

## IALA COUNCIL 2<sup>nd</sup> session



9-13 June 2025  
Nice, France

### 9 – FINANCE AND AUDIT GROUP REPORT

#### *9.2 – Budget monitoring statement as of 31 May 2025*

#### INTRODUCTION

At the time of preparation of this document, the Organization is still in a transition period where both structures co-exist (Association and IGO).

The transfer of personnel, contracts, etc. took place on 1 April 2025.

The budget presented in annex 9.2.1 comprises figures related to Association (from January to March) and figures related to the IGO (from April to December). The overall budget remains within the limits of the budget approved by the General Assembly in February 2025 in Singapore.

When the Association will be administratively closed, the chartered accountant will separate accountings data in the respective entities, recalculate all provisions and record necessary adjustment entry, and close definitively the accounts of the Association.

The final financial statements of the Association (Balance sheet, Income Statement and annex) will be submitted to the Council in December 2025.

#### BUDGET EXECUTION

##### Income

Total operating income amounted to €2.3 million out of the budgeted €3.2 million. A total of €2.1 million was received in contributions and fees.

From 1<sup>st</sup> April and in accordance with the Host agreement, a new source of income for the Organization consists of the collection of an internal tax (5%) levied from the salaries.

##### Expenditure

Total operating expenditure amounts to €1.3 million, representing 40% of the total budget. The Personnel costs includes the recruitment of two new staff members for mid-2025.

For internationally recruited staff, grants and allowances provided for in the Staff Rules are now presented separately in the budget. Social security charges have decreased since the Organization is no longer subject to certain taxes provided by French law.

Expenditures for “Housing” have increased because, as a transitional arrangement, the Secretary-General decided it was more practical for the Deputy Secretary-General and IALA to retain his apartment rather than provide a housing allowance. The financial impact on IALA remains virtually unchanged, as the rent and the housing allowance are equivalent.

The Housing budget—which covers the two apartments, certain related fees, one month of double rent, and the removal costs for the Secretary-General’s new apartment—has, based on the information currently available to the Secretariat, been overestimated. It will be adjusted during the year and the revisions will be reported at the next meeting of the Council.



The VAT exemption provided for by the HQ agreement is effective from 1<sup>st</sup> April 2025.

In total, taking into account financial and exceptional items, 70% of the revenue budget was collected and 40% of the budget was spent on expenses.

### **THE COUNCIL IS INVITED TO**

**Note** the budget monitoring statement.