

IEEE Region 8 Financial Report For the Year 2012

Overview:

The activity of IEEE Region 8 during the year 2012 was characterized largely by the big 50th Anniversary celebratory meeting of the Region that was held in Berlin in March of that year and by an outstanding Student Branch Congress organised by the Spain Section students in Madrid in July.

The costs of these two meetings was greatly assisted by the negotiation of the most preferential terms for Region 8 with the Grand Hyatt Hotel of Berlin; and that in the event the student organizers of the SBC were outstandingly successful in obtaining sponsorships. The Region 8 Committee meeting in Tallinn was to Budget.

Income from all sources was \$849,674:58 (In 2011 was \$786,660:66). Expenditures were \$717,149:70 (In 2011 was \$834,096:25). Importantly the Region increased its cash reserves (liquid assets) by \$63,058:35 in the year and a contribution of \$61,783:99 in Long Term Investments and dividends enables a Net Worth of the Region as at the 31st December, 2012 of \$584,260:69 to be declared. Subject to some costs associated with Region 8 News being held over to 2013 a surplus of \$132,524:88 is confirmed.

Income:

The Income to IEEE Region 8 in 2012 was \$849,674.58 (2011 was \$786,660.66).

Performance to end of December 2012 (USD)

Receipts:	Actual (2012)	Ratio	Prior Year (2011)	Variance
Received from Individuals	11,551.06	1.36	10,489.04	1,062.02
Received from Corporations	7,450.92	0.88	6,031.29	1,419.63
Received from Foundations	4,464.77	0.53	0.00	4,464.77
Meetings and Social Events	0.00	0.00	40,496.89	(40,496.89)
Conference Revenue	9,689.88	1.14	1,599.97	8,089.91
Project Revenue	0.00	0.00	9,368.46	(9,368.46)
Rebate from IEEE HQ	162,000.00	19.07	158,328.00	3,672.00
Regional Assessment	539,955.38	63.55	528,575.47	11,379.91
Sections' Congress Receipts	0.00	0.00	5,377.73	(5,377.73)
Receipts from MGA & Major Boards	19,236.59	2.26	0.00	19,236.59
IEEE HQ and Societies	33,044.39	3.89	38,954.99	(5,910.60)
Interest	497.60	0.06	806.50	(308.90)
Dividends	9,227.31	1.09	9,924.19	(696.88)
Unrealized Gain/(Loss) on Investments	52,556.68	6.19	(23,291.87)	75,848.55
	849,674.58	100.00	786,660.66	63,013.92

Attention is drawn to particular items of income:

1. The contributions to the VCF (Voluntary Contribution Fund) is that 'Received from Individuals'. This now appears to be stable at the figure given, but still falls below that of past years and is at a lower level than we would wish to see to support this activity.
2. 'Received from Corporations' is the administration fee charged for Technical Co-Sponsorship of conferences in Region 8. 'Received from Foundations' is in this case an amount to cover ICED (Industrial Training Workshops) during the year.
3. 'Conference Revenue' contains the returns from the Region 8 Africon 2011 and Eurocon 2011 conferences.
4. Particular expenditures of Region 8 are recoverable from IEEE Corporate, MGA, and from the Societies. These amounts are shown as 'Receipts from Major Boards' and 'HQ and Societies'.
5. Bank interest remains at a low level owing to the continuing global financial position. Further, there was a foreign exchange loss of \$5,737:82 against the U.S. Dollar on re-evaluation of the Region's assets at the 31st December, 2012.

Expenditure:

The Net expenditure of Region 8 for the year 2012 against all captions was \$717,149.70 (2011 was \$834,096.25).

Summary of Expenditure to end of December 2012 (USD)

Expenditures:	Actual (2012)	Ratio	Prior Year (2011)	Variance
Meetings and Social Events	259,091.48	30.49	179,192.38	79,899.10
Publication Expenses	27,159.16	3.20	66,700.78	(39,541.62)
Advertising - IEEE	202.00	0.02	368.08	(166.08)
Advertising - Non IEEE	4,846.23	0.57	0.00	4,846.23
Conference Expenses	22,002.09	2.59	8,144.82	13,857.27
Educational Activities	1,741.11	0.20	3,637.26	(1,896.15)
Professional Activities	11,183.68	1.32	22,609.87	(11,426.19)
Student Activities	69,505.79	8.18	27,452.00	42,053.79
Grants and Awards	5,787.29	0.68	7,296.27	(1,508.98)
Other Programme Expenses	42,931.96	5.05	37,580.69	5,351.27
Sections' Congress Expenses	0.00	0.00	289,996.58	(289,996.58)
Travel	140,949.67	16.59	69,219.15	71,730.52
Support to Sections/Chapters	21,361.43	2.51	7,845.63	13,515.80
MGA/Major Board Expenses	55,414.16	6.52	50,147.50	5,266.66
Other Mgt. & General Exp.	49,235.83	5.79	39,284.93	9,950.90
Foreign Exchange gain/loss	5,737.82	0.68	24,620.31	(18,882.49)
	717,149.70	84.40	834,096.25	(116,946.55)
Net Profit/(Loss) for Region 8	132,524.88	15.60	(47,435.59)	179,960.47

