

**International Federation of Library Associations and Institutions  
(IFLA)**

located, 's-Gravenhage

Report on the annual accounts 2023

**International Federation of Library Associations and Institutions (IFLA)  
's-Gravenhage**

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# **International Federation of Library Associations and Institutions (IFLA) 's-Gravenhage**

## **REPORT FROM THE GOVERNING BOARD**

The International Federation of Library Associations and Institutions (IFLA) is a Federation which is headquartered in The Hague.

### ***Governing Board***

IFLA's Governing Board is responsible for the governance and financial and professional directions of IFLA and represents the Federation in legal and other formal proceedings.

The Board consists of the President, the President-elect, Treasurer, five members elected at large, the Chair of the Professional Council, the Chair of the Regional Council and the Chair of the Management of Library Associations Section's Standing Committee.

The Governing Board shall also co-opt an external member to the Finance and Risk Committee with experience in Dutch law and audit practices. They shall serve for the term of the Committee and may be re-appointed for one additional term.

### ***IFLA Strategic Plan 2019-2024***

The IFLA Strategy 2019-2024 is a document for the library field, by the library field.

It is designed to be a reference point, not only for IFLA's own Professional Units, headquarters, and regional and languages offices, but also for our membership and the library field. It should be the catalyst for a new energy and a new alignment in our efforts.

Our Strategic Directions highlight four areas of focus in delivering our mission:

1. Strengthen the Global Voice of Libraries
2. Inspire and Enhance Professional Practice
3. Connect and Empower the Field
4. Optimise our Organisation

In each Strategic Direction, four Key Initiatives provide a framework around which we can all develop actions to strengthen our field and achieve our vision. IFLA's mission and goals are mainly achieved by funding through IFLA's members, the yearly World Library and Information Congress (WLIC), donations and external grants. The most significant external grant is from Stichting IFLA Global Libraries (SIGL). SIGL was established in 2016 to administer the legacy grant of \$31 million USD awarded to IFLA by the Bill and Melinda Gates Foundation (BMGF) when the Global Libraries programme ended. It was intended to spend these funds over ten years to support IFLA in strengthening and deepening its work with libraries globally. SIGL contributes to IFLA's running costs based on a Joint Account Agreement and also directly funds projects designed to strengthen the global library field. Other funding partners include Arcadia for the KR21 copyright programme; and the European Commission and Gulbenkian Foundation on media and information literacy. IFLA appreciates the support of all of our funding partners.

### ***Activities 2023***

IFLA kept up its strong track record of delivery in 2023. The presentations of each of our four Strategic Directions show just a small sample of the work undertaken across our volunteer groups, headquarters team and wider community every day and the results achieved. This year's Annual Report highlights key impacts demonstrating the value of the work done throughout IFLA.

The flagship event of the year was our World Library and Information Congress, which our Dutch National Committee in Rotterdam hosted with equal measures of expertise, energy and enthusiasm.

While IFLA is about more than the few days we spend together at Congresses, the Netherlands showed how powerful the opportunity to spend time together can be. 2024 will be an opportunity to experiment and innovate with IFLA holding the Information Futures Summit in Brisbane, Australia, as well as to deliver on a broader review of our Congress model.

## **International Federation of Library Associations and Institutions (IFLA) 's-Gravenhage**

Beyond the Congress, we responded to Members' and volunteers' desire for clearer and more regular communication, with monthly personal messages from the IFLA President Vicki McDonald, setting out plans and reporting on progress, and we are looking forward to regular Townhall meetings in 2024.

### ***Future outlook***

IFLA has benefited greatly from the generosity of the Bill and Melinda Gates Foundation's Global Libraries programme for over 15 years. Thanks to this, we are at a historic high in terms of the resources that we have available to support the field. However, these funds are finite and, by the time of our centenary in 2027, we want to have built a strong and diversified basis of partnership support for IFLA's work. This is a priority for IFLA's Governing Board and the IFLA Headquarters team.

Key elements of our work towards this are already in place. We are demonstrating our ability to deliver on projects, not least as highlighted in the mid-term report on the legacy grant provided to support IFLA, *Leaving Libraries Stronger*, through our partnership with SIGL. We are successfully building the skills and habits of impact evaluation across our field and developing our regional presence.

2023 also saw the launch of work to update our Strategy. This builds on the powerful basis provided by the Global Vision process, as well as the practical experience of implementing our current Strategy. With over a thousand responses to a series of pulse surveys, we are well placed to produce a document that will serve our Federation well over the next five years, supporting, catalysing and accelerating our work, and enabling new and strategic partnerships.

2024 will therefore be a year of progress down this path, focussed on realising the potential of the global library field as a driver of sustainable, systemic, positive change.

### ***Results 2023***

For 2023, we are presenting consolidated accounts for IFLA which is simpler and more transparent and highlights the contribution of the 2023 Rotterdam Congress. The 2023 result shows a surplus of € 204,322. The Statement of Income and Expenditure for 2023 presents a detailed overview of the budget and actual income and expenditure.

The positive result is mainly driven by the surplus of € 195,291 from the subsidiaries that constitute the IFLA Holding BV (through which our Congress operates). The Congress in Rotterdam was a tremendous success, professionally and financially and benefited from extensive support and sponsorship from the Dutch library community.

The results also reflect the extraordinary items which include an additional income of € 21,746 related to financial aid from the Dutch Government to cover for staff expenses during the Covid pandemic. The other extraordinary item (€ 58,319) is additional income related to an accounting adjustment of the results of the subsidiaries in prior years.

