



INQAAHE

Since 1991

**INQAAHE Annual Reporting 2021:
Treasurer's Report**

Dr. Anna Prades
INQAAHE Treasurer



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INQAAHE Financial Accounts



INQAAHE Budget for 2023 and 2024



INQAAHE Financial Accounts



INQAAHE Budget for 2023 and 2024

Statement of Financial Position

As of December 31, 2021

No major changes neither in Assets nor in Liabilities.

The period ends with a positive result, and an equity of 688,103.67 USD.

Net assets have increased, but there is a decline of net revenue, since expenditures have grown (return to in-person events and regularization of accounts receivable).

	2021	2020	2019
Bank Accounts	612,799	564,980	534,241
Accounts Receivable	99,265	135,536	63,356
Other Current Assets	48	7	—
Fixed Assets	749	1,511	3,661
TOTAL ASSETS	712,860	702,034	601,258
Accounts Payable	8,257	—	7,293
Other Current Liabilities	16,500	19,900	36,600
TOTAL LIABILITIES	24,757	19,900	43,893
Net Assets	682,134	557,366	630,961
Net Revenue	6,062	124,769	(73,595)
TOTAL EQUITY	688,104	682,134	557,366

Statement of Financial Position detail: Assets

- > The Network is in a good financial situation, the Network's bank accounts have continued to increase over the last year.
- > Receivables amounted to 99,264.57 USD, a 27% less than in 2020.
 - In 2020, INQAAHE, given the economic difficulties derived from the global pandemic, the effort of collecting outstanding invoice relaxed considerably.
 - In 2021, there has been a regularization of members who were in arrears for more than two years. This writing off has decreased the expected receivables considerably and increased the less doubtful accounts.
- > The decrease in fixed assets is due to the depreciation of a computer purchased in 2019 and maintenance done to our website

	2021 (USD)	2020 (USD)	2019 (USD)
ASSETS			
Current Assets			
Bank Accounts			
Cash on hand - USD	520	520	520
Checking - EUR	3,945	21,124	7,240
Checking - USD	608,333	543,336	525,445
Due from card payments	0	–	1,036
Total Bank Accounts	612,799	564,980	534,241
Accounts Receivable			
Accounts Receivable (A/R)	178,358	181,541	85,238
Less Doubtful Accounts	(79,093)	(46,005)	(21,882)
Total Accounts Receivable (A/R)	99,265	135,536	63,356
Total Accounts Receivable	99,265	135,536	63,356
Other Current Assets			
Due from Agency	48	7	–
Total Other Current Assets	48	7	–
Total Current Assets	758,116	700,523	597,597
Fixed Assets			
Accumulated Depreciation	(598)	(322)	(1,807)
Accumulated Depreciation (IA)	(20,829)	(20,343)	(19,614)
Computer Hardware	1,104	1,104	3,024
Computer Software	21,071	21,071	19,614
Construction in Progress	0	0	2,444
Total Fixed Assets	749	1,511	3,661
TOTAL ASSETS	712,860	702,034	601,258

Statement of Financial Position detail: Liabilities & equity

- > Liabilities are mainly related to INQAAHE Funding Scheme grants (Capacity Building and Research and Innovation).

