

## IEEE Region 8 Financial Report For the Year 2013

### Overview:

IEEE Region 8 supported a full programme of activity during the year 2013. This was achieved largely through a balanced budget. That is, our expenditures essentially matched with the incomes received. Before making a provision for the Student Branch Congress to be held in Krakow (Poland) in August, 2014 a modest cash surplus of \$18,156.15 was achieved.

Importantly the recent cash flow difficulty presented by the withholding by IEEE of some \$300,000.00 each year between the months of August and December has now been largely absorbed.

The two Region 8 Committee meetings that were held in 2013, being the 100<sup>th</sup> Anniversary meeting held in Madrid and the first visit of the Region 8 Committee to Sarajevo worked well together, the higher cost of Madrid being offset to an extent by the favorable economics of Sarajevo.

The income from all sources was \$853,006.16 (for year 2012 was \$849,674.58). Expenditures were \$764,368.56 (for year 2012 was \$717,149.70).

### Income:

The Income to IEEE Region 8 in 2013 was \$853,006.16 (2012 was \$849,674.58).

#### Performance to end of December 2013 (USD)

Receipts:	Actual (2013)	Ratio	Prior Year (2012)	Variance
Received from Individuals	12,233.62	1.43	11,551.06	682.56
Received from Corporations	2,475.00	0.29	7,450.92	(4,975.92)
Received from Foundations	0.00	0.00	4,464.77	(4,464.77)
Meetings and Social Events	0.00	0.00	0.00	0.00
Conference Revenue	0.00	0.00	9,689.88	(9,689.88)
Project Revenue	0.00	0.00	0.00	0.00
Rebate from IEEE HQ	162,000.00	18.99	162,000.00	0.00
Regional Assessment	541,383.72	63.47	539,955.38	1,428.34
Sections' Congress Receipts	0.00	0.00	0.00	0.00
Receipts from MGA & Major Boards	1,700.00	0.20	19,236.59	(17,536.59)
IEEE HQ and Societies	33,205.42	3.89	33,044.39	161.03
Interest	526.95	0.06	497.60	29.35
Dividends	6,889.28	0.81	9,227.31	(2,338.03)
Unrealized Gain/(Loss) on Investments	92,592.17	10.85	52,556.68	40,035.49
	<b>853,006.16</b>	<b>100.00</b>	<b>849,674.58</b>	<b>3,331.58</b>

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. This income has lost ground during the year 2013 and the position is being investigated.
3. 'Conference Revenue' contains the returns from the Region 8 strategic conferences. A return is due from the ENERGYCON conference held in Florence which is being progressed.
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. Further, there was a foreign exchange loss of \$1,914.25 (year 2012 was \$5,737.82) against the U.S. Dollar on re-evaluation of the Region's assets at the 31<sup>st</sup> December, 2013.

### Expenditure:

The Net expenditure of Region 8 for the year 2013 against all captions was \$764,368.56 (2012 was \$717,149.70).

#### Summary of Expenditure to end of December 2013 (USD)

Expenditures:	Actual (2013)	Ratio	Prior Year (2012)	Variance
Meetings and Social Events	320,197.68	37.54	259,091.48	61,106.20
Publication Expenses	65,894.93	7.73	27,159.16	38,735.77
Advertising - IEEE	0.00	0.00	202.00	(202.00)
Advertising - Non IEEE	0.00	0.00	4,846.23	(4,846.23)
Conference Expenses	4,788.89	0.56	22,002.09	(17,213.20)
Educational Activities	10,171.13	1.19	1,741.11	8,430.02
Professional Activities	9,255.09	1.08	11,183.68	(1,928.59)
Student Activities	56,173.03	6.59	69,505.79	(13,332.76)
Grants and Awards	14,393.54	1.69	5,787.29	8,606.25
Other Programme Expenses	44,741.88	5.25	42,931.96	1,809.92
Sections' Congress Expenses	0.00	0.00	0.00	0.00
Travel	126,843.98	14.87	140,949.67	(14,105.69)
Support to Sections/Chapters	24,263.74	2.84	21,361.43	2,902.31
MGA/Major Board Expenses	17,284.96	2.03	55,414.16	(38,129.20)
Other Mgt. & General Exp.	68,445.46	8.02	49,235.83	19,209.63
Foreign Exchange gain/loss	1,914.25	0.22	5,737.82	(3,823.57)
	<b>764,368.56</b>	<b>89.61</b>	<b>717,149.70</b>	<b>47,218.86</b>
Net Profit (Loss) for Region 8	<b>88,637.60</b>	<b>10.39</b>	<b>132,524.88</b>	<b>(43,887.28)</b>

