



CIRCULAR 8/2006
*To: National Presidents, CIRs
Secretaries and Treasurers
July 2006*

Report from the IFUW Treasurer

The Accounts for 2005 have been audited by KPMG. We are presenting these audited accounts to you for approval in this send-out. Our income from subscription fees (dues) was, as expected, greatly reduced. However we would once again like to thank the members of the Japanese Association (JAUW) as well as individual members of AAUW, through the AAUW-IFUW support group, for their donations to offset the sudden large decrease of income from dues. As you know, 2005 was a transition year in which we were obliged to downsize the office by having to let go two long serving staff members. In order to meet statutory and moral obligations, IFUW was required to make sure that a social plan was put into place for those who had to leave and for staff who had been with IFUW for more than 5 years. The social plan indemnities have been paid out of the Contingency Fund (See page 10 of the audited accounts).

The actual deficit is approximately Swiss francs 100'000 less than voted by the 87th Council in 2004 in Perth. This was made possible through higher than expected revenue from investment and tremendous efforts to cut expenses to the minimum. As you will see from the accounts, the year closed with a deficit of Swiss francs 75'843.

The audited report of the 28th IFUW Conference in Perth in August 2004 has been incorporated into the 2005 IFUW Accounts. IFUW's special thanks go to the Treasurer of the Local Arrangements Committee, Dorothy Collin, for all her efforts to keep within the Conference budget. I am very pleased to report to you that the Perth Conference made a gain of Swiss francs 19'027, which has been transferred to the Conference Reserve Fund.

As one of the streamlining measures taken, at the end of 2005 IFUW Headquarters sent all national affiliates invoices for the dues payable in January 2006, based on the number of paid-up members of each affiliate. However, in spite of these invoices, many affiliates have not yet paid their full dues. As of today approximately half of our membership has outstanding dues, which are estimated at Swiss francs 171'000 (not including AAUW). This situation adds an extra burden to our cash-flow position. On behalf of IFUW, I therefore urge all NFAs to pay your outstanding amounts. Without your dues support we cannot sustain IFUW.

Concerning our current financial situation, I am happy to report that expenditure for the first 6 months of this year is under budget. This is due to careful monitoring of expenditure and the continuation of streamlining activities, where possible. A time analysis of staff time gives you a first insight of how staff resources were distributed. This analysis will help us to put together a more realistic functional budget for 2007 and onwards.

A growing concern of the Board is the decrease of funds for the Bina Roy Partners in Development Programme. The current decline is from Swiss francs 17'200 in 2004 to Swiss francs 6'100 during the first six months of 2006. These funds ensure that the NFAs with little cash can stay a member of IFUW and at the same time are able to put all their efforts, be it in kind or otherwise, in a worthy project back home without having to raise funds themselves for their fees to IFUW. The NFAs with projects greatly appreciate your support and hope that you will continue to participate in this very worthy programme.

A new ad hoc group on Marketing, Public Relations and Fundraising (MPRF) has been appointed by the Board and has as its task from the point of view of fundraising to investigate and prepare recommendations on possible non-dues revenue sources. The MPRF group will work exclusively by

correspondence, preferably by email. No face-to-face meetings are planned and no financial remuneration will be given.

I am happy to report to you that a new dues system, which takes into account both the need for reduction of dues for those national affiliates in countries with low gross national income (GNI) and rewards those national affiliates with have a high membership number, will be shortly presented to you for consultation.

Yours sincerely

Terry Oudraad
IFUW Treasurer and Convener of the IFUW Finance Committee