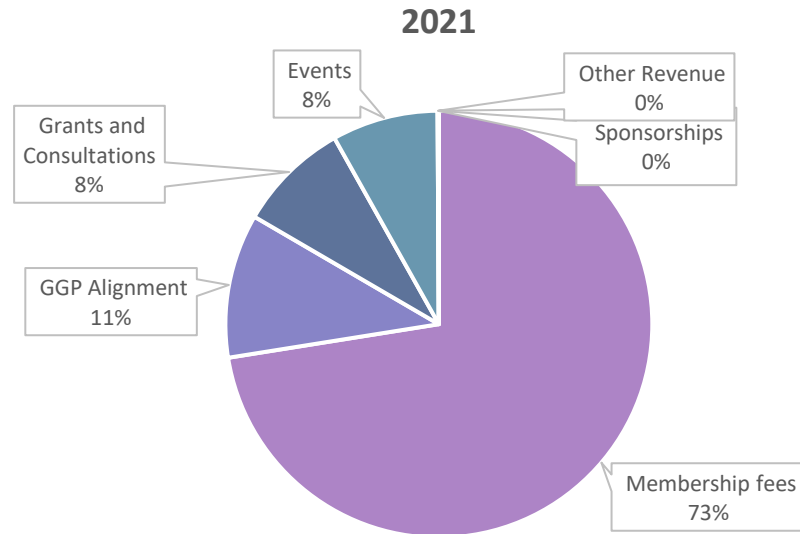
LIABILITIES AND EQUITY	2021 (USD)	2020 (USD)	2019 (USD)
Liabilities			
Current Liabilities			
Accounts Payable			
Accounts Payable (A/P)	8,257	–	7,293
Total Accounts Payable	8,257	–	7,293
Other Current Liabilities			
Grant Agreement Commitments			
Capacity Building Grants	4,000	9,900	34,600
Research and Innovation Grants	12,500	10,000	2,000
Total Grant Agreement Commitments	16,500	19,900	36,600
Total Other Current Liabilities	16,500	19,900	36,600
Total Current Liabilities	24,757	19,900	43,893
Total Liabilities	24,757	19,900	43,893
Equity			
Net Assets	682,134	557,366	630,961
Retained Earnings	(93)		
Net Revenue	6,062	124,769	(73,595)
Total Equity	688,104	682,134	557,366
TOTAL LIABILITIES AND EQUITY	712,860	702,034	601,259

Statement of Activity

- > The total 2021 income, 350,461 USD, diminished by 9% compared to 2020 (383,721 USD).
- > Whereas 2021's general expenditures (344,345 USD) are higher than 2020's (258,778 USD), which were exceptionally low.
- > 2021 had a net revenue of 6,062 USD.

	2021 (USD)	2020 (USD)	2019 (USD)
Membership fees	254,031	269,101	229,861
GGP Alignment	38,250	67,500	24,000
Grants and Consultations	29,663	13,200	—
Events	28,165	23,583	33,604
Sponsorships	300	10,300	5,150
Other Revenue	52	37	—
TOTAL REVENUE	350,461	383,721	292,615
Employee Compensation and Benefits		79,676	88,569
Funding Scheme Grant Expenses - Commitments	14,654	11,000	79,376
Professional Fees	144,619	109,409	87,011
Office/General Administrative Expenditures	6,935	1,500	180
Event related Expenditures	13,170	500	8,988
Travel and Entertainment - General	—	3,167	5,789
Other Expenses	155,675	53,444	84,786
TOTAL EXPENDITURES	344,345	258,778	368,978
Net Operating Revenue	6,116	124,943	(76,363)
Other Expenditures	54	175	(2,767)
Net Other Revenue	(54)	(175)	2,767
Net Revenue	6,062	124,769	(73,596)

Statement of activity: revenue

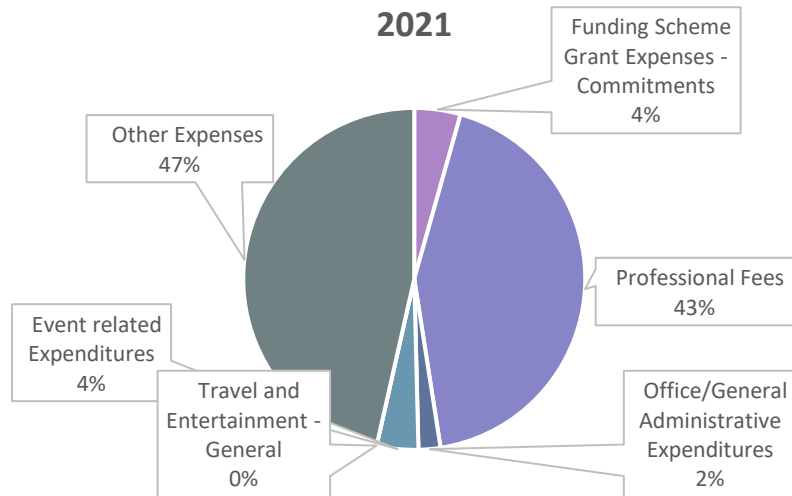


Evolution of revenue:

- > The decrease in revenues of 9% compared to 2020 is mainly explained by a slight reduction (6%) in review fees, and the fewer number of GGP Alignment procedures carried out in 2021 if compared with the previous year.
- > Grants and Consultations, as well as Events (online Glasgow and presential in Barcelona), contributed also significantly to the total revenue.