1. The Region 8 Jubilee celebrations were completed in 2013 with the 100<sup>th</sup> Region 8 Committee meeting being held in Madrid. The cost of the meetings in Berlin and in Madrid has accounted for the larger portion of the Region 8 budget during this period.

However, it should be noted that the figures given for 2013 contain not only the costs of the Madrid and Sarajevo Committee meetings, but also that of the Hotel InterContinental costs for Budapest 2014 that were paid in advance.

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 Madrid was complemented in cost by the meeting in Sarajevo.
3. The figure for 'Student Activities' in 2013 contains a figure of \$29,000.00 that has been reserved for the Student Branch Congress in Krakow in 2014. This amount has been transferred to the Student budget for 2014 to support the Congress.
4. Committee travel in Region 8 accounts for some 14.87% of expenditures. This is at the level as seen in most previous years. We are grateful that the Committee continues to comply with the ruling to find the most economic option for personal travel.
5. The expected higher cost of Region 8 News in 2013 to support the special Jubilee publications did not appear. The cost of the Region 8 hardcopy newsletter to the Region remains below 10% at a 2013 figure of 7.73%.

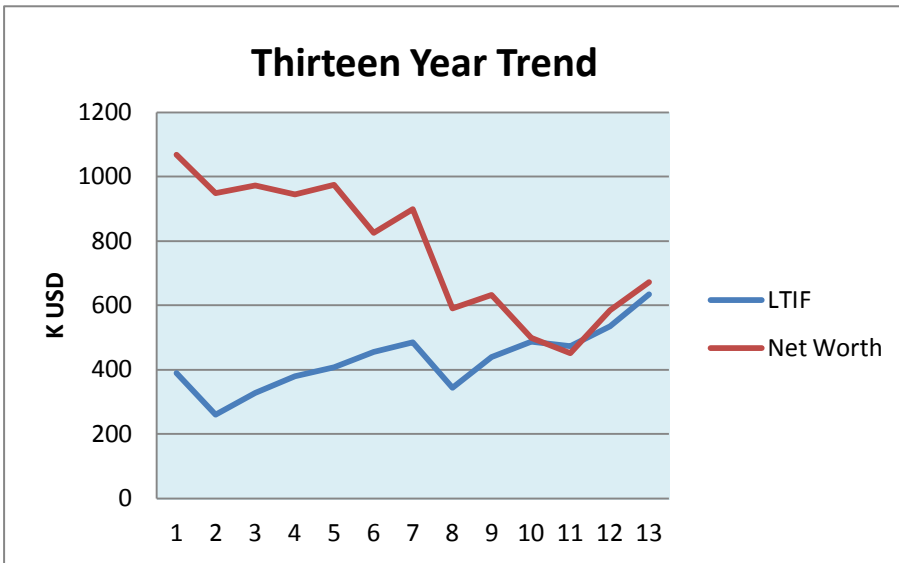
### **Summing up:**

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 of a nominal increase in this figure between the year 2013 and year 2014, which is consistent with a modest membership increase for the Region.

The Net worth of the Region has increased essentially due to the recovery of its investments (fixed assets). The resilience of the Region would however benefit from a better margin on cash (liquid assets). 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**  
**December, 2013.**



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 thirteen 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 cash 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 Jubilee celebrations of 2012 and 2013.

A 2013 surplus of 10.39% is indicated.

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