Some notes regarding the items of expenditure:

1. It should be noted that year 2011 was a year in which the Region supported the attendance of Region 8 Committee Members at IEEE Sections' Congress held in San Francisco. Since it is required that for Sections' Congress both Travel costs and Hotel costs are consolidated into the same account this will affect the variances as shown.
2. The practice of calling a full Start of Year meeting for the Committee followed by a smaller management committee meeting later in the year is continuing. The large meeting in Berlin was complemented in cost by the smaller meeting in Tallinn.
3. The Student Branch in Madrid are to be commended for their exceptional success in attracting sponsorship deals to support the Region 8 Student Branch congress held there in 2012. This relieved the Region of some cost responsibility and risk.
4. An independent agent was appointed in Germany to raise press and media awareness prior to the Berlin anniversary meeting. This has been allocated to 'Advertising - Non IEEE'.
5. Committee travel in Region 8 continues to account for some 17% of expenditures. This is of the level as seen in most previous years.
6. An increased cost for the Region 8 Newsletter is expected in 2013 owing to year 2012 charges being received in 2013 and the production of a special Jubilee issue of the publication.

Summing up:

The treasurer is of the opinion that the position of the Region remains sound and that it is able to support a full programme of activity and of Region 8 Committee Meetings under the normal circumstances.

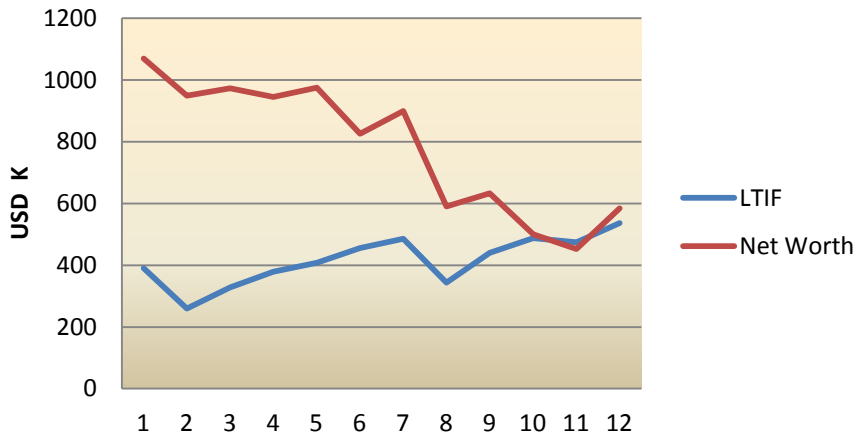
Assessment Income continues to be the Region's main source of income. This is directly related to membership subscription renewals and to membership growth. There is evidence in the transition between the year 2012 and year 2013 that some ground may have been lost in growth and if this trend continues it could affect our abilities in future years.

It is important that the Region continues to seek ways to diversify its sources of income; as well as the traditional way of membership development.

B. R. HARRINGTON
Treasurer: Region 8

April, 2013.

Twelve Year Trend



With the exception of events in 2002 (the dot.com bubble burst) and in 2008 (the Global financial collapse) the Investments managed by IEEE on behalf of Region 8 have shown an increased growth over the twelve year period.

The Net Worth of the Region over this period has tended to an extent to mirror the effects of this global market.

Region 8 is additionally sensitive to the pertaining currency exchange rates with the USD as this affects the disposable income available to fund Region 8 activity. The Region is also sensitive to the policies imposed by IEEE Corporate and MGA. The further slide in Net Worth between 2009 and 2010 results from an administrative change by IEEE that effectively cost Region 8 \$345,371:00 in cash flow. The fact that the graphs crossed in 2011 suggests that Region 8 was in a temporary deficit position.

The pie chart shows in a more graphic form the general breakdown of expenditures during the year.

The distribution is of course influenced by the 50th Anniversary celebrations of 2012. Also, by the presence of a Student Branch Congress.

A surplus of some 16% is indicated.

Continuing efforts are being made to contain administrative tasks to about 5% of cost budget.

Allocation of Expenditure 2012

