

IEA 2022 INTERIM TREASURER'S REPORT

January 1st – September 16th, 2022

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INTRODUCTION

This report summarizes the financial performance for the period of January 1st-September 16th of 2022 (hereafter referred to as “the Period”). The basic accounting rules are essentially the same as those applied in previous years. However, the following are noted for clarification:

1. Banking and financial services:
 - 1.1. The IEA has consolidated and continued its banking at UBS in Switzerland, where it now has:
 - 1.1.1. a basic US\$ denominated checking account opened in Oct/2017
 - 1.1.2. a basic CHF denominated checking account opened in Oct/2017
2. In addition, IEA is using a paypal account to allow payment of membership fees as an exception, if direct bank-to-bank is not possible. However, it is recommended to use this only as an exception because of extra efforts for subsequent accounting
3. Membership dues of previous years paid during Year 2022 are booked with Y2022 membership dues.
4. Membership dues for Y2023 and beyond paid during Year 2022 are booked as liabilities.
5. Whenever possible expenses are allocated the various IEA committees rather than to “Representation & Outreach”.
6. The “Representation & Outreach” classification holds only (but not all) expenses specifically related to IEA Executive Committee activities:
 - 6.1. Some of IEA officers’ travel for “Representation & Outreach” is being partially covered by the host society or by the officer’s local society.
 - 6.2. Most host societies are already covering accommodation, food, and local transportation, and some of them have started to cover air travel as well.

7. IEA accounting system

7.1. The following accounting titles are used in the P&L Statement.

Revenue items	Expense items
<ul style="list-style-type: none">● Membership dues (FS and AS combined)● Sustaining member contributions● Capitation fees● Interest● Funds Contribution● Miscellaneous	<ul style="list-style-type: none">● Meeting● Representation & Outreach● Office● Awards Committee● ID Committee● PSE Committee● STP Committee● DP Committee● CPR Committee● Grants● Historian● Bank charges● Website● Exchange rate and clearing fee● Miscellaneous

7.2. Following the recommendation of the accounting contractor (Consavo Fiduciaries, Zürich, CH.), the professional accounting software Banana (Ver. 9.0.5) by the Swiss software company Banana.ch has been used for accounting. The software has more than 400.000 users worldwide and is well established for small businesses and non-profit organizations. During 2022 the use of the software has been established. This enables fast and cost-efficient exchange with the Swiss accounting contractor and tax officials. Modifications were introduced for year-end closing bookings according to Swiss tax regulations. The software is also used to calculate the balance sheets of the association.

BALANCE SHEET (BS)

Tables 1 & 2 show IEA's Balance Sheets on December 31st, 2021 and September 16th, 2022, to allow for easier comparison.

Table 1: Balance Sheet on December 31st, 2021.

Balance Sheet – December 31st, 2021 - (US\$)			
Assets		Liabilities	
Current Accounts	\$439,535	Dues Advanced Received	\$193
Prepaid expenses*	\$2,396		
Term Deposit	\$0	Accounts Payable (incl. accrued expenses)*	\$17,147
Seed Money Receivable	\$0	Earmarked Funds	\$48,187
		Total Liabilities	\$65,527
		Equity	
		Total Equity	\$ 376,404
TOTAL	\$441,931	TOTAL	\$ 441,931

* positions reflect modification according to Swiss tax regulation ("Domicile fee for 2022").

Table 2: Balance Sheet on September 16st, 2022.

Balance Sheet – September 16th, 2022 - (US\$)			
Assets		Liabilities	
Current Accounts	\$ 531.040	Dues Advanced Received	\$400
Prepaid expenses*	\$ 2,396	Accounts Payable (incl. accrued expenses)*	\$1,549
Term Deposit	\$0		
Seed Money Receivable	\$0	Earmarked Funds	\$48,347
		Total Liabilities	\$50,296
		Equity	
		Total Equity	\$ 483,140
TOTAL	\$533,436	TOTAL	\$533,436

* positions reflect modification according to Swiss tax regulation ("Domicile fee for 2022").