Without the contribution from the Rotterdam Congress and the extraordinary income, IFLA would have ended the year with a deficit. The deficit was because SIGL (Stichting IFLA Global Libraries) did not approve €146K of the contractors' costs in the JAA (Joint Account Agreement) and the alternative solution proposed by SIGL for the contractors was not accepted by IFLA. IFLA therefore decided to absorb those costs to enable the signing of the 2023 budget with SIGL before the end of the year. The budget was signed on 6 December 2023.

The table below summarizes the 2023 results for IFLA as a whole.

Net result	€	204,322
Result of participations <sup>1</sup>	€	<u>(195,291)</u>
Total result IFLA	€	9,031
Extraordinary items	€	<u>(80,065)</u>

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<sup>1</sup> Participations is the term used for the BV Holding and, the limited company subsidiaries through which IFLA manages the annual congress.

## **International Federation of Library Associations and Institutions (IFLA) 's-Gravenhage**

Total normalised result € (71,034)

### ***General reserves***

The general reserves of IFLA as per December 31, 2023, amount to € 1,970,428.

It is IFLA's goal that the general reserves are equal to cover the operating costs for one year, which should be available if required to close the organisation.

### ***Budget 2024***

The approved 2024 budget shows a total income of € 2,772,000 from which € 1,482,832 will be provided by SIGL (Stichting IFLA Global Libraries) to offset costs. The approved 2024 budget shows a € 372,584 deficit. Important assumptions underlying this budget are:

- Increase in staff expenses due to absorbing all SIGL (Stichting IFLA Global Libraries) staff as of 1 January 2024.
- Conservative estimate of revenue increase from membership fees. and there will be no income or funding to offset staff costs.
- No anticipated contribution from the Information Futures Summit in Brisbane (expectation of a break-even result).

At the time of writing, IFLA was still in negotiations with SIGL with regard to 2024 funding through the Joint Account Agreement. To safeguard IFLA, the Governing Board affirmed its previous commitment to not commence any projects proposed to be funded by SIGL until their funding commitment and the complete budget was confirmed.

Based on the analysis of the financial performance in the first quarter of 2024, we conclude that the expected deficit for 2024 will be € 281,315 and we will continue to explore means of reducing this further. Nonetheless IFLA's reserves remain healthy and more than able to respond.

### ***Report from the Treasurer***

After a tumultuous year in 2022, expectations for the organization were more normal in 2023.

### **New secretary general and preparing for the future**

The organization succeeded in recruiting a new Secretary General, who whilst working on re-establishing a positive work environment at headquarters would at the same time start thinking about ways to diversify income. This was undertaken with the knowledge that the funds of the BMGF legacy grant awarded to IFLA and administered by SIGL are finite. Administratively, and in terms of financial modelling, this means that the organization will aim to move away from financing of fixed percentages of certain staff functions, cost categories and direct-funding of project actuals by SIGL, towards project- based costing that better reflects the real costs of delivering IFLA's work. This also means ensuring IFLA is better positioned to seek other partnership funding. To enable this, IFLA is seeking ANBI (Algemeen Nut Beogende Instelling) status, which in the Netherlands means that the organisation undertakes activities for the public benefit. This is the Dutch equivalent of charitable status. During 2023 significant preparatory work was undertaken to ensure IFLA is prepared for the changes. IFLA's statutes will require changes that will not impact on members but ensure IFLA complies with Dutch law.

### **Congress**

In August 2023, a successful WLIC (World Library and Information Congress) was held in Rotterdam. It was a dynamic and high-quality event which brought librarians together and was also a financial success. Looking towards 2024, there will be no congress as the host city withdrew their bid. Instead, the IFLA Information Futures Summit will be held in Brisbane, Australia from 29 September to 3 October 2024. Brisbane is the home city of IFLA President, Vicki McDonald. It will be smaller in scale than a WLIC and involve a curated programme. The new 2024-2029 Strategy will be launched during the Summit and IFLA will use the opportunity to test new congress models. However, the Summit is not a WLIC and we do not anticipate it generating a surplus; our target is a break-even result. This will impact IFLA's 2024 budget as the Summit income will not contribute to offsetting IFLA staff time unlike a WLIC. This means that in real terms, IFLA will run at a loss in 2024. Rethinking the congress model is a 2024 priority, with discussion and decisions planned for the Governing Board in December 2024, based on an extensive consultation process during 2024.

## **International Federation of Library Associations and Institutions (IFLA) 's-Gravenhage**

### SIGL and staff costs

In 2022 and 2023 some staff moved from the payroll of SIGL into the budget of IFLA, with a share of their salary costs charged to SIGL under the JAA. As some staff started working as contractors, we are continuing to work towards a solution for funding their work that helps deliver on goals without creating risks. However, in 2023, an extra, unexpected burden of €146K for staff costs had to be recorded against the budget.

### Membership and membership income

With a 4% increase in membership fees together with an increasing number of members, income from membership increased in 2023 from € 749.068 (2022) to € 810.419 (2023). Despite all the turmoil of the past two years, the membership base remained stable, so that extra income due to price increases was not eroded by declining membership numbers.

### KR21 (Knowledge Rights 21) – partnership with the Arcadia Fund

Realization under this programme stayed under budget, due to minor delays in the delivery of sub- contracted projects, as well as a conservative approach towards spending. We have therefore agreed a no-cost extension of the Programme to the end of 2024, to bridge into the first months of the new European Parliament and Commission. The Arcadia Fund is very positive about IFLA's achievements to date and we are in discussion about a potential additional round of funding for 5 years. In this context, we have provided reassurance around the governance of IFLA and SIF (Stichting IFLA Foundation), given previous negative online commentary about IFLA. We hope to be able to make a positive announcement about the future of KR21 in the coming months.

