



Annual Accounts by the Treasurer

Dear IFLA Members I have the privilege to present the Treasurer's annual report for the year 2015 as accepted by the Governing Board at its April meeting.

Statement of Income and Expenditure

STATEMENT OF INCOME AND EXPENDITURE		
YEAR 2015		
	2015	2014
INCOME	2,326,429 €	2,011,399 €
EXPENDITURE	2,155,881 €	1,784,044 €
RESULT	+170,548 €	+227,355 €
GENERAL RESERVES ON 31/12	1,119,293 €	941,373 €

I am very pleased to report that the final result for the year 2015 shows a surplus of €170,548. This compares to a surplus of €227,355 for 2014. The overall result of a surplus is a positive sign of a strong and well-managed budget. This surplus means that our general reserves now stand at €1,119,293, and earmarked reserves at €51,974. These reserves are an important asset for IFLA to be able to secure our work and sustainability in the years to come.

STATEMENT OF INCOME AND EXPENDITURE

YEAR 2015

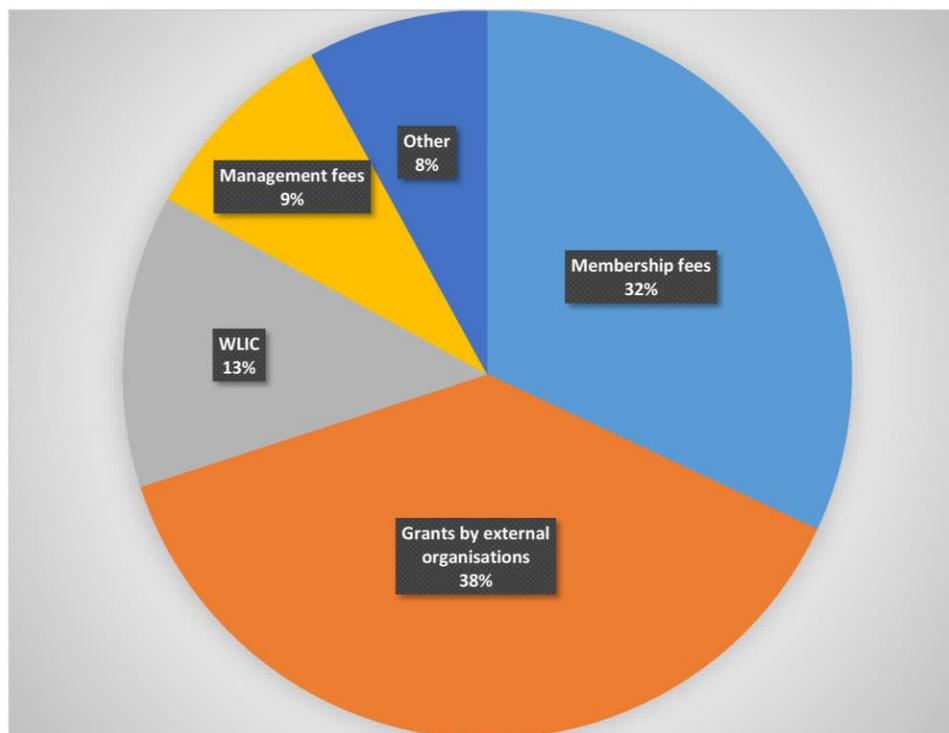
	2015 €	2014 €
INCOME		
MEMBERSHIP FEES	737.773	755.502
CORPORATE SUPPORTERS	30.000	32.500
DUTCH GOVERNMENT	16.000	16.000
CONTRIBUTIONS CORE ACTIVITIES	88.613	107.094
CONTRIBUTIONS BILL & MELINDA GATES FOUNDATION FOR KEY INITIATIVES	671.812	338.852
CONTRIBUTIONS BILL & MELINDA GATES FOUNDATION FOR LEGACY OPERATING GRANT	140.882	0
CONTRIBUTIONS STICHTING IFLA FOUNDATION FOR KEY INITIATIVES	0	56.952
CONTRIBUTIONS STICHTING IFLA FOUNDATION FOR CLM	18.407	0
CONTRIBUTIONS OSF FOR KEY INITIATIVES	0	16.511
CONTRIBUTIONS IREX FOR KEY INITIATIVES	20.494	32.516
CONTRIBUTIONS STICHTING IFLA FOUNDATION FOR CONGRESS GRANTS	0	6.190
CONTRIBUTIONS SAGE FOR CONGRESS GRANTS	2.010	2.200
CONTRIBUTIONS ARL FOR CONGRESS GRANTS	1.500	1.500
CONTRIBUTIONS BILL & MELINDA GATES FOUNDATION FOR WEB AND IT	0	15.848
SALES OF PUBLICATIONS AND ROYALTIES	33.879	36.542
CONFERENCE SERVICES FEES	239.000	235.000
MANAGEMENT FEES	209.543	156.166
INTEREST AND OTHER FINANCIAL INCOME	21.338	23.844
RESULT SUBSIDIARY IFLA HOLDING B.V.	55.063	126.363
INCOME VOUCHERS SCHEME	38.701	40.083
INCOME SHAWKY SALEM TRAINING FUND	144	244
INCOME MARGREET WIJNSTROOM FUND	678	924
INCOME OTHER IFLA FUNDS	0	10.569
MISCELLANEOUS	592	0
TOTAL INCOME	2.326.429	2.011.399



