

INTERNATIONAL INSTITUTE OF NOISE CONTROL ENGINEERING

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Treasurer of I-INCE

c/o

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Our ref.: I-INCE Financial Report 2022

Your ref.:

Charlottenlund, 27th July 2023

I-INCE Financial Report 2022

Dear President, Secretary General, Members of the I-INCE board and Member Societies

Please find herewith the audited financial report for 2022:

1. *Profit-loss statement*
2. *Balance*
3. *Comparison with 2021*
4. *Auditor's Statement*

General Notes

This year's audited financial report financial report has been updated following guidance by the I-INCE Executive Committee and I-INCE Board. It is intended to be able to show:

- A clear audit statement for the 2022 financial report
- Income vs expenses
- Current assets including which accounts they are in
- Overview of creditors and debtors
- Written off losses
- Comparison with the previous year

In order to give I-INCE Stakeholders a complete and clear report of our financial situation.

Part 1. Profit-loss statement

The audited 2022 profit-loss statement compares the income and expenses that are associated with the period from 1st Jan 2022 to 31st December 2022 to the 2022 budget approved by the Board in 2021 using the same format. It is supported by the notes below.

It is signed by the treasurer and the auditor.

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Notes

Revenues (47.120,00 €):

- 6.005,00 € higher than budgeted, primarily due to Internoise income
- Membership payments for 2022 were 22.850 €:
 - All 2022 membership fees were paid in full with one exception.
 - The Executive Committee of the I-INCE agreed to the request from the Polish Academy of Sciences to waive their 300 € I-INCE membership fees for the year 2022 for the purpose of helping Ukrainian scientists that have been displaced to Poland.
 - There were no changes in any membership categories.
 - Any outstanding fees and credit notes for previous years were added to the 2022 invoices. This remains a significantly lower figure than in previous years. See the Assets Statement concerning outstanding fees and credits.
- Interest: none received as bank interest rates are zero or less
- Internoise 2022: 24.180,00 €. The fee per full registration to I-INCE returned to 30 €. 806 full registrations were higher than the budgeted 500. The payment was 21.082,45 GBP and thus 415,88 € is booked as bank costs.

Expenses (40.181,02 €)

- Significantly lower than budgeted (by 10.153,98 €), primarily due to significantly lower scientific costs and lower administrative support costs. Most activities involved reduced costs.
- Scientific support: 32.827,99 € compared to a budget of 42.745,00 €
 - NNI support 2021: -2.436,08 € (-\$2,524.75 USD). This is a profit due to an increase in advertising income and lower costs than budgeted. And compared to the budget of 6.000,00 €. Thus, after the audit of NNI's 2021 accounts, I-INCE's remuneration was agreed and ratified.
Note: The INCE/I-INCE Memorandum of Understanding states that 50% of net expenses are payable after approval of the NNI annual financial accounting. As this was the first year in which NNI made a profit, a specific agreement between INCE-USA and I-INCE was made to share the profit. In accordance with practice agreed between I-INCE and INCE-USA, and ratified by the auditor and the Board, this post concerns the previous financial year due to the need to finalise and audit the NNI accounts.
- ICA fees of 700 € is unchanged and on budget.
- Conference database: 10.140,10 € (10,509.20 USD) is slightly higher than the 10.000,00 € budget, and after the audit of the Conference database accounts, I-INCE's support contribution (50% of net expenses) was agreed and ratified. Note: this post concerns the previous financial year due to the need to finalise and audit the accounts.
- Support to young participants (grants and workshop):
 - This is affected by using grants available from previous years, unbudgeted co-funded Latin American Young Professionals Grants (LAYPG), time-varying exchange rates and adjustments required due to an I-INCE internal audit carried out after settling the finances with the Internoise 2022 organisers
 - The result of the I-INCE internal audit carried out after settling the finances with the Internoise 2022 organisers is provided here:

	Internoise 2022 Specification in GBP	In EUR at bank transfer date	Post-audited Specification in EUR	Difference in EUR
YPG 2020	1048,48	1181,85	1349,41	-167,57
YPG 2021	1794,50	2022,76	2294,56	-271,80
YPG 2022	8307,00	9363,64	9328,18	35,46
LAYPG	1174,00	1323,33	995,61	327,72
TOTAL	12323,98	13891,58	13967,76	-76,18

- The audit had the following findings:
 - 12,323.98 GBP (13.891,58 €) was transferred to Internoise 2022 to cover the grants issued in agreement with the Internoise 2022 organisers.

