

Concept Financial report 2016

International Society for Gerontechnology



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Introduction

This report provides more background information on the financial figures for 2016 (see appendices 1a – 1c) in order to understand the information better. This report was prepared by the treasurer and assistant treasurer. The report will be presented by the treasurer to the General Assembly 2018.

The expenditures and revenues from the profit and loss account will be explained in more detail. The costs and expenses as well as the revenues are separated into those relating to the journal and relating to the society. Furthermore, the balance sheet will explain the financial position of the society.

To make a connection between the financial report 2016 and earlier reports all expenditures and revenues are including VAT. The VAT remittance is listed separately in the profit and loss account and the balance sheets.

All information necessary to draw up the tables was available to the authors of this report. All outgoing invoices are digitally available in the ISG back office system. Not all incoming invoices are available in print or digitally. Missing invoices are mainly monthly payments of banking costs, ABN, AMRO, and Ingenico Payment Services. Several EBSCO statements are missing. PayPal statements are only digitally available, but complete.

Expenses, costs and revenues

Journal

Printing, Type Setting, Shipping and editorial office

The costs, realized in 2016, associated with the editing, printing and shipping of the journal cover 70% of all expenses and costs in 2016, with a total of 43.593 EUR. This is almost 2,5 times the amount of costs for Volume 13 in 2015. This is can be explained by the fact that two volumes were published in 2016, one of which includes a

supplement issue related to the 2016 conference. The costs realized in 2016 related to the journal concerned Volumes 14 and 15. Because there was a delay in the publishing of the last issue of Volume 15, the costs related to this issue (that should have been published in 2016) have been carried over to 2017 (see “current liabilities” on the balance sheet of 31 December 2016). It is expected that in 2017 both the final issue of Volume 15 and all four issues of Volume 16 will be published.

Subscriptions

The revenues directly related to the journal are those from library subscriptions and 75% of all individual subscriptions (full members and student members). Including the prepayments from 2015, these subscriptions generated revenues of **20.157 EUR** for the ISG (libraries: 15.095 EUR, 15 % increase; individual subscriptions: 5062,50 EUR, 40% increase). Combined, this is a 20% increase compared to 2015.

Society

Organization

The organizational costs of the ISG take up 29 % of the costs in 2016 (18.213 EUR) which is over 10 times the amount spent in 2015 and earlier years. The large amount can be explained by three substantial expense items:

- Hiring an external accountant to update the financial records for 2014 and 2015. (6534 EUR)
- Two payments of 5000 EUR have been made related to ICT costs, one of which was received in 2015 but paid in 2016.

Debtors

As of 1 January 2016, ISG had debtors of 15.360 EUR. A sum of 14.560 was due as the remittance of the 2014 Conference and was received in 2016. One library subscription was paid in 2016. With this in mind, we had to write off 1 library. This produced additional

costs of 400 EUR in 2016.

New debtors at the end of 2016 were two libraries. It is expected that both will pay in 2017.

Memberships

Besides journal subscriptions, the most important structural revenues are coming from membership fees (full, student, and associate members). In 2016 we had 19 student members and 53 full members. In 2016 there were two not-for-profit associate members and no commercial associate members. Together, membership fees created an income of **1.687,50 EUR** for the ISG in 2016.

ISG Conferences

The ISG 2014 Conference was organized in Taiwan. In accordance with the contract, 10.560 EUR was invoiced in 2015 and received in 2016. At the end of 2016, the invoice to the ISG 2016 organizers was not yet remitted and therefore not included in the balance sheets and profit and loss account. The expected amount in 2017 is **30.595 EUR**.

Balance Sheet

Assets

The members who did not pay their 2015 membership are included on the January 2016 balance sheet as account receivables (debtors). One of them paid their membership in 2016. The other is written off in 2016. The members who received an invoice in 2016, but did not pay yet, are included on the December 2016 balance sheet.

We expected tax returns for the years 2010, 2011, 2012, 2013, 2014 and 2015, which were included as accounts receivable on the January 2016 balance sheet. ISG has received these returns in 2016.

Current liabilities

On the credit side of the balance sheet there are prepayments of 5 libraries. Some libraries or their agents (EBSCO) prepay their subscription fee in advance. In 2015, ISG received a total of 5.600 EUR as prepayments from libraries, which is part of the “current liabilities” included on the credit side of the January balance. In 2016, ISG received a total of 2.000 EUR as prepayments from libraries, which is included as “current liabilities” on the December balance sheet.

Moreover, costs relating to Volume 14 of the journal were carried over to 2016. The associated costs of 19.500 EUR are included as “current liabilities” on the January balance. The last issue of Volume 15 of the journal was delayed into 2017. The associated costs for publishing Volume 15 of 5.068 EUR are included as “current liabilities” on the December 2016 balance sheet.

Owners' Equity

In 2016, the ISG made a loss of 20.959 EUR mainly due to the extra volume that was published, the accountant costs, and the ICT costs that were related to 2015. The share capital has decreased from 45.500 EUR in January 2016 to 29.936EUR in December 2016.

Conclusions

2016 was a conference year, but the revenues from the ISG 2016 Conference were not realized in this year. The other revenues predominantly came from journal subscriptions and membership fees. The number of memberships and subscriptions are higher than 2015. The revenues from memberships are 40% higher. The revenues from subscriptions are 8% higher in 2016. The organizational costs of the ISG are over 10 times the amount spent in 2015 and earlier years. This large amount, which is not due to structural costs (except for the 5000 EUR spent on ICT), together with publishing a second volume explains the net loss in 2016.