The total income for the year 2015 was €2,326,429 compared to €2,011,399 in 2014; an increase of approximately €315,000. The reasons for this increase can be explained as follows:

1. An increase of approximately €458,000 in funding from the Bill & Melinda Gates Foundation for several IFLA projects. From this funding an amount of €671,812 was spent for IFLA's Key Initiatives in 2015 (in 2014 this was €338,852 euro) and €140,882 was spent from the Legacy Operating Grant.
2. A decrease of approximately €45,000 in funding of the Stichting IFLA Foundation for IFLA projects on the Key Initiatives, Congress Grants and the Committee on Copyright and other Legal Matters.
3. A decrease of approximately €71,000 in the IFLA Congress result.

TOTAL INCOME 2015



The main categories of income for IFLA are:

- Membership fees which represent 32% of the total income for 2015, have reduced slightly from the previous year. Membership income remains a challenge as many of our members continue to experience budgetary constraints, and difficulties in justifying membership to international organisations. Membership fees are the core of IFLA's budget, they are the basis on which IFLA is able to work and conduct its core business and we continue to work on membership retention and growth strategies.
- Grants by external organizations in support to IFLA and its projects, which represent 38% of 2015 income. The Bill & Melinda Gates Foundation provided the majority of this funding; the amount in 2015 was €812,694. IFLA can also count on the continuous support from other organizations, such as IREX, and from the corporate supporters' programme introduced in 2014 that has maintained its level of support.
- The World Library and Information Congress, which includes IFLA's shareholding in the IFLA Holding BV and the conference service fees, represents 13% of the annual income in 2015, compared to 18% in 2014. IFLA's shareholding in the IFLA Holding BV from the Cape Town Conference was €55,063 compared to €123,343 from the Lyon Conference.

- Management fees, which are charged by IFLA to the IFLA Holding and the Stichting IFLA Foundation for managing these companies, or are flagged under external grants to allow IFLA to manage funded projects. In 2015, management fees represented 9% of total income, rising €53,000 from the previous year to €209,543.

