATCA to use for future conferences and meetings.

[Strategic Direction 5 \(SD5\): Reposition the financial risk for IFATCA meetings on the Federation.](#)

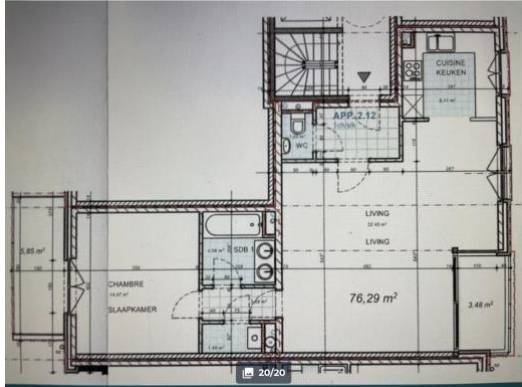
4.17 **Investments.** There is currently no strategy for investing the excess funds that IFATCA currently holds. Investing IFATCA funds would be a prudent use of the Federation’s money.

4.18 Having emerged from the COVID pandemic and face to face meetings now commonplace, the frequency of IFATCA representatives attending meetings will increase. Historically, there have been certain cities that are continually hosts to various meetings such as Brussels and Montreal. This in turn means the use of hotels and the costs involved.

4.19 Therefore, it is proposed that IFATCA could, through FIC, investigate the possibility of purchasing an apartment in either or both locations, thus, allowing representatives to use a familiar base when attending meetings on behalf of IFATCA. Furthermore, this property could be exploited as a new income stream by renting out the accommodation, via AirBnB for instance, when not in use by IFATCA.

4.20 Examples:

Brussels





= USD 256429

Montreal



\$349,000



Favourite

950 Rue Notre-Dame O.
#523

Montréal (Le Sud-Ouest), Quebec H3C0K3

MLS® Number: 14821542



Bedrooms



Bathrooms

= USD 263107

4.21 However, the Federation must be fully aware of any tax implications or liabilities that might come with such an investment. Additionally, it may also mean the employment of an external company to manage the property on the Federation's behalf, but this will incur costs too. Furthermore, it might mean that a sub organisation may have to be formed that isn't a not-for-profit company to accommodate these extra liabilities. This therefore makes this option complex, and should for now, be discounted.

4.22 In discussion with banking partners and accountants, financial products would present a more suitable option in investing these excess funds. They would also provide a return on the cash invested that could be reinvested or used to achieve the aims and goals of the federation.

[Strategic Direction 6 \(SD6\): Investigate and identify a suitable financial investment product that can be used to invest excess IFATCA funds.](#)

4.21 **Subscriptions/payments.** The majority of income is provided by the membership subscriptions. This is currently invoiced to MAs annually. The use of categories groups MAs based on their country classification determined by the World Bank Development Reports. The rates are reviewed annually by FIC and a recommendation made as to any increase to be introduced for the coming FY; Directors vote as to whether to accept the recommendation at the Annual Conference.

4.22 In order for the annual budget to perform correctly, it is incumbent on MAs to ensure that payment of their invoice is made promptly. To facilitate that, various methods are available, such as wire transfer, electronic transfers, credit card payments through Square, and PayPal.

4.23 However, due to national and international restrictions on financial transactions, some MAs are unable to avail themselves of the methods established for payments to the Federation. In the past, these MAs have paid their subscriptions in cash at the Annual Conference. However, with the COVID pandemic preventing international travel, and hence, face-to-face meetings, these payments haven't been made. This could leave MAs in a perilous position with the possibility of suspension or termination of membership of IFATCA. Fortunately, a pragmatic approach has been taken by both the EB and Directors with any potential suspensions or terminations being deferred.

4.24 Outside of this unusual situation, It is important for MAs to engage with the EB, through Regional Vice Presidents, should the ability to pay be difficult. Suitable mechanisms and solutions are available to assist should payment be problematic.

4.25 Ideally, cashless payments are the preferred method. FIC in recent years has investigated many options for payment with the current methods optimum for the time being. That said, the aim is to be completely free of physical cash payments at the earliest opportunity.

4.26 In parallel, FIC should review and investigate the way subscription fees are levied and the mechanism that determines what an MA is charged.

[Strategic Direction 7 \(SD7\): Review and update the mechanism and method of charging subscriptions](#)

5. Finances

5.1 IFATCA holds over USD 1million in cash assets. This is held in bank accounts with RBC and includes two accounts in Canadian Dollars (CAD) that furnish IFATCA Office functions such as rent, salary, employee benefits, office consumables, and telephone and internet services. A further account in US Dollars is the main working account that services the CAD accounts, funds any claims from representatives of IFATCA, and harbours the IFATCA Funds. To facilitate card payments from Square, a further CAD account acts as a means of transferring money into the IFATCA finances. Lastly, a Euro account provides for a destination for payments from the SESAR project. This account may also be utilised to pay claims to those operating within areas operating the Euro.

5.3 Wire transfers from the accounts attract a fee for each transaction which are borne by IFATCA. Furthermore, any fluctuations in currency exchanges are also borne by IFATCA; these are out of the control of the Federation. This is a major outlay and is difficult to predict as it depends on the activity that IFATCA is involved in year to year.