### Conclusion

At IFLA's Governing Board meeting in April 2024, a first significant discussion took place about a wider strategy on sustainability for the Federation, focused on ensuring that we explore all aspects that can help ensure our future. This includes research commissioned on the partnership landscape for the library field as a whole, building up a better understanding of cost structures. IFLA will look at how to attract new funders for which applying for the ANBI status is an important first step. The Congress review is exploring the purpose of the congress for IFLA and the profession and examining its implications for IFLA's future finances.

In doing this, we nonetheless build on solid foundations for our Federation, with a strong record of delivery, a committed headquarters team, a well-known brand and an active volunteer network ready to be mobilised.

**International Federation of Library Associations and Institutions (IFLA)  
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**BALANCE SHEET AS AT 31 DECEMBER 2023**

*(After distribution of result)*

	<u>31 December 2023</u>		<u>31 December 2022</u>	
	€	€	€	€
<b>ASSETS</b>				
<b>Fixed assets</b>				
<u>Property, plant and equipment</u> Other tangible assets		44.091		16.297
<u>Financial assets</u>		556.676		361.385
<b>Current assets</b>				
<u>Receivables</u>		1.375.130		1.063.969
<u>Cash and cash equivalents</u>		3.430.997		4.229.329
		<u>5.406.894</u>		<u>5.670.980</u>

**International Federation of Library Associations and Institutions (IFLA)  
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	31 December 2023		31 December 2022
<b>EQUITY AND LIABILITIES</b>	€	€	€
<b>Equity</b>			
Earmarked reserves	56.329	66.547	
Other reserves	1.970.428	1.755.888	
	2.026.757		1.822.435
<b>Long-term liabilities</b>			
Bill & Melinda Gates Foundation IAP Grant	574.446		825.477
<b>Current liabilities</b>			
Payables relating to taxes and social security contributions	106.314	347.976	
Deferred income	61.330	64.154	
Other liabilities	2.638.047	2.610.938	
	2.805.691		3.023.068
	5.406.894		5.670.980



**International Federation of Library Associations and Institutions (IFLA)  
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**STATEMENT OF ACTIVITIES FOR THE YEAR 2023**

	2023	Approved budget 2023	2022
	€	€	€
<b>Benefits</b>	<u>2.479.314</u>	<u>2.842.233</u>	<u>2.212.866</u>
<b>Expenses</b>			
Conference costs	23.310	20.000	12.776
Project expenses	378.989	419.360	329.759
Governance	73.196	65.000	83.667
Staff expenses	1.127.673	1.303.440	1.575.065
Professional Activities	38.836	50.000	28.600
Advisory Committees	14.166	18.000	7.514
Costs of publications	42.197	50.500	45.331
Web and IT	250.847	269.260	153.854
Consultancy fees, advisors and office costs	532.482	602.300	492.004
Miscellaneous	9.619	6.500	4.589
Expenses voucher scheme	4.794	5.850	11.130
Expenses against earmarked reserves	10.218	12.580	8.692
Travel costs	15.586	27.500	4.215
<b>Total of sum of expenses</b>	<u>2.521.913</u>	<u>2.850.290</u>	<u>2.757.196</u>
<b>Total of operating result</b>	-42.599	-8.057	-544.330
Financial income and expense	<u>51.630</u>	-	<u>-6.656</u>
<b>Total of result</b>	9.031	-8.057	-550.986
Share in result of participations	<u>195.291</u>	-	<u>78.652</u>
<b>Total of net result</b>	<u>204.322</u>	<u>-8.057</u>	<u>-472.334</u>
	<u>2023</u>		<u>2022</u>
	€		€
<b>Appropriation of result</b>			
Earmarked reserves	-10.218		-4.828
Other reserves	214.540		-467.506
	<u>204.322</u>		<u>-472.334</u>

## **International Federation of Library Associations and Institutions (IFLA) 's-Gravenhage**

### **NOTES TO THE FINANCIAL STATEMENTS**

#### **Entity information**

##### Registered address and registration number trade register

The registered and actual address of International Federation of Library Associations and Institutions (IFLA) is Prins Willem-Alexanderhof 5, 2595BE in 's-Gravenhage. International Federation of Library Associations and Institutions (IFLA) is registered at the Chamber of Commerce under number 40407191.

#### **General notes**

##### The purpose of the legal entity

The Federation is an independent, international, non-governmental not for profit organisation and has the objective to promote the interest of libraries and information services, from librarians and those who are working for them, wherever in the world.

The Federation seeks to achieve this purpose by:

- a. promoting high quality library and documentary services and professional practice, and the accessibility, protection and preservation of documentary cultural heritage, through the strengthening of professional education, development of professional standards, dissemination of best practices and development of scientific and professional knowledge;
- b. promoting broad-based awareness of the value and importance of quality library and documentary services in the public, private and voluntary sectors;
- c. promoting the interests of its Members and the communities they serve throughout the world.

##### Disclosures about estimates, judgements, assumptions and uncertainties

In applying the principles and policies for drawing up the financial statements, the directors of International Federation of Library Associations and Institutions (IFLA) make different estimates and judgments that may be essential to the amounts disclosed in the financial statements. If it is necessary in order to provide the transparency required, the nature of these estimates and judgments, including related assumptions, is disclosed in the notes to the relevant financial statement item.

#### **General accounting principles**

##### The accounting standards used to prepare the financial statements

The financial statements are drawn up in accordance with the provisions and the pronouncements in the Dutch Accounting Standards, as published by the Dutch Accounting Standards Board ('Raad voor de Jaarverslaggeving'), particularly Accounting Standard C1 Not-for-profit small organisations.

Valuation of assets and liabilities and determination of the result takes place under historical cost convention. Unless presented otherwise at the relevant principle for the balance sheet item, assets and liabilities are presented at nominal value.

Income and expenses are accounted for on accrual basis. Profit is only included when realised on the balance sheet date. Losses originating before the end of the financial year are taken into account if they have become known before preparation of the financial statements.

