



INQAAHE

International Network for Quality Assurance Agencies in Higher Education

Treasurer's Report – Summary

(Annex 4)

The INQAAHE Treasurer's Report includes the 2010 Accounts (Annex 5), the 2011 Revised Budget (Annex 6) and the 2012 Budget (Annex 7).

In this summary we explain in some detail the different items in each of these annexes.

The major observations are:

- 1. The 2010 Accounts show a surplus of USD 54,076. When added to the existing reserve from previous years, an equity of USD 170,597 was reached per 31 December 2010.*
- 2. The 2011 Revised Budget predicts a small deficit (USD 4,351). Despite a 25 % increase in membership income, there are substantially more activity costs in 2011 resulting in this small deficit. If confirmed by the end of the year, this deficit can easily be absorbed by the existing reserve.*
- 3. The 2012 Budget is a first estimate which is still very tentative as funding income is still very speculative. Tentatively an alternative funding income of USD 50,000 is booked, which, if realized, will result in the possibility to allocate USD 90,000 for yet to be determined projects. This under the condition that the total budget for 2012 is kept in balance.*



Annex 5 - INQAAHE Annual Accounts 2010

The INQAAHE profit and loss for the year 2010 amounts to a surplus of USD 54,076 (revised budget 2010: surplus USD 9,880).

In the variance column, amounts mentioned with a minus sign in front are unfavorable. Favorable amounts are presented positive.

The main differences between budget and actual figures are:

- Additional income on grants (P.3 - USD 50,000)
- Additional costs for working groups (P.5 – USD 25,000)
- Lower than budgeted organizational costs (p.7 - USD 17,500)
- Income from foreign exchange differences (P.8 - USD 4,000)

P.1 Income from membership subscriptions

In accordance with previous years the subscriptions fees of 2009/2010 which were still to be paid as at December 31, 2010 are not valued (nominal value: USD 50,000).

P.3 Income from grants

In 2010, INQAAHE realized two GIQAC-projects. Due to additional funding by UNESCO, budgeted INQAAHE activities were financed from GIQAC-funds, while finance was foreseen from own INQAAHE funds.

P.5 Costs for working groups

Due to the additional funding from GIQAC funds, INQAAHE was able to finance additional internships and scholarships. The additional costs relate to these additional activities.

In 2010 USD 82.128 was spent on Funding of Working Groups. The major allocated budgets (amounts over USD 1,000) were:

- Database of Good Practices in QA (GPQA): USD 4,180
- Development of professional qualifications in QA (QAP): USD 30.272
- Small States: USD 28,181
- Liaison with regional networks: USD 8.172
- INQAAHE reviews: USD 10.000



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P.7 Organisational costs

Main reasons for less organizational costs are to lower costs for the journal, printing, website development and secretarial expenses. The organizational costs include a repayment to UNESCO of USD 3,000 regarding support for other networks in 2007. UNESCO hadn't received (financial) reporting on the grant and requested INQAAHE to still do so.

P.8 Gain on foreign exchange

The gain on foreign exchange has to do with exchange rate differences in the USD/EUR exchange rate. The membership fees are invoiced in EURO, while the administration is based on USD. As a result of difference in time between the moment of invoicing and the moment of payment a foreign exchange difference occurs.



Annex 6 - Revised budget 2011

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The original budget 2011 has been approved by the GA at the Windhoek conference in May, 2010. The figures are now revised to take into account the GIQAC co-funded activities and some other changes.

The revised budgeted result for the year 2011 amounts to a deficit of USD 4,371 (original budget 2011 (approved May 2010): surplus USD 8,405)

In the variance column, amounts mentioned with a minus sign in front are unfavorable. Favorable amounts are presented positive.

P.1 Membership income

The additional income (USD 15,744) from membership subscriptions relates to new members since the GA in Windhoek.

P.3 Income from grants

UNESCO has decided to grant INQAAHE an amount of USD 130,000 for its 2011 activities. In the original budget 2011, we calculated with a grant of USD 100,000. The proposal amounted to USD 150,000.

P.4 Other income

For each year, one GGP review is budgeted for.

P.5 & 6 Costs of working groups and project related costs

Several working groups benefit from funding of GIQAC. The various budgets have been updated based on the planned activities (as they were not defined precisely at the Windhoek meeting).

In 2011 USD 121.000 is budgeted for Funding of Working Groups. The major allocated budgets are:

- Database of Good Practices in QA (GPQA): USD 20,000
- Development of professional qualifications in QA (QAP): USD 30.000
- Small States: USD 20,000
- Accreditation Mills: USD 2,000
- Liaison with regional networks: USD 30,000
- Events (conference/forum): USD 9,000
- INQAAHE reviews: USD 10.000

P.7 Organisational costs

There have been no changes in the operational costs.



Annex 7 - Budget 2012

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The budget for 2012 amounts to a deficit of USD 2,877 (Revised 2011: deficit USD 4,351). The main changes in the budget compared to the budget 2011 v2 are discussed below.

In the variance column, amounts mentioned with a minus sign in front are unfavorable. Favorable amounts are presented positive.

P.1 Income from membership fees

There are three principles for calculating the budgeted income on membership fees.

First, the budgeted membership is based on the actual number of members as at March 1, 2011.

Second element is the agreed contribution fee.

Third, we assumed a percentage for non-payers for the year 2012 of 15%.

Membership fee 2012

It is proposed to increase the membership for each of the contribution group's by about 5%. As a result the fees will become:

	2012	2011
Regular member (Full, Associate, Affiliate)	€ 480	€ 460
Regular member - 10% network discount	€ 432	€ 414
LDC member (Full, Associate, Affiliate)	€ 240	€ 230
LDC member - 10% network discount	€ 216	€ 207

The GA is requested to approve the level of 2012 membership fees.

P.3 Income from grants

It's expected that the GIQAC-funding is terminated by the World Bank/UNESCO. INQA AHE will have to find alternative financing to continue its activities at the same level.



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P.4 Other income

An amount of USD 50,000 is accounted for in the budget 2012, since it is expected that INQAAHE will be able to find alternative financing for its activities.

For each year, one GGP review is budgeted for.

P.5 Funding of working Groups

An amount of USD 10,000 has been budgeted for financing the GGP review activities.

P.6 Project related costs

An amount of USD 20,000 is allocated to support other networks

An amount of USD 90,000 is allocated for special (not yet identified) projects to development of members.

An amount of USD 2,500 has been budgeted for financing the GGP review activities.