

IPA NEWS

IPA TREASURER'S REPORT FOR 2011–2014

Introduction

The Association has enjoyed a period of financial stability in which strong royalty income from *JIPA* has been coupled with efficiency savings driven by the Secretary and Treasurer. As a result we have had a surplus in each year, and our total assets have grown by more than 80% over four years. This is despite the continued decline in the value of the euro against sterling, which has reduced the real value of members' subscriptions by around 15% over the same period.

Accounts showing income and expenditure for the four years are included below. No independent audit has been conducted, and the Treasurer takes the view that such an audit would be an unnecessary expense. It is not required by our own Statutes and By-Laws, nor by UK law. As a small private company we are legally exempt from audit by a wide margin and likely to remain so: our assets of approximately £140K amount to less than 4% of the threshold level at which an audit may be required (currently £3.62 million).

Representative figures over four years

Because payments shown in the accounts are commonly out of step with the activities to which they relate, a more helpful general picture of our financial operation can be gained from average figures over the four years.

Income

The average net income from membership subscriptions was approximately £6430 per year, and the average net income from *JIPA* was about £18365 per year. In very broad terms, therefore, in the years under consideration, about three quarters of our income came from *JIPA*, and one quarter from subscriptions.

Liabilities

The Association's main annual expenditure is a payment to CUP for the copies of each *JIPA* issue supplied to members (and from 2015 for online access). This annual liability can be thought of as consisting of three components, corresponding to the three categories of membership (Full, Student, and Life). The IPA is unusual among comparable bodies not only in preserving a Life membership category, but in having a disproportionately large number of such members (currently 181). In 2012, for example, the numbers of Life members and of paying (Full or Student) members were approximately equal. The cost of providing services to our Life members is thus a major factor to be considered in any financial planning.

Conference and student support

On average, the Association spent £2850 per year on conference support in the years 2011–2014 (especially as student awards). This represented about 44% of our subscription income for the years.

In connection with ICPH2015, twenty-two Student Awards and twenty Gösta Bruce travel scholarships have been allocated. The Student Awards will amount to approximately £7000, which has yet to be discharged (as a direct one-off payment to ICPH) and thus appears under 'Liabilities' on the current balance sheet. The Gösta Bruce travel scholarships total €5000 (approximately £3500) and funds for them have already been moved. A persistent difficulty for the Treasurer is that of making relatively small international payments without incurring unreasonable costs. On this occasion, by offering a range of cost-effective options, the twenty

payments have been made for a total charge of £58, an overhead of less than 2%. (Note that this figure refers to bank charges, not currency losses, which are unavoidable).

The Gösta Bruce fund had received no new income between mid-2011 and 2014, but a number of generous donations were received in 2015. Donations are now collected through a dedicated webpage, which greatly simplifies the administration of the fund. In the Treasurer's view, this renders it unnecessary to establish a separate bank account for the fund, as was previously suggested. To do so might in fact be financially disadvantageous, since the account would attract its own allocation of bank charges. In general, it is better to concentrate funds into as few accounts as possible to minimise charges. The Association may, however, wish to consider the spreading of funds across two banks to protect its assets under the Financial Services Compensation Scheme.

Michael G. Ashby

Treasurer

August 2015

Accounts: International Phonetic Association income and expenditure 2011–2014; assets June 2015

Income and expenditure, four years ended 31 December 2014 (currencies shown separately)

Sterling	2014	2013	2012	2011
Income				
Sterling subscriptions	635	1426	243	388
Royalties and other CUP receipts	23535	15774	24041	18422
Examination fees	120	50	600	181
Transfer from € account	23758			
Interest earned	584	798	783	711
	<u>48632</u>	<u>18049</u>	<u>25667</u>	<u>19703</u>
Expenditure				
Editorial expenses	2995			5429
CUP member invoices	10646			
Font licences	570		98	
Minor expenses (postage, travel)	305		243	
Accountancy & audit				3000
Exam payments and expenses	522	525		241
ICPhS sponsorship			7250	
Loan to ICPhS		15000		
Student and conference sponsorship	1428		455	2265
Bank charges	60	95	60	65
Transfer to PayPal account	105			
Web hosting & development	611			
Incorporation	72			
	<u>17315</u>	<u>15620</u>	<u>8105</u>	<u>11000</u>
Surplus for year	31317	2429	17563	8703
Surplus brought forward	107777	105348	87785	79082
Surplus carried forward	<u>139093</u>	<u>107777</u>	<u>105348</u>	<u>87785</u>

USD (to dates shown)	<i>31 Dec</i>	<i>02 Feb</i>	<i>6 Nov</i>	<i>01 Jan</i>
Dollar subscriptions	4185	446	895	
Brought forward	1747	1301	406	
Carried forward	<u>5932</u>	<u>1747</u>	<u>1301</u>	<u>406</u>

Euro (to dates shown)	<i>31 Dec</i>	<i>02 Feb</i>	<i>6 Nov</i>	<i>01 Jan</i>
Euro subscriptions	13199	3143	11491	
Transfer to £	-30000			
Brought forward	22734	19591	8100	
Carried forward	<u>5932</u>	<u>22734</u>	<u>19591</u>	<u>8100</u>

Assets at 30 June 2015	£	\$	€
Current account	34617	6778	5304
Reserve account	91887		
PayPal	18059		
Current liabilities	-7000	-	-
	<u>137563</u>	<u>6778</u>	<u>5304</u>