Revenues from services are recognised in proportion to the services rendered. The cost price of these services is allocated to the same period.

## **International Federation of Library Associations and Institutions (IFLA) 's-Gravenhage**

### **Accounting principles**

#### Property, plant and equipment

Tangible fixed assets are valued at acquisition costs or production costs plus additional costs less straight-line depreciation based on the expected life, unless stated otherwise. Impairments expected on the balance sheet date are taken into account.

Subsidies on investments will be deducted from the historical cost price or production cost of the assets to which the subsidies relate.

#### Financial assets

Participations, over which significant influence can be exercised, are valued according to the net asset value method. In the event that 20% or more of the voting rights can be exercised, it may be assumed that there is significant influence.

The net asset value is calculated in accordance with the accounting principles that apply for these financial statements.

If the valuation of a participation based on the net asset value is negative, it will be stated at nil. If and insofar as International Federation of Library Associations and Institutions (IFLA) can be held fully or partially liable for the debts of the participation, or has the federation intention of enabling the participation to settle its debts, a provision is recognised for this.

The amount by which the carrying amount of the participation has changed since the previous financial statements because of the net result achieved by the participation is recognised in the statement of activities.

Participations over which no significant influence can be exercised are valued at historical cost. The result represents the dividend declared in the reporting year, whereby dividend not distributed in cash is valued at fair value.

In the event of an impairment loss, valuation takes place at the recoverable amount; an impairment is recognised and charged to the statement of activities.

#### Receivables

Receivables are initially valued at the fair value of the consideration to be received. Receivables are subsequently valued at the amortised cost price. If there is no premium or discount and there are no transaction costs, the amortised cost price equals the nominal value of the accounts receivable. If payment of the receivable is postponed under an extended payment deadline, fair value is measured on the basis of the discounted value of the expected revenues. Interest gains are recognised using the effective interest method. Provisions for bad debts are deducted from the carrying amount of the receivable.

#### Cash and cash equivalents

Cash at banks and in hand represent cash in hand, bank balances and deposits with terms of less than twelve months. Overdrafts at banks are recognised as part of debts to lending institutions under current liabilities. Cash at banks and in hand is valued at nominal value.

#### General reserve

Earmarked reserves are special funds concerning core activities and other funds. These reserves are at the disposal of the specific activities. Reference is made to the statement of the profit and loss account for the appropriation of the result 2023.

## **International Federation of Library Associations and Institutions (IFLA) 's-Gravenhage**

### Other reserves

The other reserves concern the portion of the Federation's net assets over which the authorised organs of the Federation can dispose within the purpose for which the Federation was established.

### Non-current liabilities

On initial recognition long-term debts are recognised at fair value. Transaction costs which can be directly attributed to the acquisition of the long-term debts are included in the initial recognition. After initial recognition long-term debts are recognised at the amortised cost price, being the amount received taking into account premiums or discounts and minus transaction costs. If there is no premium / discount or if there are no transaction costs, the amortised cost price is the same as the nominal value of the debt.

The difference between stated book value and the mature redemption value is accounted for as interest cost in the statement of activities on the basis of the effective interest rate during the estimated term of the long-term debts.

### Current liabilities

On initial recognition current liabilities are recognised at fair value. After initial recognition current liabilities are recognised at the amortised cost price, being the amount received taking into account premiums or discounts and minus transaction costs. This is usually the nominal value.

### Accounting principles for determining the result

The result is determined as the difference between the income and expenditures over the reporting year. Income is recognised in the year in which it is realised.

### Income

Membership fees are attributed to the financial year to which they pertain. The income of projects is normally equal to the costs actually spent on the project in the financial year. Other income like the congress service fee and other income is recognised in the year in which it is realised.

### Expenses

Project costs represent the direct and indirect expenses attributable to project income.

### Wages

The benefits payable to personnel are recorded in the statement of activities on the basis of the employment conditions.

### Applied policy of pension costs

International Federation of Library Associations and Institutions (IFLA) applies the liability approach to account for all pension schemes. The premium payable during the reporting year is recorded as an expense. Changes in the pension provision are also charged to the result. The contributions are recorded as personnel costs from the date that they become payable. Prepaid contributions are reported as accrual if this results in a repayment or a reduction in future payments. Contributions that are not yet paid are included as a liability in the balance sheet.

### Depreciation of property, plant and equipment

Tangible fixed assets are depreciated from the date of initial use over the expected future economic life of the asset, while taking into account any applicable restrictions with respect to buildings, investment property, other tangible fixed assets. Land is not depreciated.

Future depreciation is adjusted if there is a change in estimated future useful life.

Gains and losses from the occasional sale of property, plant or equipment are included in depreciation.

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Other operating expenses

Costs are determined on a historical basis and are attributed to the reporting year to which they relate.

Financial income and expenses

Interest income and expenses are recognised on a pro rata basis, taking account of the effective interest rate of the assets and liabilities to which they relate. In accounting for interest expenses, the recognised transaction expenses for loans received are taken into consideration.

**International Federation of Library Associations and Institutions (IFLA)  
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**NOTES TO THE BALANCE SHEET**

**Fixed assets**

Property, plant and equipment

	<u>Other tangi- ble assets</u>
	€
Balance as at 1 January 2023	
Costprice	354.469
Accumulated depreciation	<u>-338.172</u>
Book value as at 1 January 2023	<u>16.297</u>
Movements	
Additions	40.907
Depreciation	<u>-13.113</u>
Balance movements	<u>27.794</u>
Balance as at 31 December 2023	
Costprice	395.376
Accumulated depreciation	<u>-351.285</u>
Book value as at 31 December 2023	<u>44.091</u>

The annual depreciation rate on the other tangible assets is 20%

Financial assets

	<u>2023</u>	<u>2022</u>
	€	€
<u>Participation in group company IFLA Holding B.V. (100%) The Hague</u>		
Book value as at 1 January	361.385	282.733
Result	<u>195.291</u>	<u>78.652</u>
Book value as at 31 December	<u>556.676</u>	<u>361.385</u>

The result of participation in IFLA Holding B.V. includes the result of the Holding, including its participations (IFLA Conference I B.V., IFLA Conference II B.V., IFLA Conference III B.V.). The result 2023 of € 195.291 is higher than previous years, mainly caused by the positive contribution of the WLIC 2023 in Rotterdam.