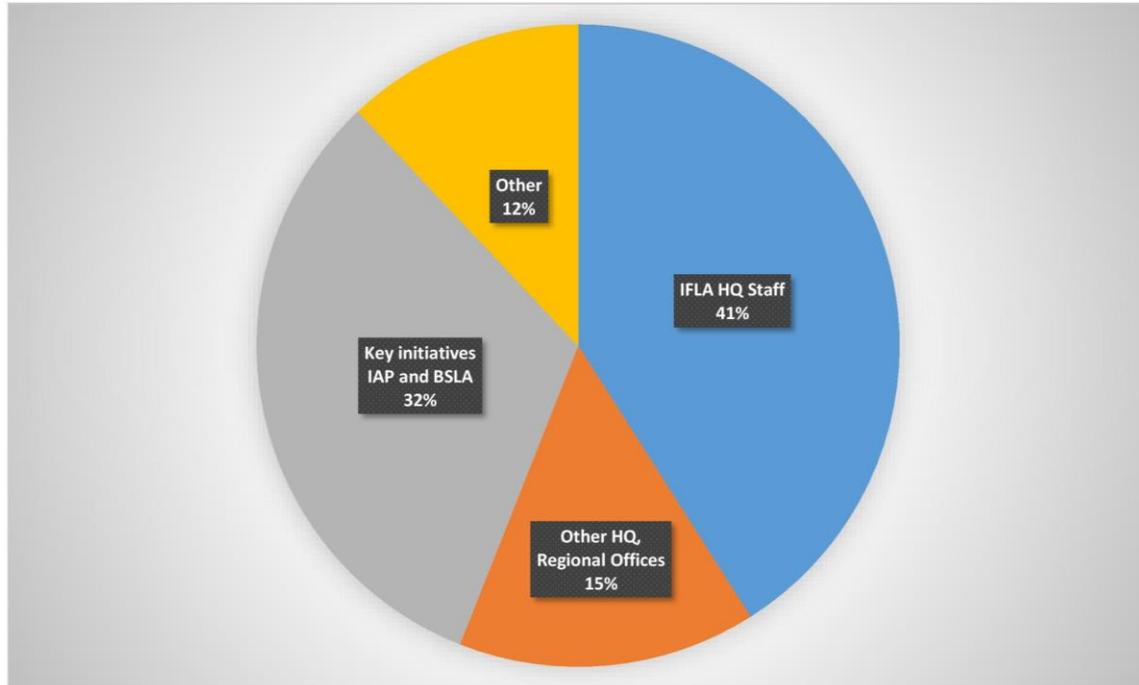
The “other” category includes sales of publications and royalties and Interest income. The investment policy of IFLA is a no / low risk approach to its investments. The policy is that reserve and cash flow funds should be invested in standard no risk savings accounts with one or more of the major Dutch banks that are government guaranteed and Interest rates remain low.

Annual accounts: Expenditure

STATEMENT OF INCOME AND EXPENDITURE		
YEAR 2015		
	2015	2014
	€	€
EXPENDITURE		
CONFERENCE COSTS	34.150	30.702
MEETINGS AND OFFICE PRESIDENT COSTS	47.653	29.296
REGIONAL OFFICES AND CENTRES	20.452	35.428
PROFESSIONAL ACTIVITIES AND PROJECTS	53.940	21.502
COSTS OF PUBLICATIONS (INCLUDING FREE PUBLICATIONS TO MEMBERS)	52.846	57.529
STAFF EXPENSES	888.638	904.994
OFFICE EXPENSES	110.105	111.313
WEB AND IT	84.919	115.155
EXPENSES KEY INITIATIVES	692.306	444.831
EXPENSES LEGACY OPERATING GRANT	140.882	0
EXPENSES CONGRESS GRANTS	3.510	9.655
EXPENSES VOUCHER SCHEME	10.238	12.812
EXPENSES SHAWKY SALEM TRAINING FUND	1.323	976
EXPENSES MARGREET WIJNSTROOM FUND	1.724	1.595
EXPENSES OTHER IFLA FUNDS	5.147	0
INTEREST AND OTHER FINANCIAL EXPENSES	0	0
MISCELLANEOUS	8.048	8.256
TOTAL EXPENDITURE	2.155.881	1.784.044
RESULT	170.548	227.355

The total for expenses in 2015 was € 2,155,881 compared to € 1,784,044 in 2014. This increase of €372,000 is mainly explained by an increase of expenses for IFLA’s Key Initiatives and the Legacy Operating Grant.

TOTAL EXPENSES 2015



The major expense is the staff employed at IFLA Headquarters, representing 41% of the total expenditure for 15 equivalent full-time employees.

Other HQ, regional offices and centres related expenditure represents 15% of the total expenditure which is slightly less than the previous year's figure.

Expenses incurred in setting up the Legacy Grant have been offset by a grant from the Bill & Melinda Gates Foundation and in April 2015 IFLA received 260,000 USD for the period April 15 2015 – April 15 2016. These costs include personnel, consultancy, legal and financial expenses and travel.

