

IALA COUNCIL
74th session



13-17 December 2021
IALA Headquarters

9 – FINANCE AND AUDIT COMMITTEE REPORT

9.2 – Budget for 2022

Note by the Secretariat

INTRODUCTION

The 2022 budget is presented in Annex 9.2.1.

Given the pandemic situation, which is not completely over, due consideration has been given to realistic estimates when formulating the budget.

OPERATING INCOME

The income budget for 2022 amounts to K€2,794 which represents an increase of 1% compared to last year.

It is expected to receive at least 80% of the contributions due for the current year.

There should be no income collected for the workshops planned in Australia and Norway in 2022.

OPERATING EXPENSES

The total expenditure budget for 2022 is K€2,491 (+3% compared to 2021).

Regarding personnel costs, the departure of a staff member from the administrative section, initially scheduled for 2021 will occur in 2022 and will impact the related staff provisions. The budget for personnel cost takes into consideration the replacement of this staff member.

Variable operating costs (missions, events etc.) are increased with a view to resuming activities abroad.

Some IT investments are planned, in particular for the optimization of the Website. Also, the replacement of outdated tools for the use of internal databases is also envisaged in 2022.

The final expected result of the 2022 budget amounts to K€161.

THE COUNCIL IS INVITED TO

Approve the budget for 2022.



	2021 budget	2022 proposed budget	Variance in %	Comments
OPERATING INCOME				
Membership contributions	2 207 722	2 198 040	-0,4%	Based on a targeted collection rate of 80%
Contributions in arrear	450 000	502 200	+12%	
Sales of publications & advertising	15 000	12 000	-20%	Mainly income from advertising in the 4 E-news
Seminars & workshops	13 000	0	-100%	No income expected for the workshops planned in 2022
Miscellaneous (memorabilia...)	2 000	2 000	0%	
World-Wide Academy Secretariat support	80 000	80 000	0%	
Total operating income	2 767 722	2 794 240	+1%	
OPERATING EXPENSES				
Personnel costs				
Salaries & consultant fees	930 000	935 000	+1%	Retirement of one staff member in 2022 + replacement
Taxes & social security charges	601 000	613 830	+2%	67% of total salaries
Abondements to Staff saving schemes	49 320	53 350	+8%	Based on 13 employees (one more compared to 2022)
Other staff costs	53 500	42 500	-21%	Decrease in Staff training course
Operating costs				
Running expenses	296 700	289 060	-3%	
Contingencies	65 000	65 000	0%	Legal fees (assistance regarding change of status' project)
Corporate flat rental	160 000	160 000	0%	
Car expenses	35 000	35 000	0%	Leasing contract payments + maintenance for 3 vehicles
Building costs	53 000	57 000	+8%	Co-ownership fees+building taxes
Events (workshops, meetings, Council...)	44 000	79 000	+80%	Council 75 in Brazil, IMO meetings, S-200 workshops...
Travel costs - Missions	50 000	80 000	+60%	Expected increase for regular missions abroad
Publications	27 500	27 500	0%	
Investment costs				
IT equipment & website dev.	30 000	30 000	0%	Assets < €600 or used in the year (such as licenses)
Software & licences	20 000	20 000	0%	
Other equipment (furniture, appliances...)	4 000	4 000	0%	
Total operating expenses	2 419 020	2 491 240	+3%	
Operating result (from budget)	348 702	303 000	-13%	
OTHER OPERATING INCOME				
Reversals of amortization, depreciation & provisions, transfers of expenses	84 000	111 799	+33%	€€70 for transfer of charges related to benefit in kind on salaries + €€42 for reversal of staff retirement provision
Total	84 000	111 799	+33%	
OTHER OPERATING EXPENSES				
Depreciation and amortization of non-current assets	250 000	240 000	-4%	IT Investments planned in 2022
Provisions for contingencies, liabilities	30 000	15 931	-47%	Decrease in Staff severance pay provision
Other expenses	700	700	+0%	Possible accounting adjustments of calculations
Total	280 700	256 631	-9%	
FINANCIAL RESULT				
Interest and other financial income	15 000	15 000	0%	Annual interests on bank accounts
Interest and other financial expenses	1 000	1 000	0%	Exchange losses on foreign currency transactions
Total	14 000	14 000	0%	
EXCEPTIONAL RESULT				
Exceptional income	31 589	31 589	0%	Part of the 1M€ subvention transferred to the result every year
Exceptional expenses	40 000	40 000	0%	Charges for previous year paid in 2022
Total	(8 411)	(8 411)	0%	
Income tax	2 400	2 400	0%	
Total income	2 898 311	2 952 628	+2%	
Total expenses	2 743 120	2 791 271	+2%	
Benefit or (loss)	155 191	161 357		