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**Current assets**

	<u>31-12-2023</u>	<u>31-12-2022</u>
	€	€
<u>Receivables</u>		
Accruals and prepaid expenses	1.375.130	1.063.969
<u>Other receivables, prepayments and accrued income</u>		
Receivable Stichting IFLA Global Libraries	942.700	661.534
Receivable IFLA Conference I B.V.	232.000	227.000
Dutch Government financial aid receivable	48.668	27.121
Receivable Stichting IFLA Foundation	38.527	13.500
Other prepayments and accrued income	94.453	120.057
Receivable royalties	10.584	6.807
Interest	3.607	-
Amounts due from memberships	3.484	5.606
Prepayments conferences	1.107	2.344
	<u>1.375.130</u>	<u>1.063.969</u>

The receivable on Stichting IFLA Global Libraries increased compared to prior year. In the previous year, a larger amount was paid during the year.

The receivable of € 942,700 was received completely in April 2024.

	<u>31-12-2023</u>	<u>31-12-2022</u>
	€	€
<u>Cash and cash equivalents</u>		
ABN AMRO Bank N.V.	3.206.446	3.087.602
Rabobank	175.228	1.097.709
Multisafe web-account	43.424	37.829
Cash	3.578	4.008
PayPal account	2.321	2.181
	<u>3.430.997</u>	<u>4.229.329</u>

The cash and cash equivalents decreased because Stichting IFLA Global Libraries had not paid the invoices related to the Joint Account Agreement for 2023 by 31 December 2023. The receivable of € 942,700 was received completely in April 2024.

**International Federation of Library Associations and Institutions (IFLA)  
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Equity

	Earmarked reserves	Other reserves	Total
	€	€	€
Balance as at 1 January 2023	66.547	1.755.888	1.822.435
Appropriation of result	-10.218	214.540	204.322
Balance as at 31 December 2023	56.329	1.970.428	2.026.757

See above the appropriation of the result for the financial year 2023 allocated to other reserves and earmarked reserves. Reference is made to the statement of income and expenses for the appropriation of the result 2023.

	<u>31-12-2023</u>	<u>31-12-2022</u>
	€	€
<u>Earmarked reserves</u>		
Core Activities Fund	7.342	7.342
Margreet Wijnstroom Fund	10.095	11.595
Shawky Salem Training Fund	28.745	30.365
Other IFLA Funds	6.122	6.122
Congress Grants	4.025	11.123
Total	<u>56.329</u>	<u>66.547</u>

**Core Activities Fund**

The main purpose of this fund is to support the advisory committees of IFLA.

**Margreet Wijnstroom Fund for Regional Library development**

This fund was established by decision of the Executive Board on March 29, 1982. In 1987, the name of the fund Regional Library Development Fund was changed to Margreet Wijnstroom Fund for Regional Library Development. Its main purpose is to support regional activities.

**Shawky Salem Training Fund**

In 2003, this joint fund was transferred from FID to IFLA. Its objective is to sponsor Arabic-speaking librarians to attend IFLA seminars and congresses.

**IFLA funds**

Since 2008, surplus from the ILDS conference has been reserved in the IFLA ILDS Fund to support delegate participation in the next ILDS conference. Since 2012, CPDWL funds have been reserved to support CPDWL activities. Since 2014, excess funds from some IFLA sections have been reserved to support activities of those sections.

**Congress Grants**

The main purpose of this fund is to support delegate attendance at the next WLIC.



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	<u>2023</u>	<u>2022</u>
	€	€
<u>Margreet Wijnstroom Fund</u>		
Balance at 1 January	11.595	12.180
Income	-	-
Expenditure	<u>-1.500</u>	<u>-585</u>
Balance at 31 December	<u>10.095</u>	<u>11.595</u>
<u>Shawky Salem Training Fund</u>		
Balance at 1 January	30.365	30.365
Income	-	-
Expenditure	<u>-1.620</u>	<u>-</u>
Balance at 31 December	<u>28.745</u>	<u>30.365</u>
<u>Congress Grants</u>		
Balance at 1 January	11.123	9.778
Income	-	3.865
Expenditure	<u>-7.098</u>	<u>-2.520</u>
Balance at 31 December	<u>4.025</u>	<u>11.123</u>

**Long-term liabilities**

Long-term liabilities

	Balance as at 31 December 2023	Repayment due time > 1 year	Remaining pay-back
	€	€	€
Total	<u>574.446</u>	<u>-</u>	<u>574.446</u>
		<u>31-12-2023</u>	<u>31-12-2022</u>
		€	€
<u>Bill &amp; Melinda Gates Foundation IAP Grant</u>			
Non-current other payable		<u>574.446</u>	<u>825.477</u>

This represents unspent grants from the IAP (International Advocacy Programme) Grant from the Bill & Melinda Gates Foundation. The total amount of unspent grants is € 872.064. From this amount, € 297.618 is budgeted to be spent in 2024 as part of the IAP and is presented under current liabilities.

