

IALA COUNCIL
75th session



29 May - 3 June 2022
Copenhagen
Denmark

9 – FINANCE AND AUDIT COMMITTEE REPORT

9.1 – 2021 Audited Financial Statements

Note by the Secretariat

1. STATUTORY AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS

The 2021 audited Financial Statements are presented in annex 9.1.1.

The Association has implemented financial and regulatory measures to ensure business continuity despite the ongoing pandemic in 2021. IALA closed its financial year with a net consolidated surplus of €400,787.

From this surplus, it is suggested that €150,000 be allocated to the Reserve for associative project. This allocation will raise the level of the reserve to €300,000 with the aim of covering part of the expected expenses of the IALA Conference planned in Brazil in 2023.

	31/12/2021
Net result of the year	€400,787
Allocation to the Reserve for associative project	€150,000
Net result after allocation to the reserve	€250,787

The rest of the surplus will be allocated to the capital as a financial reserve to meet, when the time comes, certain expenses related to the change of status.

At closing, available liquid funds totaled €3,9 million and included €1.7 million in current accounts and €2,2 million in saving accounts.

2. EXECUTION OF THE 2021 BUDGET

Boosted by the change of status project, IALA continued to attract new members resulting in a very satisfactory collection rate of contributions (96% for the 2021 fees). In total, 91% of the budgeted income was received.

On the other hand, the pandemic has slowed down travels in 2021 and forced the Association to organize the Committee meetings virtually. Thus, only 82% of expenditure were spent.



A summary of the Income statement is presented in the table below:

2021 INCOME STATEMENT	Budget approved by C73	IALA	%	WWA	Consolidated IALA + WWA
Operating income					
Membership contributions for 2021	2 207 722	2 108 616	96%	0	2 108 616
Contributions in arrear	450 000	366 153	81%	0	366 153
Other income	194 000	136 997	71%	699 448	836 445
Total	2 851 722	2 611 766	92%	699 448	3 311 214
Operating expenses					
Personnel costs	1 633 820	1 476 810	90%	428 447	1 905 257
Operating costs	1 011 900	751 544	74%	224 256	975 800
Investment costs	54 000	12 587	23%	45 071	57 658
Total	2 699 720	2 240 941	83%	697 774	2 938 715
Operating result (from budget)	152 002	370 825		1 674	372 498
Financial result	14 000	7 264	52%	(1 674)	5 590
Exceptional result	(8 411)	23 804	-283%	0	23 804
Income tax	2 400	1 106	46%	0	1 106
Total income	2 898 311	2 651 657	91%	699 448	3 351 105
Total expenses	2 743 120	2 250 870	82%	699 448	2 950 318
Benefit or (loss)	155 191	400 787		0	400 787

3. WORLD-WIDE ACADEMY

The World-Wide Academy received in 2021 sponsorships from various donors including France, South Korea, Malaysia, IMO, Trinity House and IFAN, for a total amount of K€364.

The Academy has used part of the reserves from the previous year to execute the Action plan endorsed by the Academy Board.

At the end of December 2021, unused sponsorships for K€240 remain in the respective dedicated funds for future use in 2022.

4. THE COUNCIL IS INVITED TO

Note the 2021 Audited Financial Statements and **approve** the allocation of €150,000 to the Reserve for associative project.