	2021 (USD)	2020 (USD)	2019 (USD)
Revenue			
Membership fees	242,937	235,684	229,861
LIC/LDC annual membership fee	5,094	4,835	—
Regularised fees		21,882	—
Review fees	6,000	6,700	—
Total Membership fees	254,031	269,101	229,861
GGP Alignment			
GGP Review	38,250	67,500	24,000
Total GGP Alignment	38,250	67,500	24,000
Total Grants and Consultations	29,663	13,200	—
Events			
Forum	12,068	21,083	33,604
Other Events	14,800	—	—
Training, courses, webinars	1,297	2,500	—
Total Events	28,165	23,583	33,604
Sponsorships			
Events		10,000	4,850
Newsletter	300	300	300
Total Sponsorships	300	10,300	5,150
Other Revenue			
Financial Income	20	37	0
Publications	33	—	—
Total Other Revenue	52	37	—

Statement of activity: expenditures (1/3)



- > The Funding Scheme accounts for the 4% of INQAAHE's expenses.
- > Professional fees account for 43% of expenditures.
 - This account includes the secretariat costs (62,000 USD), plus expenses that reflect the activity in GGP assessments and in developing Grants and Consultations.
 - Legal and professional services were mostly linked to the establishment of the Spanish delegation.

	2021 (USD)	2020 (USD)	2019 (USD)
Expenditures			
Funding Scheme Grant Expenses - Commitments			
Capacity Building	10,000	6,000	–
Research and Innovation	2,500	5,000	–
QA Programme	2,154	–	9,876
Total Funding Scheme Grant Expenses - Commitments	14,654	11,000	79,376
Professional Fees			
Accounting Services	2,025	3,439	–
Assessing Agency Alignment (GGP)	28,000	13,000	9,500
Grants and consultations	36,730		
Audit related	–	7,884	–
IT programming and support	–	987	1,049
Journal "Quality in Higher Education"	8,172	18,066	9,754
Proof Reading/Editing Services	–	3,500	–
Legal and professional services	2,737	–	–
Other Professional Expenses	4,955	–	–
Secretariat costs (including travel)	62,000	62,533	66,708
Total Professional Fees	144,619	109,409	87,011

Statement of activity: expenditures (2/3)

- > The second semester of 2021 saw a recovery of in-person events (30th INQAAHE anniversary in Barcelona), which is reflected in an increase of expenses in events and also in the expense for Board directors.

	2021 (USD)	2020 (USD)	2019 (USD)
Office/General Administrative Expenditures			
Office Supplies & Software	5,033	647	–
Telecom and audio-visual	–	665	–
Postage and Delivery	231	–	–
Printing	1,480	–	–
Web Design and Hosting	191	187	180
Total Office/General Administrative Expenditures	6,935	1,500	180
Event related Expenditures			
Event related Travel & Meals	5,376	–	–
Promotional material	889	–	–
Speaker Fees	1,687	500	–
Tech requirements (hybrid delivery)	5,218	–	–
Event scholarships	–	–	8,988
Total Event related Expenditures	13,170	500	8,988
Board & Committee related Expenditures			
Board Travel expenses	9,292	83	14,279
Total Board & Committee related Expenditures	9,292	83	14,279
Travel and Entertainment - General			
Travel	–	3,167	5,789
Total Travel and Entertainment - General	–	3,167	5,789

Statement of activity: expenditures (3/3)

- > In 2021, 35 members were deemed uncollectable and were written off from INQAAHE's membership. Because these members were in arrears for more than two years, due to the relaxation of the Financial policy during the pandemics, this has made the Bad Debts account to increase considerably compared to 2020 (168%).

Other Expenses	2021 (USD)	2020 (USD)	2019 (USD)
Bad Debts	148,364	55,248	65,421
Bank Charges & Fees	5,496	6,081	6,342
Depreciation/Amortization	762	1,004	5,975
Gain/Loss on foreign exchange	1,054	(1,998)	–
Prior period corrections	–	(6,893)	–
Sundry expenses	–	–	7,048
Total Other Expenses	155,675	53,444	84,786
TOTAL EXPENDITURES	344,345	258,778	368,978

Statement of activity: net operating revenue

- > Positive profit, but with a significant decline.