**International Federation of Library Associations and Institutions (IFLA)  
's-Gravenhage**

**Current liabilities**

	<u>31-12-2023</u>	<u>31-12-2022</u>
	€	€
<u>Payables relating to taxes and social security contributions</u>		
Wage tax	62.591	320.109
Value added tax	21.762	11.917
Pension premiums	21.576	15.586
Social security charges	385	364
	<u>106.314</u>	<u>347.976</u>

The amount of wage tax is lower than the previous year primarily as part of settlements with staff who left the organisation.

	<u>31-12-2023</u>	<u>31-12-2022</u>
	€	€
<u>Deferred income</u>		
Membership prepaid for next year	42.218	53.951
Other received in advance	19.112	10.203
	<u>61.330</u>	<u>64.154</u>

	<u>31-12-2023</u>	<u>31-12-2022</u>
	€	€
<u>Other liabilities</u>		
Liabilities vouchers	2.092.431	2.045.269
Bill & Melinda Gates Foundation IAP Grant (short-term)	297.618	315.762
Provisions for holiday remuneration and days	91.723	81.389
Audit costs payable	70.000	30.000
Accommodation expenses payable	27.110	21.070
Other creditors and other liabilities	25.449	54.681
Advisors and consultants payable	17.847	39.638
Payable sections	8.977	9.339
Staff expenses payable	5.275	12.173
Accounts payable journal	1.617	1.617
	<u>2.638.047</u>	<u>2.610.938</u>

**Liabilities for vouchers**

The liability for vouchers relates to vouchers issued which have not yet been redeemed. The vouchers in portfolio amount to € 37.408 (2022: € 37,512). These are the vouchers held by IFLA headquarters.

These vouchers have not been valued in the financial statements since they can be classified as quasi- goods and have no value until they are issued.

**Contingent assets and liabilities** Disclosure of off-balance sheet commitments

There are off balance sheet commitments for the rent of the office. The rental cost for this is EUR 27.110 per year and the agreement runs until December 2024.

There are off balance sheet commitments for the lease of a copier machine. The rental cost for this is €3.140 per year and the lease agreement runs until mid-2025.

**International Federation of Library Associations and Institutions (IFLA)  
's-Gravenhage**

The off-balance sheet liabilities relating to the fiscal unity

The Federation forms a fiscal unity for VAT with IFLA Holding B.V. and the other group companies; consequently, the Federation is jointly and severally liable for the resulting debts.

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**NOTES TO THE STATEMENT OF ACTIVITIES**

	<u>2023</u>	<i>Approved budget</i> <u>2023</u>	<u>2022</u>
	€	€	€
<b>Income</b>			
Contributions Stichting IFLA Global Libraries Joint Account Agreement	942.400	1.288.473	778.003
Membership fees	810.419	759.200	749.068
Contributions Bill & Melinda Gates Foundation for Key Initiatives	269.173	315.760	178.935
Conference services fees	232.000	232.000	227.000
Contributions Stichting IFLA Foundation (Arcadia)	94.794	103.600	132.100
Sales of publications and royalties	36.084	27.500	32.311
Income vouchers scheme	35.261	40.000	32.495
Corporate supporters, grants and donations	32.311	61.000	46.982
Contributions Unesco, Document Delivery, Media Literacy	11.013	-	18.724
Other income	15.859	14.700	17.248
	<u>2.479.314</u>	<u>2.842.233</u>	<u>2.212.866</u>

The objective of Stichting IFLA Global Libraries, which is exclusively charitable and educational, is to empower public libraries to improve people's lives and support growth of sustainable societies. The International Federation of Library Associations and Institutions and SIGL (Stichting IFLA Global Libraries) entered into a Joint Account Agreement when SIGL was established in 2016 in order to administer the Gates Foundation legacy grant awarded to IFLA. The 2023 contribution from this is higher than previous years, because of increased costs at the Federation in 2023. A substantial part of these higher costs were included in the approved budget for 2023.

The contributions from the Bill & Melinda Gates Foundation, Stichting IFLA Foundation, UNESCO, and the Document Delivery and Media Literacy projects correspond with the expenses for these projects as stated below. The contributions can be higher or lower, depending on the progress of the project. The contribution to SIF (Stichting IFLA Foundation) relates to the Arcadia funded KR21 project.

**Conference costs**

Conference costs	<u>23.310</u>	<u>20.000</u>	<u>12.776</u>
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The conference costs are costs for the preparation of the 2023 congress in Rotterdam.

**International Federation of Library Associations and Institutions (IFLA)  
's-Gravenhage**

	<u>2023</u>	<i>Approved budget</i> <u>2023</u>	<u>2022</u>
	€	€	€
<u>Project expenses</u>			
Expenses Bill & Melinda Gates Foundation for Key Initiatives	59.425	42.500	33.985
Expenses other projects	15.022	-	8.987
	<u>74.447</u>	<u>42.500</u>	<u>42.972</u>
Staff expenses Bill & Melinda Gates Foundation for Key Initiatives	209.748	273.260	144.950
Staff expenses other projects	-	-	9.737
Expenses Stichting IFLA Foundation (Arcadia)	94.794	103.600	132.100
	<u>378.989</u>	<u>419.360</u>	<u>329.759</u>

The project expenses correspond with contributions for projects as stated under income. The expenses can be higher or lower compared with the previous year and budget, depending on the actual progress of the project.

The expenses for Key Initiatives Bill & Melinda Gates Foundation and Arcadia contain staff expenses from the Federation that have been reclassified from Wages and salaries to Expenses projects and other costs related to the projects.