5.4 As mentioned, IFATCA has established a series of funds for differing purposes. The definition for each one can be found within the IAM³. As of May 24, the various funds, in USD, contained:

| | |
|------------------------------------|---------------|
| <i>ANC</i> | <i>100000</i> |
| <i>CAF</i> | <i>42000</i> |
| <i>Equipment</i> | <i>1287</i> |
| <i>Legal Contingency</i> | <i>4880</i> |
| <i>Reserve</i> | <i>331409</i> |
| <i>Financial Circumstances</i> | <i>46773</i> |
| <i>Travel Assistance</i> | <i>5000</i> |
| <i>Regional Attendance Meeting</i> | <i>15000</i> |
| <i>Training</i> | <i>10000</i> |

5.5 Accounting is undertaken by professional accountants using established Canadian rules, regulations, and practices. Since 2023, BCGO, a reputable company based in Montreal, has been appointed as Federation accountants. The scope of work is contracted, and a set monthly fee is paid for their services. The Office Manager is delegated by EVPF to maintain daily contact with them and is the IFATCA first point of contact.

5.6 QuickBooks Online is the platform of choice for capturing and recording all IFATCA financial transactions. Both EVPF and the Office Manager have access to this on a daily basis.

5.7 Financial performance and compliance are assured by independent audit. Again, BCGO were appointed as the Federation Auditors in 2023, and operate within recognised and established Canadian auditing frameworks. Once more, daily contact is delegated to the Office Manager by EVPF.

5.8 The Financial Year (FY) for IFATCA runs annually from 01 Jun through to 31 May. Audits begin immediately at the end of the FY. During this process, open dialogue between IFATCA and BCGO occurs. A draft report is available usually in September, which allows both the EB and FIC to scrutinise the contents; a final draft report follows in November which is signed by the IFATCA PCX and EVPF. This final draft is presented to Directors at the IFATCA Annual Conference in a working paper which allows MAs to also examine the details and to ask questions of the content,

³ IFATCA Administrative Manual, Part 2, Chapter 2.

before voting to discharge the EB of its responsibilities for the FY. In the meantime, EVPF presents the financial status throughout the FY to the EB at the regular EB meetings and also briefly at the weekly telecon meetings.

5.9 The last FY Audit Report was for the FY 2022/23 and was presented to Directors at the IFATCA Annual Conference in Singapore in April 2024⁴. The headline was that IFATCA finances had a deficit of income over expenditure of USD 105779.

5.10 **Comparison.** Financial health and performance have always been measured by the Report of the Auditors. The IFATCA EB, FIC, and Directors reviewing its contents to establish that understanding. It must be mentioned here that for a period of several years, the post of EVPF remained vacant. It therefore fell under the remit of the Deputy President to maintain an overwatch of finances for the Federation in addition to the work that they had. While not having a dedicated individual responsible for the close monitoring of finances, control may have been less than optimum.

5.11 To provide a comparison, the headline figure for each FY, in USD, is shown below:

| | |
|--------------|---------|
| FY 2022/2023 | -105779 |
| FY 2021/2022 | +120150 |
| FY 2020/2021 | +405417 |
| FY 2019/2020 | +194811 |
| FY 2018/2019 | -215494 |

5.12 The anomaly for the FY 2018/2019 coincided with a complete review and tidy up of IFATCA accounts on assumption of newly appointed auditors and accountants. However, this combined with a loss of oversight, brought some difficulties and division amongst the Federation; mainly by rightly critical MAs and those charged with managing the Federation. However, honest and open dialogue, plus the appointment of a new EVPF, allowed the Federation to achieve more positive financial control and results.

[Strategic Direction 8 \(SD8\): Satisfactory and effective succession planning occurs to ensure the EVP Finance role remains filled.](#)

[Strategic Direction 9 \(SD9\): Retain the services of a professional accountant and auditor to ensure thorough financial records are maintained.](#)

5.13 Without doubt, the impact of the COVID pandemic influenced IFATCA financial results in FY 2020/2021. No travel, no face-to-face meetings, and the contraction of the civil aviation industry all played their part. Similarly, the impact for MAs was felt; for some, income was greatly reduced, which knocked onto their ability to meet IFATCA financial obligations. As discussed above, pragmatically, subscription fees were frozen, proactive interaction was sought by IFATCA with

⁴ <https://ifatca.org/wp-content/uploads/WP11.pdf>

struggling MAs, and use of IFATCA funds, along with a moratorium on suspensions and terminations, protected membership of IFATCA for some MAs.

5.15 As quickly as it had arrived, the restart due to a global vaccination programme, was anticipated with the EB budgeting for a rapid increase of activity. The recovery is rapid for the industry, but IFATCA activities and wider representation took some time to recover to previous levels, plus new ways of working were also embraced.

6. Recommendations

6.1 In summary, the strategic directions for this plan are:

| Number | Strategic Direction | Action Lead |
|--------|---|------------------|
| 1 | A restricted reserve is established to ensure that IFATCA may continue to operate for at least one year should a complete collapse of income occur. | EVP Finance |
| 2 | Commercially exploit the expertise that IFATCA has access to. | President |
| 3 | Redevelop and update the Industry Partner package. | Deputy President |
| 4 | Redevelop, gain accreditation, and commercialise the training courses IFATCA has to offer. | EVP Professional |
| 5 | Reposition the financial risk for IFATCA meetings on the Federation. | EVP Finance |
| 6 | Investigate and identify a suitable financial investment product that can be used to invest excess IFATCA funds. | EVP Finance |
| 7 | Review and update the mechanism and method of charging subscriptions. | EVP Finance |
| 8 | Satisfactory and effective succession planning occurs to ensure the EVP Finance role remains filled. | President |
| 9 | Retain the services of a professional accountant and auditor to ensure thorough financial records are maintained. | EVP Finance |

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