

## International Glaciological Society Treasurer's Report for the Year 2010

Council opted to have our accountants undertake an Independent Examiner's Report rather than a full Audit this year. This was deemed sufficient since the day to day running of the accounts by IGS staff was more accurate this year than in recent years due to better management of and greater familiarity with the accounts' software.

The Society's finances are best summarised by considering the changes from 1 January 2010 to 31 December 2010, as shown on page 10 of the accounts. In the table, the Restricted Fund is money earmarked specifically for costs associated with the Seligman Crystal and the Richardson Medal. The Unrestricted Funds is everything else.

Restricted Funds: decreased from £9,059 to £8,206 due to the costs of making 6 blank Richardson Medals (£853), one of which was awarded in 2010. A Seligman Crystal was also manufactured (£280) and £201 was transferred from Unrestricted Funds to add to the £82 made on bank interest so that the net cost to the Restricted Funds of the Seligman Crystal was zero.

Unrestricted Funds: decreased by £69,720 from £443,684 to £373,964 showing that the income to IGS largely from membership, sales of the *Journal* and *Annals*, page charges and symposia attendance fell short of expenditure associated with Journal and Annals printing and publication, and associated office support, and office support for activities related to running symposia.

Total: The Society had net resources expended before revaluation of £71,564 resulting in the negative movement in the Society's funds of £70,573 in 2010, compared to the bigger loss of £122,499 in 2009 a much smaller loss of £4,837 in 2008, a net profit of £11,327 in 2007 and a profit of £29,799 in 2006.

This reduction in the net loss of the Society compared to last year is encouraging but we still have some way to go before we break even or turn in a small profit. The Society must continue this trend in reducing the deficit over the next year or two and should aim to be producing a surplus again in 2012 or 2013.

In more detail, income is itemised in notes 2-6, pages 14-16 and expenditure is listed in notes 7-10, pages 16-18. The accounts are presented under the same headings that were introduced last year of '*Journal, ICE & Books*', '*Annals*', and '*Meetings/Symposia*' to reflect the three main activities of the Society.

### Income:

Note 2. Voluntary income increased from £1,987 to £6,308 due to an increase in Royalties (which more than offset a decrease in Donations).

Note 3. Trading activities is a new category this year associated with the selling of ties. It turned in a small profit of £915. Once the online membership software is fully operational, perhaps the Society should investigate the selling of other merchandise (broaches, towels, mugs, etc).

Note 4. Due to continued low bank interest rates, Investment Income is low again this year (£4,800) and similar to last year (£4,973); very different to the situation in 2008 where income

from this source was £29,986.

Notes 5 & 6. Compared with 2009, income from membership subscriptions, sales of the *Journal*, ICE & Books, sales of *Annals*, and conferences & symposia are all up in 2010. This is good, and reverses the negative trend for all these activities over the 2008-9 period.

Membership subscriptions are shown to be up by £9,876 from £44,869 to £54,745 (page 10). Membership numbers have increased and payments have been received before the new subscription year or early in the year as a result of much better management of the membership database and sending out of renewal notices, helped by the new membership management software that the Society introduced at the start of 2009.

*Journal* sales to libraries and other organisations were up slightly by £2,189 from £84,469 (2009) to £86,658, a rise of 2.6%. This compares with a rise of 4.3% in the annual subscription rate (£300 to £313) and together this suggests that the number of libraries subscribing to the *Journal* fell between 2009 and 2010. This continues the trend from 2008-2009 and should be a concern to the Society.

Page charge income increased by £10,984 from £88,441 to £99,425 (i.e. an increase of 12%). This compares to an increase of £11,697 (2008-9) and an increase of £21,695 (2007-8). Page charges to authors remained the same from 2008 to 2010. The increased income of 12% compared to an increase in pages published of 5.4% implies more authors were able to honour page charges in 2010 compared to 2009. The implementation a new 'page charge structure' of the *Journal* in mid 2010 (to bring it in line with the *Annals* page structure) will hopefully enable more authors to pay the page charges and will yield a further increase in income per page in the future. This needs to be monitored.

Total income from *Annals* is up by £4,997 from £64,635 to £69,632, up by about 8%. [NB. This does not include income for the *Annals* from delegates at conferences who essentially receive their copy 'free', i.e. this is accounted for under the income to meetings/symposia heading]. This item is dominated therefore by income from library subscriptions and page charges. The total 2009-10 income increased by 8% despite the fact that the number of volumes decreased from 4 to 3 (i.e. 25%) and the number of pages dropped from 628 to 513 (i.e. a decrease of 18%).

#### Expenditure:

Note 7. The expenditure of £3,212 reflects sponsorship of the activities of UKPN and the Alaska Glaciology Summer School in Fairbanks in June. Council agreed that these two ventures were worth supporting, primarily because they helped young scientists. These are excellent things for the Society to sponsor but we should be careful not to over commit to this type of help, until our accounts start breaking even or turning in a profit once more.

Note 8. The direct costs associated with editing, printing, publishing and distributing the *Journal* and *Annals* and material for Meetings / Symposia increased by £8,676 from £121,735 to £130,411 compared to an increase of £16,568 (2008-9) and a decrease of £9,513 (2007-8). Wages and salaries associated with these activities actually decreased in 2010 compared to 2009 reflecting increased efficiency by the IGS production staff. Editorial fees and expenses increased, largely because of the increased number of papers being submitted. Proof reading and editorial costs increased also, largely due to the same reason.