	2021 (USD)	2020 (USD)	2019 (USD)
Net Operating Revenue	6,116	124,943	(76,363)
Other Expenditures			
Other Miscellaneous Expense	—	159	(2,767)
Reconciliation Discrepancies	54	15	—
Total Other Expenditures	54	175	(2,767)
Net Other Revenue	(54)	(175)	2,767
Net Revenue	6,062	124,769	(73,596)





INQAAHE Financial Accounts



INQAAHE Budget for 2023 and 2024

Projected Revenue

> Revision of 2022:

- After an analysis of long-outstanding fees, the expected number of current and potential members has been reduced
- The GGP alignment has been doubled
- The Annual Conference/Forum revenue has been reduced according experience with online and hybrid events since COVID

> Assumptions for 2023 and 2024

- INQAAHE expects an increase in 3 areas: membership fees, GGP and ISG Alignment procedures, and projects/consultations.
- This growth of revenue is linked to increased staffing and professionalization of the Secretariat, including the hiring of a CEO

	2022 Jan-Dec	Revised 2022 Jan-Dec	2023 Jan-Dec	2024 Jan-Dec
REVENUE				
4000 Membership fees	\$ 221,698.79	\$ 178,662.48	\$ 211,200.77	\$ 217,554.75
LIC/LDC annual membership fee	\$ 4,489.29	\$ 4,834.62	\$ 4,834.62	\$ 4,834.62
Review fees	\$ 6,500.00	\$ 3,000.00	\$ 3,500.00	\$ 4,000.00
Total 4000	\$ 232,688.08	\$ 186,497.10	\$ 219,535.39	\$ 226,389.37
4100 GGP Alignment				
GGP Recognition	\$ 9,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00
GGP Review	\$ 45,000.00	\$ 90,000.00	\$ 150,000.00	\$ 30,000.00
International Standards	\$ -	\$ -	\$ -	\$ 120,000.00
Total 4100	\$ 54,000.00	\$ 93,000.00	\$ 153,000.00	\$ 153,000.00
4200 Grants and Consultations	\$ 26,400.00	\$ -	\$ 15,000.00	\$ 45,000.00
4300 Events				
Annual Conference/Forum	\$ 38,295.00	\$ 15,000.00	\$ 20,000.00	\$ 20,000.00
Training, courses, webinars	\$ 1,000.00	\$ 1,000.00	\$ 1,500.00	\$ 2,000.00
Total 4300	\$ 39,295.00	\$ 16,000.00	\$ 21,500.00	\$ 22,000.00
4400 Sponsorships				
Newsletter	\$ 1,200.00	\$ 300.00	\$ 300.00	\$ 300.00
Total 4400	\$ 1,200.00	\$ 300.00	\$ 300.00	\$ 300.00
4900 Other Revenue				
Financial Income	\$ 30.00	\$ 30.00	\$ 30.00	\$ 30.00
Total 4900	\$ 30.00	\$ 30.00	\$ 30.00	\$ 30.00
TOTAL REVENUE	\$ 353,613.08	\$ 295,827.10	\$ 409,365.39	\$ 446,719.37

Projected Expenditures (1/2)

> Revision of 2022:

- There is a significant increase in all expenses related to new staff structure (mainly salaries). Before the end of 2022, INQAAHE will incorporate a Business Support Specialist as well as a Chief Executive Officer.
- Expenses related to GGP Alignment have increased.
- An increase in professional fees is expected given the steps needed to legally establish the delegation of the Network in Spain.
- As planned, AQU Catalunya is no longer (since February 2021) the Secretariat, and now there remains smaller costs of leasing space (facility) and support (on hours basis).

> Assumptions for 2023 and 2024

- In 2023 there will be a significant increase in employee related expenditures, and a small loss for that year is forecasted.

