

International Glaciological Society Treasurer's Report for the Year 2013

As our turnover in 2013 was close to the £500k threshold, our accountants undertook a full Audit this year.

The Society's finances are summarised by considering the changes from 1 January 2013 to 31 December 2013, as shown on page 11 of the accounts. In the table, the Restricted Fund is money associated specifically with the Seligman Crystal and the Richardson Medal. The Unrestricted Funds is everything else.

Restricted Funds: decreased by £38 from £7,000 to £6,962 as a result of the difference between interest payment income and expenditure on engraving the two Richardson Medals that were awarded in 2013.

Unrestricted Funds: increased by £8,515 from £384,063 to £392,578 showing that the income to IGS largely from membership, sales of the *Journal* and *Annals*, page charges and symposia attendance slightly exceeded expenditure associated with *Journal* and *Annals* printing, publication and associated office support, and office support for activities related to organising symposia and running the Society.

Total: The Society had net resources accrued before revaluation of £5,457 resulting in the positive movement in the Society's funds of £8,477 in 2013, compared to the bigger gain of £28,092 in 2012, losses between 2008 and 2011, and a small profit of £11,327 in 2007.

Thus, I am pleased to report that the Society's finances are once more in the black, although it is slightly disappointing that we did not turn in a slightly bigger profit (comparable or bigger than last year) to help offset the periods of loss between 2008 and 2011. Since 2007 we still have a cumulative deficit of £169,212 and I believe the Society should continue to try to reduce that over the next few years by continuing to turn in a modest profit each year. Our total funds at the end of the year were £399,540 and yet our average annual expenditure for the last three years has been £526,390. I would like to see our total funds equal to our annual expenditure.

In more detail, income is itemised in notes 2-6, and expenditure is listed in notes 3 and 7-11 on pages 15-19. The accounts are presented under the headings '*Journal*, ICE & Books', '*Annals*', and 'Meetings/Symposia' to reflect the three main activities of the Society.

Income:

Note 2. Voluntary income was £2,048 in 2013 compared to £737 in 2012. This reflects a greater number of royalties associated with sales of individual articles through Ingenta and licensing fees (for copying individual articles) collected by the Publishers Licensing Society Ltd (PLS).

Note 3. Trading activities associated with the sale of IGS merchandise turned in a small profit of £632 in 2013 compared to a small loss of £365 in 2012. Over the last few years, income and expenditure associated with t-shirts, fleeces, hats, etc. have approximately matched. It would be nice if this item could be guaranteed to turn in a small profit in the future.

Note 4. Income from interest on investments fell slightly in 2013 compared to 2012: down £2,448 from £9,832 to £7,384. This reflects the lower interest rates given generally by the banks. A few higher interest investments mature in 2014 and the Society should look to reinvest some of its reserves in higher interest but low risk accounts. But the market is such that we may be hard pushed to find better than 1.5% p.a. return. The Society has suffered since the financial crash of 2008 when interest income was close to £30,000!

Note 5. Income associated with *Journal*, ICE & Books (this includes membership subscriptions, sales to non-members, libraries and other organisations, and page charges) was up by £14,194 from £276,661 in 2012 to £290,855 in 2013. Similarly, income associated with *Annals* was also up by £45,979 from £79,354 in 2012 to £125,333 in 2013. I discuss both these items further below with respect to Note 6. Conversely, income from Meetings & Symposia was down by £192,902 from £265,523 in 2012 to

£72,621 in 2012. This reflects the fact that three symposia were held in 2012, including the large SCAR meeting, whereas two took place in 2013.

Note 6. *Journal* sales to libraries and other organisations were down by £8,199 from £98,107 (2012) to £89,908 (2013). This reflects a small drop in the number of libraries taking the journal and an increase in the percentage taking online only (which is cheaper than paper copy). This needs to be monitored. Conversely, income from page charges rose by £21,831 from £112,735 (2012) to £134,566 (2013). Most authors now honour page charges (quite rightly) and the rise in this item reflects that fact and the greater number of journal pages published in 2013 cf. 2012. The Open Access Fee is a new heading. One author paid this in 2013. Income in this form is likely to increase in the future. The changing balance between income from libraries, regular page charges and the Open Access Fee needs to be monitored and ideally anticipated and budgeted for.

Note 6. As mentioned above, total income from *Annals* is up by £45,979 from £79,354 in 2012 to £125,333 in 2013. The increase in *Annals* income largely reflects the greater number of *Annals* issues published in 2013 cf. 2012 (5 issues in 2013 - 1 single and 2 double; 3 issues in 2012 – all single).

