



ANNUAL STATEMENT FOR 1983, in Swiss Francs

<u>Art.</u>	<u>Item</u>	<u>Budget</u>	<u>Debit</u>	<u>Credit</u>
4.1	Salaries	9 000.--	23 471.50	
4.2	Insurance, Social Security, etc.	750.--	1 205.15	
4.3	Other personnel costs	750.--	--.--	
5.1	Translations, correspondence	7 500.--	13 665.--	
5.2	Interpreter for meetings	29 250.--	13 204.--	
5.3	Interpreter at IBW	51 750.--	5 837.40	
6.1	Office rental	16 875.--	6 122.75	
6.2	Office equipment	1 875.--	800.50	
6.3	Office materials	6 000.--	4 335.20	
6.4	Postage, telephone, telex	6 000.--	4 500.95	
6.5	Publications	15 750.--	42 167.50	
6.6	Taxes, accountancy fees	3 000.--	1 200.--	
6.7	Travel, accommodations	18 375.--	29 297.50	
6.8	Miscellaneous	8 250.--	3 171.40	
7.1	Income, members			227 804.60
7.2	Interest			14.15
		175 125.--	149 978.45	227 818.75
	Fund		78 840.30	
			227 818.75	227 818.75
			=====	=====
1.2	Bank	9 327.30		
1.3	Accounts receivable, members	51 855.55		
1.5	Trans. assets	30 476.90		
2.1	Creditors		12 819.45	
		91 659.75	12 819.45	
2.2	Fund		78 840.30	
		91 659.75	91 659.75	
		=====	=====	

COMMENTS TO THE ANNUAL STATEMENT FOR 1983

General

Mr. Albert closed the books as of October 30, 1983. I have converted his entries at SF 1.50 = 100 Pts, and continue to keep the books. Remaining items from Spain were entered until December 31, 1983.

The statement contains financial transactions in Madrid, Linz, and Zurich. Keeping three sets of books was made necessary by a special account that had to be kept in Linz because of the difficulty of transferring funds from Spain. Complications and resultant currency losses, which could not be accounted for in every detail, were inevitable. There is no doubt that all payments are correct.

Balance sheet

Anticipating future accounting needs, a balance sheet was rendered for the first time, listing all credits and debits, including those from previous years. It can be stated that:

- in spite of many unexpected costs and budget shifts 1983 produced good results.
- outstanding membership fees are many and have drawn attention to the frequent payment problems in Madrid.
- all debts have been paid, except a pending item from the United States concerning the Atlanta IBW.

The contributions listed under "funds" represent, in an accounting sense, profits. The amount is the proportional property of the members, according to module 6. This "surplus" is to be applied against the 1985 annual statement.

The need until now to operate without working capital has resulted in continuous payment difficulties in Madrid. I have advanced funds by having my company handle costs, re-billed in form of a detailed total account, to avoid having to continuously deal with problems of this kind. No capital interest is being charged, unavoidable were a bank the source of credit. Making payments quickly has the added advantage of avoiding currency fluctuations. An example: an invoice by the president of the Technical Committee for about SF 32,000.00 was the equivalent two years ago of Pts. 1.75 million. This amount was transferred at the beginning of 1984, when its value had dropped to SF 26.000.00. The loss clearly has to be borne by the General Secretariat.

At the last meeting, the Standing Commission spoke in favor of a friendly but firm handling of such cases. This also represents a gesture of appreciation to promptly paying countries.

Reminders went out on all outstanding amounts on April 15, 1984. There are no plans to publish the list before September.

Comments on individual points

- 4.1 Salaries. Basis was the situation existing at the time. The problems in Spain led to modest salaries for the secretariat staff. Staff expenses for the Zurich secretariat were added to this item beginning in August.
- 4.2 Insurances, Social Security, etc. Personnel insurance constitutes a part of actual salaries. Government-mandated old age, invalid, and unemployment insurance are listed separately under this heading and amount presently to 5.4% of salary for staff members and 10.8% for myself.
- 4.3 Other personnel costs. This item will no longer appear in the future. The amounts will be listed under positions 4.1 or 5.1.
- 5.1 Translations, correspondence. The considerable additional expense is the result of re-structuring in Spain. Until now, no expenses have been charged to this heading by Switzerland.
- 5.2 Interpreter for meetings. Cancellation of a meeting is the reason behind this minimal amount.
- 5.3 Interpreter at IBW. This low amount is the direct result of Austria's generosity.

- 6.1 Office rental. Reduced expenditures in Spain resulted in a considerable reduction of this item.
- 6.2 Office equipment. This item will no longer appear in future statements, having been incorporated in rental expenses. The Madrid inventory is in the care of Mr. Albert, that is, it is to remain in the archive-storage and office room.
- 6.3 Office materials. This modest expense item is the result of drastic economy measures. Initially, only typing paper was purchased. All other expenses were charged to rentals.
- 6.4 Postage, telephone, telex. Reasonable rates in Spain led to this positive result.
- 6.5 Publications. These higher expenditures result from invoices from earlier times. The expenses for professional profiles for 1983 came in at SF 5000.00 below budget. The educational-systems study has not been billed. Mr. Sommer has absorbed the cost.
- 6.6 Taxes, accountancy fees. Only accounting expenses for closing the books are included. Because of the lack of capital, taxes are insignificant.
- 6.7 Travel, accommodations. The additional expenses were incurred at the IBW in Linz (plus two meetings in Zurich), and by the bylaws working group.

6.8 Miscellaneous. Apart from several minor expense items which are below budgeted amounts, the gift from Austria was entered under this heading (after deduction of Austria's yearly membership fee), as was the pending U.S. Atlanta item.

Closing remarks

I want to take this opportunity to express my thanks to the former secretary general and now president, Mr. Albert, for his friendly, cooperative, and helpful attitude at the time of the change of office. The problem-free transition and the positive annual statement are largely due to his efforts. May I include in this vote of thanks the Madrid staff whose selfless efforts continued until the end. My thanks also to Ms. Galeazzi, our honorary translator, who always supplied translations with speed and efficiency.

signed Daniel Sommer