

STATEMENT.

STATEMENT FROM THE TREASURER.

The financial result of the year 2019 shows a surplus of €27,041, compared to a budgeted surplus of € 267. The surplus of the year 2018 amounted to € 290,937.

The surplus of 2019 brings our general reserves to €1,551,643, and earmarked reserves to €56,940.

This level of reserves is close to the level of reserves required under our Reserves Policy.

These reserves are an important asset for IFLA to secure our work and sustainability into the future.

The total expenditure for the year 2019 was €1,654,982 compared to € 1,892,860 in 2018. The decrease of € 237,878 can be mainly explained as follows:

- 01 Decrease in expenditure for the International Advocacy Programme (IAP) in 2019 of €245,139. The expenditure for the IAP could be decreased by € 245,139 as costs were covered by Stichting IFLA Global Libraries as part of the regional activities there
- 02 Decrease of € 43,002 in staff expenses
- 03 No donation to Stichting IFLA Global Libraries in 2019 (2018: €70,000)
- 04 In 2019 the subsidiary IFLA Holding B.V. suffered a deficit of € 46,152
- 05 Increase of €20,873 in costs for professional activities and projects

The total income for the year 2019 was €1,682,023 compared to €2,183,797 in 2018. The decrease of €501,774 can be mainly explained as follows:

- 01 Negative result in 2019 of the subsidiary IFLA Holding B.V. of €46,152 (in 2018 a profit of €158,588)
- 02 Decrease in expenditure for the International Advocacy Programme (IAP) in 2019 of €245,139; therefore the contribution used from the unspent IAP-funds were less in 2019 as this project is operated under a balanced budget and activities were paid by Stichting IFLA Global Libraries
- 03 Decrease of € 41,227 in contributions for Core Activities
- 04 Decrease of € 44,557 in fees received for management of other projects

Since 2012 IFLA's World Library Information Congress has been operating through IFLA Holding B.V. and its subsidiaries, of which IFLA is the sole shareholder, therefore the consolidated company results are included in the annual financial statements of IFLA. The IFLA WLIC surplus showed a decreasing trend between 2014-2017 (2014: €126,364 surplus; 2015: €55,063 surplus; 2016: €7,975 surplus; 2017: €18,488 deficit). The WLIC of 2018 (Kuala Lumpur, Malaysia), however, resulted in a positive financial result of €158,588. The WLIC of 2019 (Athens, Greece) showed a deficit of €46,152.

Thanks to funding from the Bill and Melinda Gates Foundation, in 2019 IFLA was able to spend €463,573 on Key Initiatives involving the International Advocacy programme. Furthermore, IFLA

works strongly together with Stichting IFLA Global Libraries (SIGL) on projects primarily funded by the Bill and Melinda Gates Foundation through its Legacy Grant and Data Grant. Therefore, a part of IFLA's staff and overhead expenses is jointly carried between IFLA and SIGL.

The past trend of decreasing membership income during 2014-2017 has been turned around in 2018, with an increase of €35,358 in 2018 and an increase of €26,249 in 2019, but it remains important for IFLA to explore additional funding opportunities in the coming years to ensure our ongoing viability. IFLA is very grateful to its member organisations and individuals who support us through donations and hosting activities, and to the organisations that support our initiatives and projects through grant funding.

BALANCE SHEET AS AT 31 DECEMBER 2019.