Almost one third of IFLA's financial resources in 2015 went to two key initiative projects which directly benefit members and the library community as a whole. These two key initiatives are the International Advocacy Program and the Building Strong Library Association Program. This expenditure depends heavily on external donations and on the results of the Congresses.

The "other" category includes expenditure for professional activities and projects and costs for publications.

General comments

For 2016-2021, the IFLA Governing Board has set out four Strategic Directions:

- Libraries in Society
- Information and Knowledge
- Cultural Heritage
- Capacity Building

The activities identified to achieve the outcomes are a mix of core business and key initiatives. It is important that IFLA continues to ensure that the Core

Business budget which includes IFLA's statutory activities and operating costs can be met from its own resources. Key Initiatives are included separately from Core business costs as they are generally funded through external grants.

IFLA has been privileged to have worked alongside the Bill and Melinda Gates Foundation for many years. After 20 years and more than a billion dollars invested in public libraries around the world the foundation is ending its Global Libraries program. IFLA is honoured that we have been invited to apply as one of three legacy partners to carry forward the work done by Global Libraries. IFLA's staff with leadership from the Governing Board, have been working to develop a legacy proposal which will be submitted to the foundation for consideration later this year. We are excited about the opportunities that this grant will offer and we look forward to sharing more information with you when the grant is finalised.

World Library and Information Congress: The company IFLA Holding BV was incorporated in 2011 and since 2012 the four conferences have produced

profits, part of which comes back to the IFLA budget through IFLA Holding. This structure means that not every conference will necessarily need to make a profit: the management of the conferences through the Holding and its 3 subsidiaries gives us more security in this regard and allows us to have the Congress in locations where the financial results may not be as favourable. However, the congresses are an important source of income for IFLA, and we must continue to manage their organization with the same professionalism as in previous years to ensure this income.

Balance Sheet

BALANCE SHEET

AS AT 31 DECEMBER 2015

	31/12/2015	31/12/2014
ASSETS	€	€
FIXED ASSETS	349.034	300.358
TANGIBLE FIXED ASSETS	8.904	15.291
FINANCIAL FIXED ASSETS	340.130	285.067
CURRENT ASSETS	4.197.915	3.897.557
RECEIVABLES	197.853	168.507
CASH AT BANK AND IN HAND	4.590.314	3.729.050
TOTAL	5.137.201	4.197.915
LIABILITIES	€	€
EQUITY	1.171.267	1.000.719
EARMARKED RESERVES	51.974	59.346
GENERAL RESERVES	1.119.293	941.373
CURRENT LIABILITIES	3.965.934	3.197.196
DEFERRED INCOME	22.367	16.698
OTHER LIABILITIES	3.943.567	3.180.498
TOTAL	5.137.201	4.197.915



The balance sheet as at December 31, 2015, shows that IFLA's assets, covering IFLA's shares in the IFLA Holding BV, of which IFLA is the sole shareholder, receivables and cash at bank and in hand, are at an exceptionally high level of €5,137,201 compared to €4,197,915 on December 31st, 2014. This amount is explained mainly by the grants made by the Bill & Melinda Gates Foundation.

Conclusion

I would like to thank all IFLA members for their active participation in and support of our Federation, and all our funding partners for their strong and continuous support.

I acknowledge the work of the previous Secretary General Jennefer Nicholson whose efforts have enabled IFLA to be on the sound financial footing it now enjoys.

I would also like to thank the Finance Officer Christine Zuidwijk for her expertise and welcome Renu Sardjoe Mishre as IFLA Business Manager /Internal Accountant. My thanks go as well to my colleagues on the Finance Committee, President Donna Scheeder, Margaret Allen, Perry Moree, and Christine Wellem's for their valuable contribution. And I thank my predecessor Frédéric Blin for handing over an organisation in such a good financial state.

And finally I welcome our new Secretary General Gerald Leitner who has set out an exciting new vision for IFLA which builds on the solid legacy of the past while looking to the future with new opportunities and exciting possibilities.

Christine Mackenzie

IFLA Treasurer 2015-2017