Governance

Steering bodies, board meetings, travel expenses	52.562	40.000	68.495
Representational costs of President (including travel)	20.634	25.000	15.172
	<u>73.196</u>	<u>65.000</u>	<u>83.667</u>

**Staff expenses**

Wages and salaries	849.944	1.303.440	1.293.989
Social security premiums and pensions cost	277.729	-	281.076
	<u>1.127.673</u>	<u>1.303.440</u>	<u>1.575.065</u>

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	<u>2023</u>	<i>Approved budget</i> <u>2023</u>	<u>2022</u>
	€	€	€
<u>Wages and salaries</u>			
Gross salaries	1.045.321	1.568.700	1.695.155
Sickness insurance staff	52.599	-	63.601
Received sick-pay	-6.505	-	-85.868
Other staff expenses	92.733	111.600	42.699
	<u>1.184.148</u>	<u>1.680.300</u>	<u>1.715.587</u>
Dutch Government financial aid (NOW)	-21.746	-	-134.811
Charged to other projects	-7.916	-	-9.737
Project expenses Stichting IFLA Foundation (Arcadia funded KR21 project)	-94.794	-103.600	-132.100
Project expenses Bill & Melinda Gates Foundation of Key Initiatives	-209.748	-273.260	-144.950
	<u>849.944</u>	<u>1.303.440</u>	<u>1.293.989</u>

The wages and salaries 2023 comprise the compensation for employee's inclusive annual increases of compensations and payments for new employees, as well as settlement payments. In the budget 2023 employees have been foreseen whose functions have not been fulfilled during the year.

The Dutch Government financial aid is called NOW. This is financial aid provided as compensation for decreased revenues during Covid-19.

The project expenses Stichting IFLA Foundation and Bill & Melinda Gates Foundation is a reclassification within the statement of income and expenses from Wages and salaries to Project expenses.

Social security premiums and pensions cost

Social security premiums	140.017	-	137.590
Pension premiums	137.712	-	143.486
	<u>277.729</u>	<u>-</u>	<u>281.076</u>

**Advisory Committees**

Copyright and other Legal Matters	6.884	4.500	3.883
Cultural Heritage	5.325	9.000	1.688
Freedom of Access to Information and Freedom of Expression	1.957	4.500	1.943
	<u>14.166</u>	<u>18.000</u>	<u>7.514</u>

**Costs of publications**

Costs of publications Journal	<u>42.197</u>	<u>50.500</u>	<u>45.331</u>
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**International Federation of Library Associations and Institutions (IFLA)  
's-Gravenhage**

	<u>2023</u>	<i>Approved budget</i> <u>2023</u>	<u>2022</u>
	€	€	€
<b>Web and IT</b>			
IT support	109.295	130.160	43.084
Membership system	42.697	36.000	26.701
Online voting system	31.240	25.000	17.956
Hardware and software expenses	24.346	38.000	27.886
Hosting	15.250	10.000	11.183
Consultancy IFLA HQ	13.408	13.800	13.250
Repository	13.095	14.000	12.332
Network expenses	1.516	2.300	1.462
	<u>250.847</u>	<u>269.260</u>	<u>153.854</u>

Web and IT expenses are lower than budgeted and higher than in 2022 mainly caused by increased IT support costs to upgrade systems and enhance security. IT support was largely outsourced in 2023.

**Consultancy fees, advisors and office costs**

Consultancy	315.621	326.800	212.983
Audit	121.430	30.000	37.398
Legal advice	38.472	60.000	171.359
Supplies, printing and duplication	21.213	28.000	17.941
Accommodation expenses	27.110	32.000	21.070
Postage, telephone, fax	12.911	13.500	7.401
Insurances	9.314	10.000	9.186
Advisors and advocacy	3.218	109.000	27.439
Canteen costs	172	1.000	296
Handling fees minus credit card expenses	-16.400	-13.000	-13.196
Other office expenses	921	5.000	1.955
	<u>533.982</u>	<u>602.300</u>	<u>493.832</u>
Charged to other projects	-1.500	-	-1.828
	<u>532.482</u>	<u>602.300</u>	<u>492.004</u>

Consultancy fees were higher for IFLA than 2022 as, post-pandemic, three members of staff ended their employment contracts to become consultants. SIGL did not approve inclusion of two of the contractors in the Joint Account Agreement. As the Joint Account Agreement was agreed with SIGL in December 2023, it was too late to identify an acceptable alternative approach so IFLA decided to absorb the additional costs for that year in order to allow agreement of the budget as a whole.

The audit expense increased compared to the previous year. IFLA was audited by a new auditor who undertook a new client due diligence process. The 2022 financial statements under-recorded the anticipated audit expenses. The actual audit expense of 2022 was € 82.629 (estimated € 37.398). The difference is thus recorded against 2023 and has been added to the audit expense for 2023 of € 76.200.

The expense on legal advice decreased because in 2022 there were some exceptional expenses related to this category. The legal expenses thus returned to a more normal level in 2023.

**Miscellaneous**

Awards and promotion materials	3.988	3.500	2.137
Contributions and memberships	2.435	3.000	2.220
Other general expenses	3.196	-	232
	<u>9.619</u>	<u>6.500</u>	<u>4.589</u>

**International Federation of Library Associations and Institutions (IFLA)  
's-Gravenhage**

<b>Expenses voucher scheme</b>	2023	Approved budget 2023	2022
	€	€	€
Printing costs vouchers	4.116	5.000	3.093
Bank costs	678	850	537
Interest costs	-	-	7.500
	<u>4.794</u>	<u>5.850</u>	<u>11.130</u>

**Expenses against earmarked reserves**

Expenses Congress Grants	7.098	8.580	2.520
Expenses Margreet Wijnstroom Fund	1.500	2.000	585
Expenses other IFLA Funds	-	-	5.587
Expenses Shawky Salem Training Fund	1.620	2.000	-
	<u>10.218</u>	<u>12.580</u>	<u>8.692</u>

The expenses of other IFLA Funds, Margreet Wijnstroom Fund and Congress Grants are costs that are part of the appropriation of the result and will be subtracted from the earmarked reserves.