(after appropriation of result)

| ASSETS | 31 Dec 2019 | | 31 Dec 2018 | |
|-------------------------------|-------------|------------------|-------------|------------------|
| | € | € | € | € |
| <i>Tangible Fixed Assets</i> | | 25,176 | | 35,226 |
| <i>Financial Fixed Assets</i> | | 442,054 | | 488,205 |
| <i>Current Assets</i> | | | | |
| Receivables | 193,011 | | 253,612 | |
| Cash at bank and in hand | 5,121,761 | | 5,399,049 | |
| | | <u>5,314,772</u> | | <u>5,652,661</u> |
| | | <u>5,782,002</u> | | <u>6,176,092</u> |

LIABILITIES

31 Dec 2019

31 Dec 2018

| | <hr/> | | <hr/> | |
|----------------------------------|-----------|-----------|-----------|-----------|
| | € | € | € | € |
| <i>Equity</i> | | | | |
| Earmarked reserves | 56,940 | | 67,961 | |
| General reserves | 1,551,643 | | 1,513,581 | |
| | | <hr/> | | <hr/> |
| | | 1,608,583 | | 1,581,542 |
| <i>Long-term liabilities</i> | | | | |
| Bill & Melinda Gates outstanding | 1,481,415 | | 1,869,712 | |
| <i>Current liabilities</i> | | | | |
| Deferred income | 25,024 | | 35,156 | |
| Other liabilities | 2,666,980 | | 2,689,682 | |
| | | <hr/> | | <hr/> |
| | | 2,692,004 | | 2,724,838 |
| | | <hr/> | | <hr/> |
| | | 5,782,002 | | 6,176,092 |
| | | <hr/> | | <hr/> |

| | 2019 | 2018 |
|--|------------------|------------------|
| Income | € | € |
| Membership fees | 775,537 | 749,288 |
| Corporate Supporters | 17,500 | 22,500 |
| Dutch Government | 16,000 | 16,000 |
| Contributions Core Activities | 44,794 | 86,021 |
| Contributions Sage for Congress Grants | 2,246 | 2,256 |
| Contributions ARL for Congress Grants | 1,500 | 4,686 |
| Contributions ILN for Congress Grants | 2,000 | 0 |
| Sales of publications and royalties | 33,014 | 32,536 |
| Conference services fees | 243,000 | 243,000 |
| Management fees | 13,000 | 57,557 |
| Income vouchers scheme | 43,274 | 39,458 |
| Interest and other financial income | 1,603 | 12,885 |
| Result subsidiary IFLA Holding B.V. | 0 | 158,588 |
| Miscellaneous | 11,671 | 9,933 |
| Contributions Bill & Melinda Gates Foundation for Key Initiatives | 463,573 | 708,712 |
| Contributions Stichting IFLA Foundation for Key Initiatives | 12,625 | 13,989 |
| Income Shawky Salem Training Fund | 6 | 6 |
| Income Margreet Wijnstroom Fund | 680 | 10,638 |
| Income other IFLA Funds | 0 | 15,744 |
| | <u>1,682,023</u> | <u>2,183,797</u> |

STATEMENT OF INCOME AND EXPENDITURE FOR THE YEAR 2019.

| | 2019 | 2018 |
|--|---------------|----------------|
| Expenditure | € | € |
| Conference costs | 31,300 | 31,000 |
| Meetings and office president costs | 66,514 | 33,560 |
| Professional Activities and Projects | 52,384 | 31,511 |
| Costs of publications (including free publications to members) | 36,144 | 30,037 |
| Staff expenses | 870,006 | 913,008 |
| Office expenses | 20,655 | 12,394 |
| Web and IT | 29,904 | 29,202 |
| Expenses voucher scheme | 2,824 | 6,160 |
| Result subsidiary IFLA Holding B.V. | 46,152 | 0 |
| Donation to Stichting IFLA Global Libraries | 0 | 70,000 |
| Miscellaneous | 5,447 | 5,542 |
| Expenses Congress Grants | 4,205 | 6,111 |
| Expenses Key Initiatives | 476,198 | 722,702 |
| Expenses Shawky Salem Training Fund | 1,742 | 1,633 |
| Expenses Margreet Wijnstroom Fund | 2,048 | |
| Expenses other IFLA Funds | 9,459 | 0 |
| | <hr/> | <hr/> |
| | 1,654,982 | 1,892,860 |
| | <hr/> | <hr/> |
| Results | 27,041 | 290,937 |
| | <hr/> | <hr/> |