

# IEA 2024 TREASURER'S REPORT

January 1<sup>st</sup> – December 31<sup>st</sup>, 2024

Thomas Alexander

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## INTRODUCTION

This report summarizes the financial performance for the period of January 1<sup>st</sup>-December 31<sup>st</sup> of 2024 (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 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
    - 1.1.3. a fixed-term account for multiple fixed-term investment of US\$ 350,000 in a UBS trust fund. The investments were continued under the current conditions. This will continue until they are canceled:
      - 29 Jan – 29 Apr 2024, 4,95112%,
      - 29 Apr – 29 Jul 2024, 4,95405%,
      - 29 Jul 2024 – 29 Jan 2025, 4,723%,
2. Membership dues of previous years paid during Year 2024 are booked with Year 2024 membership dues.
3. Membership dues for Years 2025 and beyond paid during Year 2024 are booked as liabilities.
4. Whenever possible, expenses are allocated to the various IEA committees rather than to “Representation & Outreach”.
5. The “Representation & Outreach” classification holds only (but not all) expenses specifically related to IEA Executive Committee activities which are not allocated to a special IEA committee or ad-hoc committee:
  - 5.1. Like in previous years, most of IEA officers’ and EC members’ travels for “Representation & Outreach” are partially covered by the host society of the meeting or by the local society. These travels are for representing IEA officially during large national congresses and for meetings with governmental or intergovernmental bodies and international cooperating organizations (e.g. WHO, ILO). In exchange, the IEA officers’ and EC members are involved in local

events that are co-aligned.

5.2. This applies also to covering parts of the accommodation, meals, and local transportation, and some of the host societies or local societies have started to cover air travel as well.

6. IEA accounting system

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

Revenue items	Expense items
<ul style="list-style-type: none"><li>● Membership dues (FS and AS combined)</li><li>● Sustaining member contributions</li><li>● Capitation fees</li><li>● Interest</li><li>● Funds Contribution</li><li>● Miscellaneous</li></ul>	<ul style="list-style-type: none"><li>● Meeting</li><li>● Representation &amp; Outreach</li><li>● Office</li><li>● Awards Committee</li><li>● ID Committee</li><li>● PSE Committee</li><li>● STP Committee</li><li>● CPR Committee</li><li>● Future of Work Committee</li><li>● DP Committee</li><li>● IEA Congress</li><li>● Bank charges</li><li>● Grant</li><li>● Exchange rate losses</li><li>● Website</li><li>● Miscellaneous</li></ul>

6.2. The professional accounting software Banana (Ver. 9.0.5) is continuously used for accounting. For comparison only, excel spreadsheets are still used for a brief overview. The use of the accounting software enables fast and cost-efficient exchange with the accounting contractor (and, thus, reduces the costs for accounting) and the Swiss tax offices. It is noted that modifications are sometimes introduced for year-end closing bookings according to Swiss tax regulations. The software will be updated to the current version of the software in 2025.

7. Earmarked Funds:

In 2024, IDC funds of HFES and JES allowed experts from IDC countries an in-person attendance of the IEA 2024 Triennial World Congress supporting the development of Ergonomics and Human Factors in these regions. Before the congress, member and federated societies were informed that one person per society of LMIC and UMIC countries will be supported by an amount of USD 500. 7 (seven) societies responded. The process was managed by the chairperson of the IDC steering committee. At the end of 2024, IEA has still been managing two funds (originally provided by JES and ACE) with a total amount of USD 39,877 for supporting the development of Ergonomics and Human Factors in IDC countries.

## BALANCE SHEET (BS)

Tables 1 & 2 show IEA's Balance Sheets on December 31<sup>st</sup>, 2023 and December 31<sup>st</sup>, 2024, to allow for easier comparison.

*Table 1: Balance Sheet on December 31<sup>st</sup>, 2023.*

<b>Balance Sheet – Dec 31<sup>st</sup>, 2023 (US\$)</b>			
<b>Assets</b>		<b>Liabilities</b>	
Account	\$122,869	Dues Advanced Received	\$574
Investment	\$350,000	Accounts Payable (incl. accrued expenses)	\$ 9,570
Prepaid Expenses	\$0	Earmarked Funds	\$43,377
Seed Money Receivable	\$0	<b>Total Liabilities</b>	<b>\$53,521</b>
		<b>Equity</b>	
		<b>Total Equity</b>	<b>\$419,347</b>
<b>TOTAL</b>	<b>\$472,869*</b>	<b>TOTAL</b>	<b>\$472,868*</b>

This balance sheet differs from the balance sheets of previous years. The position "Investment" has been added because of the long-term investment (3 and 6 months) at UBS.