Note 9. The support costs associated with *Journal*, *Annals* and Meetings / Symposia activity have increased by £81,754 from £272,431 to £354,185, an increase of 30%. This compares

with an increase of £39,475 (17%) in 2008-9 and an increase of £77,793 (50%) in 2007-8. The biggest hikes between 2009 and 2010 are associated with:

i) Symposia, where support costs increased by £62,556 because three major IGS sponsored symposia were held during 2010 (500 participants in total) compared to two in 2009, one of which was held in the UK (100 participants) and one in India which was attended by 40 'foreigners'. The participation of local scientists in India was supported by the local organizers as was all logistics costs.

ii) Wages and salaries, which increased by £13,294, most of which (about £11,000) was associated with a redundancy payment (for the position of Assistant to the Secretary General).

Some of the wages and salary costs are associated with the continued employment of a part-time Membership Manager (Trevor Margereson) throughout 2010 (he was appointed part way through 2008) and the additional appointment of two student helpers. Trevor and the students were employed to oversee the transition to the new computerised and online members' management / payment system. In 2011 and beyond, we envisage that Support Costs' wages and salaries will be reduced because: a) we no longer employ an Assistant to the Secretary General; b) as the new management / payment system is up and running, the Membership Manager's working hours will gradually be wound down and finish in the summer of 2011; furthermore there will be no need to hire in additional temporary help. It should be recognised, however, that the Society has recently employed a new part time person, Louise Buckingham, to the position of Membership and Accounts Manager and the salary associated with this position will go some way to offsetting the future wages and salary savings.

iii) Pension costs of £30,109. Council agreed to introduce a pension scheme for the main IGS employees, which became operational in 2010. Because of the delay in implementing the scheme after Council first approved it, it was agreed to backdate the pension payments pro rata to 2006. Thus, over £20,000 of the £30,109 is due to these one off back payments and to paying a Financial Advisor to set up the scheme. The annual cost of the pension scheme in future will be <£10,000.

Travel and subsistence costs, largely the Secretary General representing the Society at Meetings, have also increased. It is useful for our Secretary General to be seen at meetings and present talks about the Society and try to solicit new members. But these costs have increased from £10,843 in 2008, £15,142 in 2009 and £18,609 in 2010. In 2010 the IGS paid for the travel costs for Society officers on three occasions. An additional cost increase is, I suspect, due to the increased costs of air travel and the weak Stirling against other currencies. Care is needed to ensure this item of expenditure does not increase out of proportion with other support costs.

The provision of doubtful debts actually represents a negative cost (credit) to the Society since continued substantial effort with a lot of success has been extended on chasing up aged debts. Most debtors are now less than a few months old, rather than up to several years old as was the case a few years ago. As note 18 on page 21 shows, net debtors (i.e. after the provision has been removed) amounted to £32,423 in 2010 compared to £49,859 in 2009. In 2008 it was £110,481! This continued reduction in the net debt and the provision for the debt is therefore a very good thing for the Society. The new online management / payment system together with restructuring of personnel within the IGS office should reduce the debtors within each year still further in the future.

Note 10. Governance costs associated with running the Society as a Charity have remained stable. Opting for an Independent Financial Report rather than a full Audit has saved the

Society £2,000. The accountants, the Secretary General and I agree that this was a perfectly adequate procedure to assess the Society's accounts and could be continued in the future. Furthermore, costs have decreased due to savings brought about by IGS staff's increased efficiency in the use of the office accounting/membership software.

### Summary

The Society's finances are still in fairly good shape but there would still appear to be room for improvement in the way the Society operates. We ran a moderate deficit in 2010 (~18% of funds) compared to a much bigger deficit in 2009 (~27% of funds), a small deficit in 2008 (<1% of total funds), a small profit in 2007 (~2% of total funds) and a bigger profit in 2006 (~5.5% of total funds). The net result over the past five years is we have been running at a loss. Our assets are still £382,170 and so there is no need for major alarm, but clearly our recent position is unsustainable in the long term.

On the income side, it is hoped that the new page charging structure for the *Journal* will result in more authors paying page charges. Faster invoicing and the ability to pay online should help with this. The Society has increased its paying membership recently and it is hoped that more people will be encouraged to join in the future. More innovative ways of attracting younger members and members from emerging industrialised nations, especially India and China, should be investigated. The Society must also try to ensure that library subscriptions to the *Journal* and *Annals* do not continue to slip and, again, investigate possible different ways of obtaining more income from sales/online access to libraries/institutions. The Society has recently moved some of its bank assets to a higher interest account, but until interest rates increase generally, the Society will continue to suffer from lack of revenue from this source. Perhaps the Society should investigate the possibility of obtaining grants from private industry sponsors to support some of its activities. Sale of merchandise online could also be investigated.

On the expenditure side, the Society should note that some of the items will not be continued into 2011. In 2010 the Society paid the salaries of a full time Assistant to the Secretary General in addition to a part time Membership Manager and student assistants. From 2011 onwards it will only employ a part time Membership and Accounts Manager. Furthermore, in 2010 the Society made one off payments of ~£31,000 which were redundancy costs and pension back payments.

The Society has now made the transition to the new joint MRM-SAGE management & accounting system, and has made some personnel changes within the office. Although implementing these changes has cost the Society in recent years, the Society should now be in a position to start benefitting from these changes in terms of lower salary costs, lower costs and fees payable to an outside examiner / auditor, and reduced losses associated with aged debtors.

Ian C. Willis, Treasurer  
1<sup>st</sup> June 2011