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- For all posts, a different exchange rate was used to determine the amount of money to be paid out in GBP (1,19) compared to the one realized at the time of (1,127).
- For all payments at Internoise, funds were rounded to the nearest 10 GBP. The audit uncovered a few rounding errors.
- For the YPG 2021, there were errors in the IN22 payment assessment concerning 3 grants.
- For the LAYPG, there were errors in the IN22 payment assessment concerning 2 grants
- The audit revealed that, although different values are required for financial reporting, the differences are smaller than changes due to exchange rate variations overall difference in payment. Thus, no adjustment to the Internoise 2022 organisers is deemed necessary
- Exchange rate benefits for I-INCE of 97,36 € were calculated and are reported as reduced bank costs
- Young Professionals Grants 2022: 9328,18 € out of the budget of 12000,00 € was spent. Some grants were not collected either as participants either attended virtually or did not collect the remainder of their grants after the payment of their registration fees
- Latin American Young Professionals Grants: during 2023 the Executive agreed to support these together with INCE-USA on a 50-50 split basis. 995,61 € grants were awarded (see also the Assets Statement).
- In total, 9825,98 € of 2022 grants were awarded (9328,18 € YPG2022 and 497,81 € LAYPG). Remaining grant funding is transferred to 2023.
- The cost for the ceremony and the workshop were 1.465,36 € (1,300 GBP), very close to the 1.500,00 € budget for this post.
- Regarding 2022, expenses are lower than the 13.500,00 € budget due to uncollected grants which is transferred to 2023 (see also the Assets Statement).
- In addition, there was a 3643,97 € contribution from outstanding Young Professionals Grants in 2020 and 2021 not related to 2022 expenses (see also the Assets Statement)
- Internoise.org domain: 10 years registration from 2019-2028 was paid in 2018. 45,00 € is the amortised amount for 2022
- Internoise website template, hosting and maintenance: -3.244,46 € was spent on approved additional development and maintenance, as well as 255,11 € for the registration of the Internoise20XX.org websites for 2024-30. The total 3.499,57 € thus exceeds the budget of 2.875,00 €.
Note: The Internoise 2023 contract includes a change in funding to cover these costs
- Technical activity "Practice School" pilot project: 1700 GBP (1.916,24 EUR) costs for venue hire and food and beverages were incurred compared to the budget of 2.500,00 € See VP Tech Activities Report
- I-INCE symposium 2022: The budgeted 5.000,00 € was used for the approved symposium (see also the Assets Statement)
- Future Congress Planning lunch and AV support: No costs were incurred as this was sponsored by Internoise 2022. 2.000,00 € was reserved in the budget for continued trial.
- Scientific support is under budget by 9.917,01 € as several activities were not required, and as many of the remaining posts were less expensive than expected
- Functional support 7353,02 €:
 - Cost secretariat and treasurer operations: 198,92 € consisting of a Zoom license (174,88 €) and Treasurer costs 2022 of 24,04 €. This is significantly lower than the 2.200 € budgeted. See also the Assets Statement.
 - Special cost Board Meeting + travel support: 1.071,93 € was used on the board meeting. With no travel support costs, this post was below the budgeted 3.500,00 €.
 - I-INCE website template, hosting and maintenance: Significant website development was agreed after the I-INCE 2022 budget was approved so the post is larger than budgeted. 3.314,76 € was spent on development and maintenance, as well as the amortization of the registration of the i-ince.org domain for 5 years in 2020 of 21,17 €. See also the Assets Statement.

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- Transfer & bank costs: 1.098,08 €. Higher than the 900 € budget mainly due to exchange rate losses in connection with Internoise 2022 attendee registration fees. Money transfer costs outside Euro zone are minimized where possible.
- Lawyer support: no further costs were incurred to finalise the I-INCE taxation status.
- Swiss tax arrears. In 2020, I-INCE was registered as an organization in Switzerland. Tax exemption was granted for 2020 onwards but tax arrears in the period 2015-19 were assessed to be 1.745,52 € and were settled in 2022.
- Functional costs are slightly lower than budgeted.