\* The difference of \$1 is explained by rounding errors (accounting software calculates with cents).

*Table 2: Balance Sheet on December 31<sup>st</sup>, 2024.*

<b>Balance Sheet – Dec 31<sup>st</sup>, 2024 (US\$)</b>			
<b>Assets</b>		<b>Liabilities</b>	
Account	\$130,534	Dues Advanced Received	\$100
Investment	\$350,000	Accounts Payable (incl. accrued expenses)	\$8,244
Prepaid Expenses	\$0	Earmarked Funds	\$39,877
Seed Money Receivable	\$0	<b>Total Liabilities</b>	<b>\$48,221</b>
		<b>Equity</b>	
		<b>Total Equity</b>	<b>\$432,313</b>
<b>TOTAL</b>	<b>\$480,534</b>	<b>TOTAL</b>	<b>\$480,534</b>

IEA's equity increased by US\$ 12,966 during 2024, from US\$ 419,347 on Dec 31<sup>st</sup>, 2023, to US\$ 432,313 on December 31<sup>st</sup>, 2024, due to a successful recruitment of new sustaining members and financial benefits from the fixed-term investments.

## REVENUES AND EXPENDITURES (P&L)

Table 3, shows the Revenues and Expenditures during the period from Jan 1<sup>st</sup> to December 31<sup>st</sup>, 2024. The table allows identifying and analyzing sources and flow of financial resources.

*Table 3: 2024 Revenues and Expenditures*

<b>2024 P&amp;L Statement to December 31<sup>st</sup></b>			
<b>Revenues</b>		<b>Expenditures</b>	
FS & AS Membership Dues	\$45,426	Meeting	\$27,438
Sustaining Member Contributions	\$56,651	Representation & Outreach	\$11,344
Capitation Fees	\$20,440	Office	\$30,086
Exchange Rate Gains	\$0	Awards Committee	\$24,783
Interest	\$13,360	ID Committee	\$2,959
Miscellaneous*	\$479	PSE Committee	\$143
		STP Committee	\$4,464
		CPR Committee	\$1,142
		Future of Work Com.	\$2,662
		DP Committee	\$3,732
		IEA Congress Com.	\$0
		Bank Fees	\$5,281
		Grants	\$0
		Exchange Rate Losses	\$584
		Website (Dev, Maint.)	\$7,500
		Miscellaneous**	\$1,272
<b>Total Revenues</b>	<b>\$136,356</b>	<b>Total Expenditures</b>	<b>\$123,390</b>
<b>Summary of operations</b>			<b>\$12,966</b>

\* Miscellaneous revenues includes royalties from Elsevier and released funds for awards operations

\*\* Miscellaneous expenditure is for the new IEA corporate image.

## CASH FLOW

Cash flow during 2024 was normal as no unexpected events occurred. Usual IEA operations and EC meetings have continued. It was possible to maintain meeting and travel expenses, the main reason for expenditures, at a low level because of the strong involvement of meetings hosts and hosting organizations in the financial expenditures. In exchange for the involvement of IEA officers and EC members at local conferences or workshops, the hosts provided financial support for accommodation, meals and transportation.

*Table 4: Cash Flow 2024*

<b>Summary of operations, Year 2024, up to December 31<sup>st</sup></b>	
Forwarded from 2023 @ 2024 Exchange	<b>122,869</b>
Cash Revenues (+) (includes dues advanced this year, but does not include dues advanced in previous years or pre-payments of previous years)	+ 137,701
Cash Expenses (-) (does not include depreciations, suppliers' outstanding costs or accrued expenses of this year)	- 126,336
Seed moneys sent (-) and received (+)	./.
Funds disbursed (-) and received (+)	- 3,500
Investment Changes	./.
Exchange rate variation and effects from transfers between accounts, currencies, refunds etc. (USD, CHF)*	- 200
<b>2024 Cash Flow</b>	<b>+ \$7,665</b>
Available to be forwarded to 2024 @ 2025 Exchange	<b>\$ 130,534</b>

\* Most of the IEA's financial assets are now held in US\$ denominated accounts. The IEA also has a CHF denominated account because of the UBS banking requirements. The amounts maintained there are too small to warrant exchange rate tracking in this report.