Expenditure:

Note 8. The direct costs associated with editing, printing, publishing and distributing the *Journal* and *Annals* and material for Meetings / Symposia increased slightly by £8,753 from £128,964 (2012) to £137,717 (2013). This compares to a comparable increase of £6,533 (2011-12). Printing costs are generally dropping as more and more members and libraries are subscribing to online only. An increase in the cost of printing more *Annals* volumes in 2013 cf. 2012 is offset in part by reduced costs associated with printing and posting fewer copies of the *Journal*. Wages and salaries associated with these activities increased slightly by £3,080 due to the overall increase in the number of *Journal/Annals* pages produced. [Pension costs feature here this year. They are spread, together with the salaries and NI contributions, across the 3 headings Direct Costs, Support Costs and Governance Costs, whereas last year pension costs were all put in the Support Costs category].

Note 9. The Society did not receive financial requests to sponsor workshops / meetings in 2013 with the result that no grants were awarded.

Note 10. The total support costs associated with *Journal*, *Annals* and Meetings / Symposia activity fell by £126,275 from £428,098 (2012) to £301,823 (2013). This is largely made up of the reduced costs associated with running two Symposia rather than three (a decrease of £95,202). Encouragingly, many other items are less costly this year than last year, including Computer costs, Office equipment, and Travel and subsistence costs (largely the costs of our Secretary General representing the Society at Meetings (not Symposia, which are accounted for elsewhere)).

The lower bank charges in 2013 cf. 2012 (a fall of £4,171) is largely associated with the decreased costs of credit card transactions. These were high in 2012, associated mostly with the SCAR meeting.

The provision for doubtful debts is now a trivial amount compared to the situation several years ago. In fact, the Society received £131 of the £361 of debt it has provided for in 2012!

Note 11. Governance costs associated with running the Society increased by £10,008 in 2013 compared to 2012. This is largely a result of increased salary costs (see Note 14) and the inclusion of a portion of total pension costs under this heading.

Note 14. Overall staff costs went up by £17,983 in 2013 cf. 2012. This compares with a fall in staff costs of £11,107 (2011-12) and a fall of £38,817 (2010-11). [But note that the 2010 figure includes a ~£11,000 sum associated with a redundancy payment, so the 2010-11 fall should more realistically read £27,817]. Overall, therefore, the IGS Office is running more smoothly and efficiently. The increased staff costs in 2013 cf. 2012 is due partly to extra time spent working on five *Annals* volumes in 2013 cf. three in 2012, and partly to the pay rise for the Secretary General in recognition of his 10 years of service to the IGS. This was implemented by the President as instructed by Council at its meeting in Fairbanks in 2012.

Summary

The Society's finances are in reasonable shape and much better than they have been in recent years although it is a shame we did not at least match the small surplus we had last year. We ran a very small surplus in 2013 (2% of funds). This compares to the slightly bigger surplus in 2012 (~7% of funds), a small deficit in 2011 (~5% of funds), a bigger deficit in 2010 (~18% of funds) a much bigger deficit in 2009 (~27% of funds), a small deficit in 2008 (<1% of funds), a small surplus in 2007 (~2% of total funds) and a bigger surplus in 2006 (~5.5% of total funds). The net result over the past eight years is that we have been accumulating a deficit. We should continue to strive to ensure that the small surpluses in 2013 and 2012 continue and ideally grow in future years. The Society is now setting a budget on all key items of income and expenditure and is more closely monitoring each item on a weekly to monthly basis. This seems to have gone some way towards helping us achieve our small surplus but more could be done.

On the income side, it is good that the Society's membership is now stable and has been at the ~950 level for two years in a row. There are certainly more potential members out there but, no doubt for several reasons, they are not joining. Perhaps the recent questionnaire survey of members and non-members may shed some light on how the Society may encourage greater membership and increase its income from this source. It is also good news that library subscriptions to the *Journal* and *Annals* are being maintained. Despite stable membership and library subscriptions, "income per volume" is dropping, on average, due to increased take up of online only copies. This reduced income is currently slightly more than offset by reduced printing and posting expenditure. The effects on the Society's budget as more members and libraries take online only will have to be managed carefully. Income from page charges is now also stable but income from the Open Access Fee is likely to increase in future as more authors are able to pay for this. Again, the effects on the Society's budget of this will have to be managed carefully. The Society should continue to invest some of its assets in high interest, low risk, medium-term (1-2 years) bank accounts.

On the expenditure side, the Society's costs have stabilised and been brought under control in recent years. It is encouraging that big items of expenditure – computing, proof reading and editing - are now rising by modest amounts or even falling slightly. Wages rose faster in 2013 cf. 2012 but this partly represents a one off change to the Secretary General's salary. Printing is another substantial cost and moving to online only would lead to savings. This option should be discussed further by Council. Organising Symposia for related organisations (e.g. SCAR) is another potential income stream to the Society although there are associated costs of course. The pros and cons of trying to run more Symposia for related organisations should also be discussed.

Ian C. Willis, Treasurer
22nd May 2014