The current report emphasizes the importance to recruit more members and subscriptions and to minimize organizational costs in order to make the society less vulnerable. An adequate membership management and connected invoicing system will help. Also good contact with the library agencies can prevent libraries cancelling their membership.

Appendix 1a Balance Sheet 1 January 2016

Balance Sheet 1 January 2016

DEBIT			CREDIT	
Non-current assets		€ 0	Owners' equity	€ 45.500
-				
Current assets			Non-current liabilities	
Bank Balance ABN AMRO	€ 46.355		Loan capital HB foundation	€ -
Bank Balance PayPal	€ 5.068			
		€ 51.423	Current liabilities	
Accounts Receivable (debtors)			Accounts Payable	
Remittance ISG 2014 Conference	€ 14.560		Lay-out, typesetting Vol 14	€ 9.500
Student members (0)	€ -		Printing & Shipping Vol 14	€ 10.000
Associate members (non-profit) (0)	€ -		Editorial office	€ -
Associate members (commercial) (0)	€ -			€ 19.500
Subscriptions (libraries) (2)	€ 800		Prepayments	
		€ 15.360	Library subscriptions (14 via EBSCO)	€ 5.600
			Full members	€ -
Accounts Receivable Tax return			Student members	€ -
Tax return 2011	€ 886			€ 5.600
Tax return 2012	€ 457			
Tax return 2013	€ 401			
Tax return 2014	€ 908			
Tax return 2015	€ 1.165			
		€ 3.817		
Total Assets		€ 70.600	Total Liabilities & owner's equity	€ 70.600

Appendix 1b Balance Sheet 31 December 2016

Balance Sheet 31 December 2016

DEBIT		CREDIT		
Non-current assets		€ 0	Owners' equity € 29.936	
Current assets			Non-current liabilities	
Bank Balance ABN AMRO	€ 20.477		Loan capital HB foundation	€ -
Bank Balance PayPal	<u>€ 10.387,49</u>		Current liabilities	
		€ 30.865	Accounts Payable	
Accounts Receivable (debtors)			Lay-out, typesetting Vol 15	€ -
Full members (0)	€ -		Printing & Shipping Vol 15	€ 5.068
Student members (0)	€ -		Editorial office	€ -
Associate members (non-profit) (0)	€ -			€ 5.068
Associate members (commercial) (0)	€ -		Prepayments	
Subscriptions (libraries) (2)	<u>€ 800</u>		Library subscriptions (5)	€ 2.000
		€ 800	Full members	€ -
			Student members	<u>€ -</u>
				€ 2.000
Accounts Receivable Tax return				
Tax return 2016	<u>€ 5.339</u>			
		€ 5.339		
Total Assets		€ 37.004	Total Liabilities & owner's equity	€ 37.004

Appendix 1c Profit and Loss Account 2016

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Profit and Loss Account 2016

Expenses and Costs

Expenses GERONTECHNOLOGY journal volume 15

1100 Lay-Out and type setting Volume 15	€	12.861-	
1200 Printing and Shipping Volume 15	€	12.499-	
1300 Editorial Officer Volume 15	€	-	
			-€ 25.360

Expenses GERONTECHNOLOGY journal volume 14

7100 GT Volume 14, typesetting	€	9.341-	
7200 GT volume 14, printing and shipping	€	8.892-	
1300 Editorial Officer Volume 15	€	-	
			-€ 18.233

Costs Organization

Financial

2110 Banking costs	€	466-	
2120 Subscription Ogone	€	450-	
2130 Accountant	€	6.534-	
2140 Others Financial	€	-	

Society

2210 Chamber of Commerce	€	-	
2220 Others	€	-	

ICT

2310 Subscription Website	€	482-	
2320 Computer accessoires	€	-	
2330 CrossRef membership + fees	€	281-	
2340 Others ICT Costs	€	10.000-	
2400 Others Costs Organisation	€	-	
			-€ 18.213

Writing of debtors

Student memberships (0)	€	-	
Memberships (0)	€	-	
Subscriptions (unpaid libraries (1))	€	400-	
Associate members (0)	€	-	
Associate members (commercial(0)	€	-	
			-€ 400

Total Expenses and Costs

-€ 62.206

PROFIT

-€ 20.959

Revenues

Membership (invoices)

Student member (19)	€	475	
Full members (53)	€	5.300	
Officers and honorary members	€	-	
Associate non-profit members (2)	€	975	
Associate commercial members (0)	€	-	
Others Membership	€	-	
			€ 6.750

Subscriptions volume 15 (2016)

Open Access fee (1)	€	848	
Library subscriptions (unlimited(21,5))	€	8.647	
			€ 9.495

Tax return

41	2010	€	4.225	
	2011	€	886	
	2012	€	457	
	2013	€	401	
	2014	€	908	
	2015	€	1.165	
				€ 8.042

Activities

Conference ISG 2014	€	14.560	
			€ 14.560

Cashing creditors 2013

Library subscription (1)	€	400	
			€ 400

Cashing creditors 2015

Library subscription (0)	€	-	
Associate commercial member (1)	€	-	
			€ -

Subscriptions volume 16 (2017)

Prepayments libraries 2016 (5)	€	2.000	
			€ 2.000

Total Income

€ 41.247