## REMARKS AND RECOMMENDATIONS

The financial situation of IEA is considered to be stable and in good shape. During 2024, the payments from membership fees (i.e. of member societies and of sustaining members) have increased, resulting into new financial possibilities to support IEA developments.

Examples for this are higher overall budget for awards and activities to support the global development of Ergonomics.

The year 2024 ended with a surplus again. Therefore, IEA's equity increased. This is important to be prepared for eventualities. It also allows to discuss strategic activities, e.g. for a sustainable operations model planning, the development of a congress model, ad-hoc groups or for an update of the IEA's corporate design.

However, although the financial situation is good, the general need to continue to explore new and/or extend existing funding sources continues and should be considered when planning the future. This refers to, e.g., new ways to increase global visibility of Ergonomics and Human Factors as well as visibility of IEA in particular. Fees and revenues from sustaining members (individual as well as corporate sustaining memberships) are considered to be a benefit for the member societies and to support these processes.

In 2024, 36 of 55 FS & AS members have paid their membership dues.

#### EVALUATION FORECAST 2024

The 2024 interim report for the IEA council presented a forecast of the financial situation of IEA during the rest of 2024. The forecast considers expected revenues and expenditures based on actual accounting positions during the previous 10 years.

*Table 5: Revenues of 2024 and actual situation at 12/2024*

<b>Revenues</b>		
<b>Position</b>	<b>expected</b>	<b>booked</b>
FS & AS Membership Dues	\$43,000	\$45,426
Sustaining Member Contributions	\$55,000	\$56,651
Capitation Fee	\$0	\$20,440
Exchange Rate Gains	\$0	\$0
Interest	\$17,000	\$13,360
Miscellaneous		\$479
<b>Total Revenues</b>	<b>\$115,000</b>	<b>136,356</b>

Additional revenues are explained by the receipt of the capitation fee of IEA2024. This has not been considered in the forecast for a more conservative view of the financial situation. With this correction, the actual result matches with the expected result.

The expenditures shown in the following table are divided into:

- fixed annual expenditures / payments (based on actual expenditures)
  - o for regular services (e.g. domiciliation fee, website maintenance),
  - o regular contracts for general IT-services (e.g. dropbox, hightail, constant contact)
  - o and special payments (e.g. for awards).
- payments for expected services with medium variation (e.g. costs of accounting contractor, cost of IEA office; based on average development of this term) and
- payments with high variation (e.g. travel expenses to EC and council meetings, based on a 10-yrs moving average w/o pandemic).

*Table 5: Expenditures of 2024 and actual situation at 12/2024*

<b>Expenditures</b>		
<b>Position</b>	<b>expected</b>	<b>booked</b>
Meeting, representation and outreach	\$34,000	\$38,782
Office: (regular contracts) (variable costs)	\$22,000 (\$8,000) (\$14,000)	\$30,086
Awards & Awards Committee	\$20,000	\$24,783
Standing and ad-hoc committees*	\$20,000	\$15,102
Bank fees		\$5,281
Exchange rate losses		\$584
Website maintenance (regular contract)	\$7,500	\$7,500
Miscellaneous		\$1,272
<b>Total Expenditures</b>	<b>\$103,500</b>	<b>\$123,390</b>

The difference between expected and booked expenditures has different reasons. The reasons for the increased costs for meetings, representations and outreach are higher travel costs of the officers and EC members to EC and council meetings which occurred during 2024 (ie. flight transportation, hotel accommodation), although significant portions of these were covered by the hosting societies. In addition, representing IEA during meetings with other international organizations, and participating at large congresses with a visible presence also took place and supported

cooperation of IEA and other international actors. Both led to higher expenditures for meeting, representation and outreach.

The main reason for higher expenditures of the awards & awards committee is a systematic reason: In 2024 there were more possibilities for awards than in the previous 10 year – this will be considered appropriately in future.

Higher office expenditures occurred because of the election and transition of the tasks of the new elected officers’ – this required more assistance from the Swiss accounting office, CONSAVO, for the update of the commercial registration. Finally, bank fees will also be considered in the future.

*Table 5: Revenues and Expenditures 2024*

	<b>expected</b>	<b>booked</b>
<b>Total Revenues</b>	\$115,000	\$136,356
<b>Total Expenditures</b>	\$103,500	\$123,390
<b>Summary of Operations</b>	\$ 11,500	\$12,966

The summary of operations shows that the achieved surplus of US\$ 12,966 is very close to the expected surplus of the forecast. This shows the stable financial situation of IEA in 2024.