	2022 Jan-Dec	Revised 2022 Jan-Dec	2023 Jan-Dec	2024 Jan-Dec
EXPENDITURES				
5000 Employee Compensation and Benefits				
5001 Salaries (which includes health insurance, retirement and social security benefits)	\$ 84,375.00	\$ 91,218.97	\$ 201,454.35	\$ 201,454.35
Intern support	\$ -	\$ 2,436.00	\$ 2,436.00	\$ 2,436.00
Payroll taxes	\$ 28,406.25	\$ -	\$ -	\$ -
Total 5000	\$ 112,781.25	\$ 93,654.97	\$ 203,890.35	\$ 203,890.35
5100 Funding Scheme Grant Expenses - Commitments				
Capacity Building	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00
QA Programme	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00
Research and Innovation	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00
Total 5100	\$ 17,500.00	\$ 17,500.00	\$ 17,500.00	\$ 17,500.00
5200 Professional Fees				
Accounting Services	\$ 5,000.00	\$ 5,000.00	\$ 2,500.00	\$ 1,500.00
Assessing Agency Alignment (GGP)	\$ 22,500.00	\$ 45,000.00	\$ 75,000.00	\$ 75,000.00
Grants and Consultations	\$ -	\$ -	\$ -	\$ 5,000.00
Financial Audit/Review	\$ 8,000.00	\$ 8,000.00	\$ 8,000.00	\$ 1,000.00
Journal "Quality in Higher Education"	\$ 6,582.00	\$ 8,000.00	\$ 7,500.00	\$ 8,000.00
Legal & Professional Services	\$ -	\$ 8,601.97	\$ 8,249.91	\$ 8,249.91
Other Professional Expenses	\$ 4,000.00	\$ 4,000.00	\$ 3,000.00	\$ 4,000.00
Support (from AQU)	\$ -	\$ 6,480.00	\$ 3,600.00	\$ 1,800.00
Secretariat costs (including travel)	\$ 29,159.00	\$ 6,666.67	\$ 3,000.00	\$ 3,000.00
Total 5200	\$ 75,241.00	\$ 91,748.64	\$ 110,849.91	\$ 107,549.91

Projected Expenditures (2/2)

> Revision of 2022:

- Includes the cost of leasing facilities (through AQU).
- Since the overall membership has been reduced, the expected bad debt related to it has been decreased.

> Assumptions for 2023 and 2024

- There are also plans for updating the current INQAAHE website.

	2022 Jan-Dec	Revised 2022 Jan-Dec	2023 Jan-Dec	2024 Jan-Dec
5300 Office/General Administrative Expenditures				
Facility (through AQU)	\$ -	\$ 15,159.00	\$ 15,159.00	\$ 15,159.00
Telecom and audiovisual	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00
Web Design and Hosting	\$ 2,500.00	\$ 2,500.00	\$ 7,500.00	\$ 2,500.00
Total 5300	\$ 3,500.00	\$ 18,659.00	\$ 23,659.00	\$ 18,659.00
5400 Event related Expenditures				
Event scholarships	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00
Speaker honoraria	\$ -	\$ 3,500.00	\$ 4,000.00	\$ 4,000.00
Total 5400	\$ 10,000.00	\$ 13,500.00	\$ 14,000.00	\$ 14,000.00
5500 Board & Committee related Expenditures				
Board Travel expenses	\$ 18,000.00	\$ 16,500.00	\$ 25,500.00	\$ 27,000.00
Total 5500	\$ 18,000.00	\$ 16,500.00	\$ 25,500.00	\$ 27,000.00
5600 Travel and Entertainment - General				
Travel	\$ 2,000.00	\$ -	\$ 2,000.00	\$ 4,000.00
Total 5600	\$ 2,000.00	\$ -	\$ 2,000.00	\$ 4,000.00
5900 Other Expenses				
Awards and Gifts	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00
Bad Debts				
Doubtful debts	\$ 40,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00
Unpaid membership fees	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00
Total Bad Debts	\$ 45,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00
Bank Charges & Fees	\$ 7,000.00	\$ 4,000.00	\$ 4,000.00	\$ 4,000.00
Depreciation/Amortization	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00
Gain/Loss on foreign exchange	\$ (1,000.00)	\$ (1,000.00)	\$ (1,000.00)	\$ (1,000.00)
Total 5900	\$ 54,000.00	\$ 16,000.00	\$ 16,000.00	\$ 16,000.00
TOTAL EXPENDITURES	\$ 293,022.25	\$ 267,562.61	\$ 413,399.27	\$ 408,599.27
TOTAL NET INCOME	\$ 60,590.83	\$ 28,264.49	\$ (4,033.88)	\$ 38,120.10



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Thank you