**Travel costs**

Travel	<u>15.586</u>	<u>27.500</u>	<u>4.215</u>
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**Financial income and expense**

Interest and similar expenses	-602	-	-8.202
Other interest and similar income	52.232	-	1.546
	<u>51.630</u>	<u>-</u>	<u>-6.656</u>

Other interest and similar income

Other interest received	<u>52.232</u>	<u>-</u>	<u>1.546</u>
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Interest income in 2023 is related to the fact that interest rate is positive compared to negative interest rate in prior years.

Other interest received			
Rate difference	-	-	1.546
Other interest received	52.232	-	-
	<u>52.232</u>	<u>-</u>	<u>1.546</u>

Interest and similar expenses

Interest expenses	602	-	- 8.202
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**Share in result of participations**

Result from IFLA Holding B.V.	195.291	-	- 78.562
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The result participation IFLA Holding B.V. includes the result of the Holding, including its participations (IFLA Conference I B.V., IFLA Conference II B.V., IFLA Conference III B.V.). The result 2023 of € 195.291 is higher than previous years, mainly caused by the positive contribution of the WLIC 2023 in Rotterdam.



**International Federation of Library Associations and Institutions (IFLA)  
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**OTHER NOTES**

**Average number of employees**

	<u>2023</u>	<u>2022</u>
Average number of employees over the period working in the Netherlands	<u>17,00</u>	<u>15,00</u>

's-Gravenhage, 17 May 2024

International Federation of Library Associations and Institutions (IFLA)

Vicki McDonald  
President

Leslie Weir  
President-elect

Jaap Naber  
Treasurer

Dilara Begum  
Board Member

Kirsten Boelt  
Board Member

Loida Garcia Febo  
Board Member

Stuart Hamilton  
Board Member

Nthabiseng Kotsokoane  
Board Member

Te Paea Paringatai  
Board Member

Alejandro Santa  
Board Member

Silvia Stasselová  
Board Member

## INDEPENDENT AUDITORS' REPORT

To: The Members of the Governing Board of the International Federation of Library Associations and Institutions

### A. Report on the audit of the financial statements 2023 included in the annual report

#### Our opinion

We have audited the financial statements 2023 of the International Federation of Library Associations and Institutions (IFLA), based in The Hague.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of IFLA as at 31 December 2023, and of its result for 2023 in accordance with the Guideline for annual reporting "C1" Not-for profit small organisations of the Dutch Accounting Standard Board.

The financial statements comprise:

1. the balance sheet as at 31 December 2023;
2. the income statement for 2023; and
3. the notes comprising a summary of the accounting policies and other explanatory information.

#### Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the 'Our responsibilities for the audit of the financial statements' section of our report.

We are independent of IFLA in accordance with the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics).

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### B. Report on the other information included in the annual report

In addition to the financial statements and our auditor's report thereon, the annual report contains other information that consists of:

- The management report of the Governing Board;
- Other information as required by the Guideline for annual reporting "C1" Not-for profit small organisations of the Dutch Accounting Standard Board.

Based on the following procedures performed, we conclude that the other information:

- is consistent with the financial statements and does not contain material misstatements;
- contains the information as required the Guideline for annual reporting "C1" Not-for profit small organisations of the Dutch Accounting Standard Board.

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing these procedures, we comply with the requirements of the Guideline for annual reporting "C1" Not-for profit small organisations of the Dutch Accounting Standard Board and the Dutch Standard 720. The scope of the procedures performed is substantially less than the scope of those performed in our audit of the financial statements.

Management is responsible for the preparation of the management board's report in accordance with the Guideline for annual reporting "C1" Not-for profit small organisations of the Dutch Accounting Standard Board.

## C. Description of responsibilities regarding the financial statements

### Responsibilities of management and the Governing Board for the financial statements

Management and the Governing Board is responsible for the preparation and fair presentation of the financial statements in accordance with the Guideline for annual reporting "C1" Not-for profit small organisations of the Dutch Accounting Standard Board. Furthermore, management and the Governing the board are responsible for such internal control as the management and board determines is necessary to enable the preparation of the financial statements that are free from material misstatements, whether due to fraud or error.

As part of the preparation of the financial statements, management and the Governing Board is responsible for assessing the Federation's ability to continue as a going concern. Based on the financial reporting framework mentioned, the management and the Governing Board should prepare the financial statements using the going concern basis of accounting unless management and the Governing Board either intends to liquidate the federation or to cease operations, or has no realistic alternative but to do so.

Management and the Governing Board should disclose events and circumstances that may cast significant doubt on the Federation's ability to continue as a going concern in the financial statements.

### Our responsibilities for the audit of the financial statements

Our objective is to plan and perform the audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material errors and fraud during our audit.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgement and have maintained professional skepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit included among others:

- Identifying and assessing the risks of material misstatements of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatements resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the federation's internal control;
- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management and the Governing Board;
- Concluding on the appropriateness of the board's use of the going concern basis of accounting, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the federation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause an organisation to cease to continue as a going concern;
- Evaluating the overall presentation, structure and content of the financial statements, including the disclosures; and
- Evaluating whether the financial statements represents the underlying transactions and events in a manner that achieves fair presentation.

Because we are ultimately responsible for the opinion, we are also responsible for directing, supervising and performing the group audit. In this respect we have determined the nature and extent of the audit procedures to be carried out for group entities. Decisive were the size and/or the risk profile of the group entities or operations. On this basis, we selected group entities for which an audit or review had to be carried out on the complete set of financial information or specific items.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant findings in internal control that we identify during our audit.

Eindhoven, May 17, 2024  
Govers Accountants/Adviseurs

*was signed*  
drs. W.A.J. de Wijs RA RC

Assurancekenmerk: 2024CA152