Final results (6.938,98 €)

- The final result a small profit instead of a net loss that was budgeted for (-11.245,00 €). This is primarily due to lower scientific costs.

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Part 2. Assets statement

The audited 31-Dec-2022 Assets statement is signed by the treasurer and the auditor.

Audited I-INCE FINANCIAL REPORT 2022	EURO		
Assets 2022			
		State of accounts on 2022-12-31	
		Current BE 431 0072711 28	2.161,84 €
		Deposit BE 431 0072719 36	143.754,40 €
		Deposit HVB DE 71 70020270 0015527884	78.614,78 €
State of accounts on 2022-12-31	224.531,02 €		
Immaterial Assets and Credit		Notes	
Membership fees outstanding	0,00 €	See Financial Report document	
Internoise website .org & .com domains pre-payments	225,00 €		
I-INCE website pre-payments	42,34 €		
LAYPG contribution from INCE-USA	497,81 €		
TOTAL CREDIT	765,15 €		
TOTAL ASSETS	225.296,17 €		
Liabilities			
YPGs (2022)	-2.671,82 €		
YPGs (previous years)	-12.028,05 €		
Secretary expenses (previous years)	-37,63 €		
TOTAL LIABILITIES	-14.737,50 €		
CREDIT-LIABILITIES	-13.972,35 €		
EQUITY	210.558,67 €		
(signed)			(signed)
signed by Douglas Manvell, treasurer, on 2023-07-27			audited by Norm Broner, auditor, on 2023-07-27

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Notes

Equity (210.558,67 €):

- There is a small net increase of equity of 6.981,32 € from 31st December 2021 to 31st December 2022, equivalent to ca 3%.

Assets (225.296,17 €)

- Material assets: 224.531,02 €
 - There is an increase of material assets in hand of 5.867,49 € from 31st December 2021 to 31st December 2022.
 - They are deposited in 2 accounts in KBC in Belgium and in 1 account in HBV in Germany.
- Immaterial assets and credit: 765,15 €
 - Internoise website .org & .com domains: 225,00 € in prepayments (5 years)
 - I-INCE website pre-payments for 2023 and 2024: 42,34 €. Note: this has not been included in previous assets reports.
 - LAYPG contribution from INCE-USA: 497,81 €

Liabilities (14.737,50 €)

- Young Professional Grants:
 - 2.671,82 € is outstanding in relation to grants awarded in 2022.
 - 12.028,05 € is outstanding from previous years' grants.
 - It is agreed that, if not collected in 2023, the above will be written off.
- Treasurer expenses: this year's expenses up to 15 Nov 2022 as well as previous years expenses were paid in 2022
- Secretary expenses: 37,63 € is outstanding from previous years

Part 3. Comparison with Last Year

	Balance per		Change
	31-12-2021	31-12-2022	
Capital	€ 218.663,53	€ 224.531,02	€ 5.867,49
Immaterial Assets and Credit	€ 660,00	€ 765,15	€ 105,15
Liabilities	-€ 15.746,19	-€ 14.737,50	€ 1.008,69
Equity	€ 203.577,34	€ 210.558,67	€ 6.981,32
Operating Profit			€ 6.938,98
Non-2022 related equity impact			€ 42,34

Notes

- The change in equity is due to the operating profit and changes in equity not related to 2022
- Non-2022 related equity impact of 42,34 € covers the introduction of I-INCE website pre-payments as an asset

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Part 4. Auditor's Statement

The independent auditor's statement regarding the Institute's financial report is supplied as an appendix to this report.



27th July 2023

RE: International INCE Financial Report for 2022.

The 2022 financial report for International INCE has been released with the following statement by the auditor.

I have examined the consolidated balance of the International Institute of Noise Control Engineering for the period of 2022 and the related statements of operation and retained earnings and changes in financial position for the year then ended. Our examination was made in accordance with the generally accepted auditing standards and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances. In our opinion, the aforementioned statements present fairly the financial position of the International Institute of Noise Control Engineering, and the results of its operations and changes in its financial position for the year then ended, in conformity with the general accepted accounting principles applied on a consistent basis.

Norm Broner

Norm Broner, Auditor

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Kind regards,
Douglas Manvell
Treasurer of I-INCE