IEA's equity increased by US\$ 106,736 during 2022, from US\$ 376,404 on Dec 31st, 2021,

to US\$ 483,140 on Sept 16st, 2022, due to travel expense reductions due to the CoViD-19 prevention response. However, this is preliminary because several payments and investments are expected for IV/2022 and membership fees were received in the first half of 2022.

REVENUES AND EXPENDITURES (P&L)

Table 3, shows the Revenues and Expenditures performed from Jan 1st to Sept 16th, 2022 as is conventional in the Treasurer’s Report.

Table 3: 2021 Revenues and Expenditures to September 16th, 2022

2022 P&L Statement to September 16th			
Revenues		Expenditures	
FS & AS Membership Dues	\$47,935	Meeting	\$0
Sustaining Member Contributions	\$60,200	Representation & Outreach	\$0
Capitation Fees	./.	Office	\$6,959
Funds / Contribution	\$354	Awards Committee	\$0
Exchange Rate Gains	\$0	ID Committee	\$0
Interest	\$0	PSE Committee	\$0
Miscellaneous	\$8,023	STP Committee	\$0
		DP Committee	\$1,836
		CPR Committee	\$0
		Future of Work	\$250
		Grants	\$0
		Bank charges	\$448
		Exchange Rate Losses	\$
		Website	\$0
		Miscellaneous	\$124
Total Revenues	\$116,512	Total Expenditures	\$9,617
Summary of operations			\$106,895

The significant 2021 financial event has been the receipt of almost US\$ 33,000 of the Triennial Congress surplus. The Association of Canadian Ergonomists (ACE) has agreed to augment the IEA efforts in supporting international activities to fund outreach and representation to industrially developing (low and middle income) countries, consistent with the mission of IEA, and to provide support for IDC member attendance at the IEA Triennial Congress. IEA would like to thank ACE very much for this.

CASH FLOW

2021 Cash Flow was atypical due to the transfer of IEA funds from an investment account to its USD checking account to protect the balance from expected currency devaluation. Reduced meeting expenses have also contributed to cash flow.

Table 5: Cash Flow to September 16th, 2022

Cash Flow (US\$)	
Summary of operations, Year 2022, up to August 31 st	
Forwarded from 2021 @ 2022 Exchange	439,535
Cash Revenues (+) (includes dues advanced this period, but does not include dues advanced in previous years)	120,521
Cash Expenses (-) (does not include depreciation)	- 29,576
Seed moneys sent (-) and received (+)	./.
Funds disbursed (-) and received (+)	160
Exchange rate and cost effects from account balances, transfers between currencies, refunds, etc.	./.
Revenues (advanced)	400
2022 interim Cash Flow	91,505
Available to be forwarded	531,040

EXPLANATORY NOTE ABOUT EXCHANGE RATE VARIATION

Most of the IEA's financial assets are now held in US\$ denominated accounts. The IEA has a CHF denominated account due to local banking requirements and to support credit card operations, but the amounts maintained there are too small to warrant exchange rate tracking in this report (although the exchange rate and its variations are still taken into account in the IEA's books).

REMARKS AND RECOMMENDATIONS

- It is necessary to continue to explore new and/or existing funding sources, in new ways, to guarantee sustainability. 2022 was the first year when membership fee of sustaining members has been higher than the one of societies. This shows the importance of Ergonomics and Human Factors for supporters, companies and businesses.
- Member invoices were sent in the 1st quarter and payments were received as usual. Reminders will be sent in IV/2022.
- 70% of 2022 sustaining member contributions have been collected.
- 32 of 54 FS & AS members paid their 2022 membership dues.
- 2022 accounting information for our tax returns will be provided to our Swiss accounting service using the Banana Accounting software.
- Detailed transaction data has been input to Banana accounting from 2019 onward. The Excel-based accounting process will be continued to allow auditing.