

**IALA COUNCIL
60th Session**

**May 26-29, 2015
Kuala Lumpur
Malaysia**

Agenda item 8 – FINANCIAL MATTERS

Note by the Secretariat

8.1 2014 Audited Financial Statements

The IALA Auditor GVA has provided the financial statements and report for the year 2014 (see Annex 8.1). The financial statements are presented on a consolidated basis which include both IALA and World Wide Academy components.

The total net consolidated surplus for the year 2014 is €287,362.

The year 2014 was satisfactory for IALA with a good recovery of membership contributions boosted by the Conference in Spain.

As regard to the the World Wide Academy, the budget in 2014 has been overspent for a total amount of €95,991 due to a heavy work program. This deficit has reduced the Academy Fund which remains positive by end of the year with a total available amount of €108,265. This amount will be carried over to the year 2015 for continued project execution according to the approved Master Plan.

Detailed notes and financial statements will be displayed on the IALA Website.

The Council is invited to note the audited Financial Statements for 2014.

8.2 Revised 2015 Budget

The annual budget for 2015 presented in the Annex 8.2 has been revised by the new Secretary-General:

- Income

Last year, IALA has based budget projections on the know number of members at the time of budget preparation. Since the beginning of 2015, 11 members joined the Organization; 2 resigned and one member changed its category. The budget of income has been revised accordingly and is now based on 77 National members, 56 Associates and 117 Industrial members.

As regard to workshops and seminars, the last Council session approved the proposal to hold a Workshop at Chalmers University in Sweden in October 2015 on “Human Factors and Ergonomics in VTS”. A new budget allocation has been introduced in that sense.

The total expected income for 2015 is €2,195,980.

- Expenditure

The total budget of €2,011,100 approved by the previous Council remains the same. But budget chapters have been adjusted as follow:

- **The personal costs** have been decreased by 13%: the previous budget was overestimated. Only one additional employee will be recruited this year to bring an administrative support to the IALA team according to the new internal restructuring.

- **The operating Costs** have been raised by 5% because of minor financial adjustments.
- **The investment costs** have been reviewed and increased in accordance with the new IALA project to harmonize and modernize the IALA image (logo, website, publications, premises etc.). Investments are planned accordingly.

The Council is invited to approve the revised budget for 2015.

8.3 Cash flow situation as of 30th April 2015

The Cash Flow statement presented in Annex 8.3 shows a positive result of €625,638.57.

This relatively increase in cash flow in the beginning of the year is explained by the fact that 69% of the contributions for 2015 have been collected by end of April (the deadline for paying the 2015 contribution was 31st January 2015). And only 22% of the budget of expenditure has been spent.

This positive cash flow will cover:

- the costs of the new Secretariat review
- The costs of the modernisation project of the Organisation
- And the normal running of IALA over the year.

The Council is invited to note the Cash-flow situation as of 30 April 2015.

8.4 Annual Membership contributions

8.4.1 Proposed Annual Membership contributions for 2016

A 3% increase in the membership rates is proposed for next year.

As regard to Industrial members, from the year 2016, the levy for the Industrial Member Committee will correspond to a percentage of the contributions collected from Industrial Members during the financial year. This percentage is set at 8.5%.

The following rates will be applied with effect 1st January 2016:

IALA MEMBERS	2015	2016	Variation
National	14 400 €	14 800 €	+ 3%
Industrial	5 850€(including 500€ for IMC)	6 010€(including 8.5% for IMC)	+ 2,74%
Associate	2 810 €	2 900 €	+ 3%

The Council is invited to approve the annual membership contributions for 2016.