

## ISATT treasurer's report, May 2019.

The financial report is organized in the following parts:

- 1) Principles and general agreements.
- 2) Important issues.
- 3) Accountancy summary for the finance year 2018/2019.
- 4) Expenditure and income highlights for the finance year 2018/2019.
- 5) Conclusion.

### 1. Principles and general agreements.

As in previous exercises, the Executive Committee have worked during the finance year 2018/2019 (1<sup>st</sup> April – 30<sup>th</sup> March) on the common basis of three principles that were endorsed back in 2012/2013. Those principles have been mandated since then to elaborate the successive budgets (1) Gradually reduce the reserves to the level of the average expenditure for one year; (2) Ensure the financial support of the ongoing activities (i.e., biennial and regional conferences; collaborative research grants; ISATT symposia at international conferences such as AERA; the ISATT collaborative research grants, etc.); (3) Keep the reserves at the required level by reinstalling a balance between income and expenditure.

The three of them are in line with the request of the membership to reduce the reserves and to use them to the benefit of wider numbers of members.

### 2. Important issues

The ISATT Executive Committee have held several meetings via Skype and also face-to-face (i.e., Toronto) during the year to discuss important aspects of the organization that directly or indirectly affects its accountancy:

- 2.1. Taylor and Francis (T&F) royalties
- 2.2. Memorandum of Understanding
- 2.3. The ISATT constitution. Keeping the UA status and dismissing the CIO
- 2.4. New ISATT website

#### 2.1. T&F royalties.

We received two payments from T&F this year: £10,000 pounds + £987.74. This has a substantial decrease in our budget (around 4,000 to 5,000 compared to other financial years: £4,774.33 in 2017-2018, or £5,835 back in 2016-2017). We received two royalties: a fixed one of 10,000 and a second one based on subscription revenue (10% according clause 5.1. of the current MoU). According to T&F this year the volume

sales of the journal was lower. The journal poor performance has affected the ISATT income by a 9.5%

This reduction came with no previous notification. We are still seizing the implications for the ISATT in terms of financing our member activities. So far, we can operate normally by drawing upon the business reserve account.

## *2.2. Memorandum of Understanding.*

In the year 2017/18 the ISATT was going to renovate the terms of the *Memorandum of Understanding* (MoU) with Taylor & Francis to set out a different level of payment. However, the new MoU is still not ready yet by mid 2019. Ms. Wheeler and her team had been working on a revised contract to renew all the current terms.

The document was expected to be ready by the end of 2018. Back in February 2019, the Chair and the Treasurer travelled to London (UK) at their own expenses to meet Ms. Wheeler face-to-face (Feb,11th, 2019). Main agreements out of that meeting were:

- a. Affiliation agreement is more accurate term according to the nature of the agreement and the parts involved. Not MoU.
- b. No changes regarding the VAT or taxes were to be added in relation to the previous agreement.
- c. T&F agreed to promote and sponsor the ISATT conferences.
- d. Include communication by email in the agreement (so far formal communication between the two parts are sorted out by traditional ways).

These arrangements were not done by that time. The treasurer contacted personally Ms Wheeler at the AERA2019 in Toronto (April 2019) promising to send the draft of the new MoU. By now, we are still waiting for the New Agreement draft that covers 2019 onwards. According to Ms. Wheeler last email: "I will put forward approval for these changes to our Operating Board and then send on a revised draft contract for ISATT to take a look through" (May, 9th, 2019).

## *2.3. ISATT constitution: Passing from a Charity Incorporated Organization (CIO) status to an Unincorporated Association (UA).*

After several tries to make the ISATT a CIO under British Law (see the actual constitution) but without succeeding we dismiss this path and continue our status as an UA. Therefore, the ISATT EC has carefully reviewed the Articles of the association stated by 1995 and carefully updated them. The file containing the document with the articles of the ISATT to become a CIO has been archived then.

## *2.4. New ISATT website*

During 2018/2019 the administrator has been in charge to track the ISATT website design and maintenance by renewing its contents, changing its display, and upgrading its working functioning (i.e., registration database). A total amount of £3,000 was allocated to hire a IT person to introduce the new website developments. However, just £1,513.00 were spent on this item. The new website can be visited here: [www.isatt.org](http://www.isatt.org)

### 3. Accountancy summary

The finance year 2018/19 started with a healthy balance of £40,020.26 and ended with a balance of £42,409.95. This is £2,389.69 more than forecasted.

A summary overview of the actual financial results for the past two-year term is presented in table 1.

<i>Finance Year (1<sup>st</sup> April – 30<sup>th</sup> March)</i>	<i>Opening Balance</i>	<i>Income</i>	<i>Expenditure</i>	<i>Closing Balance</i>
2017-2018 (last year)	£ 40,020.26	£27,074.18	-£24,684.49	£42,409.95
2018-2019 (present year)	£42,529.95	£17,610.97	-£21,536.93	£38,498.00

Table 1. Actual accounts for 2018/2019 compared to last financial year (2017/2018).

The major source of income in the ISATT comes mainly from membership fees and royalties. The royalties from Taylor & Francis (mainly for “Teachers and Teaching: Theory and Practice”) are the most substantial source of income constituting a total sum of £10,987.74 although substantially less than in the year 2017/2018 (£14,774.33).

### 4. Expenditure and income highlights.

In 2018/2019 our *expenditure* included the following:

- Regional conferences. ISATT supported in their budget one regional conference at the Federal University of Kazan (Russia), 22-24 May 2018 with a total sum of £3,206.23.
- £1,054.00 for two Collaborative Research Grants to support Romanian delegates to promote ISATT2019 at Regional Conference in Kazan (May 2018). These grants were repurposed.
- Furthermore, the ISATT reserves £1,000 annually to organize symposia at international conferences. This year 2018/2019 there were no AERA expenses for that purposes even though two ISATT symposia were organized.
- £1,197.43 for EC (chair and administrator) travel expenses to attend UIA Round table in Lyon.
- £2,229.27 for operating cost administration: stationary, postage, WorldPay/old Streamline, promotional materials and website maintenance. The main costs were derived from the new ISATT website design and maintenance ((£1,487.00)

- The honorarium for our Administrator (£3,850.00) – and not £4,200 as budgeted. This is because March 2019 honorarium was debited to Bank Account by 01/04/2019. Therefore, it will be included in the next year budget (2019-2020).

In 2018/2019, major highlights in the income are as follows:

- The membership fees paid to the ISATT were £6,381.58.
- The TTTP royalties' payments were £10,987.74.
- There was a substantial decrease in payment by Taylor & Francis than forecasted: £15,000 vs. actual amount of £10,987.74 because of the reasons explained earlier in this document

## **5. Conclusion.**

With a closing balance of 38,498.00, it can be assured that the ISATT still holds substantial reserves although almost £4,000 less than the year 2017/2018 (£42,409.95), mainly because the reduce income from the Taylor and Francis royalties. Nonetheless, the fundamental target of reducing our reserves by March 2015 to the level of the average expenditure of one year has not been reached. For that reason, one of the decisions for next financial year is to reinvest some of the remaining reserves for the maintenance of the new ISATT website with a budgeted amount of £1,500.

The membership income this year has been of £6,381.74, roughly 1,000 pounds less than previous financial year. The effect of the upcoming Biennial Conference in Sibiu (Romania) has not have a positive effect yet in our accounts. Probably, because of late registration. We expect them to increase by the June 2019.

For the years to come we need to keep on working on keeping the numbers of the membership and also increase the royalties from T&F.

May, 29<sup>th</sup> 2019

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