

Treasurer

Ralph Kennel

Overview

The Treasurer is pleased to report to the Region 8 Committee on the financial position of IEEE Region 8. This report gives the final audited position of the Region as at the 31st December, 2016, and indicates the progress that has been made in the first months of 2017.

A major expense during year 2016 was for the Region 8 Committee meeting in Monte Carlo, held during the Spring. This was followed in the fall by a very successful Committee meeting held in Porto. We are very grateful for the generous sponsorship and support that was received from the France Section and the governing authorities in Monte Carlo which, together with the good organisation contributions of the Portugal Section, enabled us to contain these expenses. In year 2015 Committee meeting expenses were \$233.85K. In year 2016 these were reduced to \$215.64K.

Region 8's prestige event; the biannual Student and Young Professional (SYP) Congress, was held during August, 2016 in Regensburg, Bavaria, Germany. This was one of the largest and most successful such events so far held in IEEE. The pie graphic shows that 13% of Region 8 funds were allocated to student activity in 2016. The chart also shows that a higher percentage of funds were allocated to travel in 2016. Travel in 2016 rose to a figure of \$151.18K from the value of \$101.43K in year 2015.

The financials as at the 31st December, 2016 indicate that Region 8 was holding Assets of \$1,031,478.35 of which \$941,660.66 was being held as Reserves and \$88,817.69 was due to the Profit and Loss account.

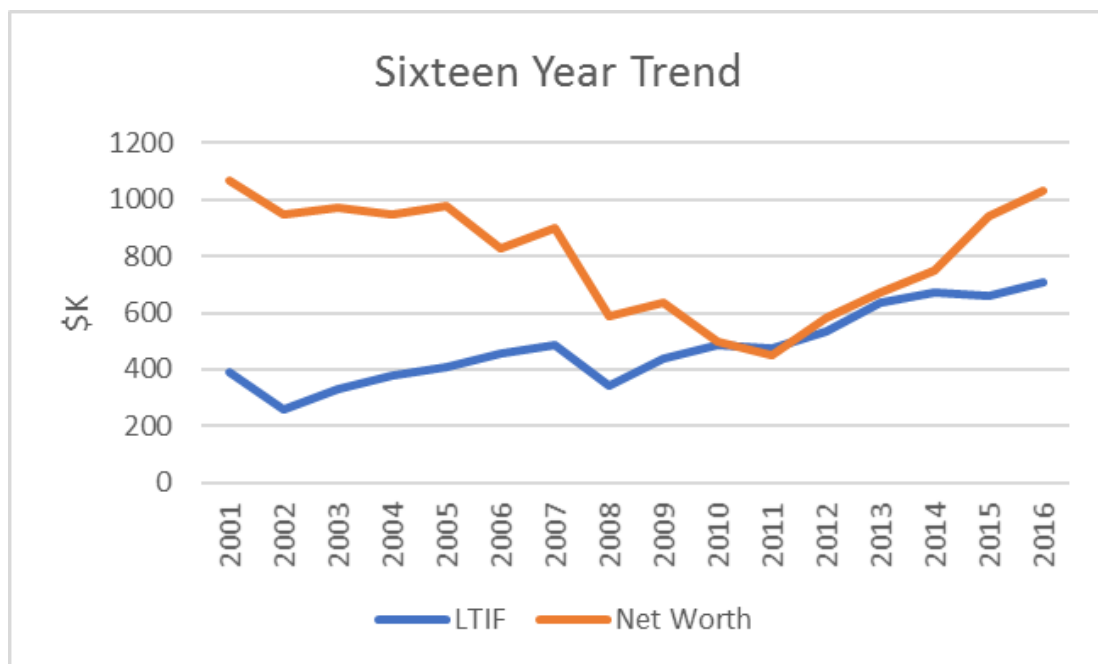
The Receipts

The activity in Region 8 can vary significantly from year to year with a Region 8 Student and Young Professional Congress at two-year intervals and a Sections' Congress every third year. However, the overall indication is that a steady growth in assets and in cash accounts continues to be achieved.

The 'Statement of Region 8 Net Worth' shows an increase in the Cash Accounts, an increase in the Long-Term Investment Fund, and a consequential increase of the Net worth of the Region.

The "Sixteen Year Trend" graphic shows that the net worth of the Region has returned to that which existed before the global economic recession and before the cash flow difficulties that occurred after the changes in Assessment account administration that were imposed by IEEE finance.

The Region 8 bank accounts and the associated personal bank account data of the IEEE members paid by the Treasurer are archived in a bank location close to Edinburgh in Scotland. This ensures that the maximum security of their personal data is guaranteed for our members. The arrangement is insensitive to funds transfers from the United States. Any deviation in currency exchange rates that occurs is that purely determined by the International market and not by any U.K. event. The Income report indicates that year-on Assessment income was again down, and in this instance by \$7.57K. This is indicative of the continuing fall in numbers of those persons having full Region 8 membership. This continuing loss of Assessment Income is a major concern to the Treasurer.



The Treasurer has to inform the Committee that these accounts are subject in year 2016 to a "Bogus Boss" or "CEO Fraud". This is now the major fraud affecting Commercial organisations. This now exceeds some Euro 1.6 Billion. The loss to Region 8 was contained, but the income to Region 8 is reduced as shown for "Adjustment to Income" receipts.

It will be seen that receipts to the Voluntary Contribution Fund ("Receipts from Individuals") and that "Received from Corporations" (Technical Co-sponsorship) remain at a lower level than is expected.

Interest received from the Region 8 Concentration Banking Account (USD) reflects the low banking interest rates available in the global market.

I would like to express my thanks to the Italy Section for their assistance in the final resolution of the taxation issue affecting the conference revenue due to Region 8 from Energycon 2012, Florence.

The Expenditure

Indications from the Disbursements (2016) report are of an increase in expenditures.

However, whilst the arrangements for the Committee meetings in Monte Carlo and Porto were largely to budget, the location of Monte Carlo did not help the travel cost, and for some Committee members there was a difficult departure owing to some air traffic delays.

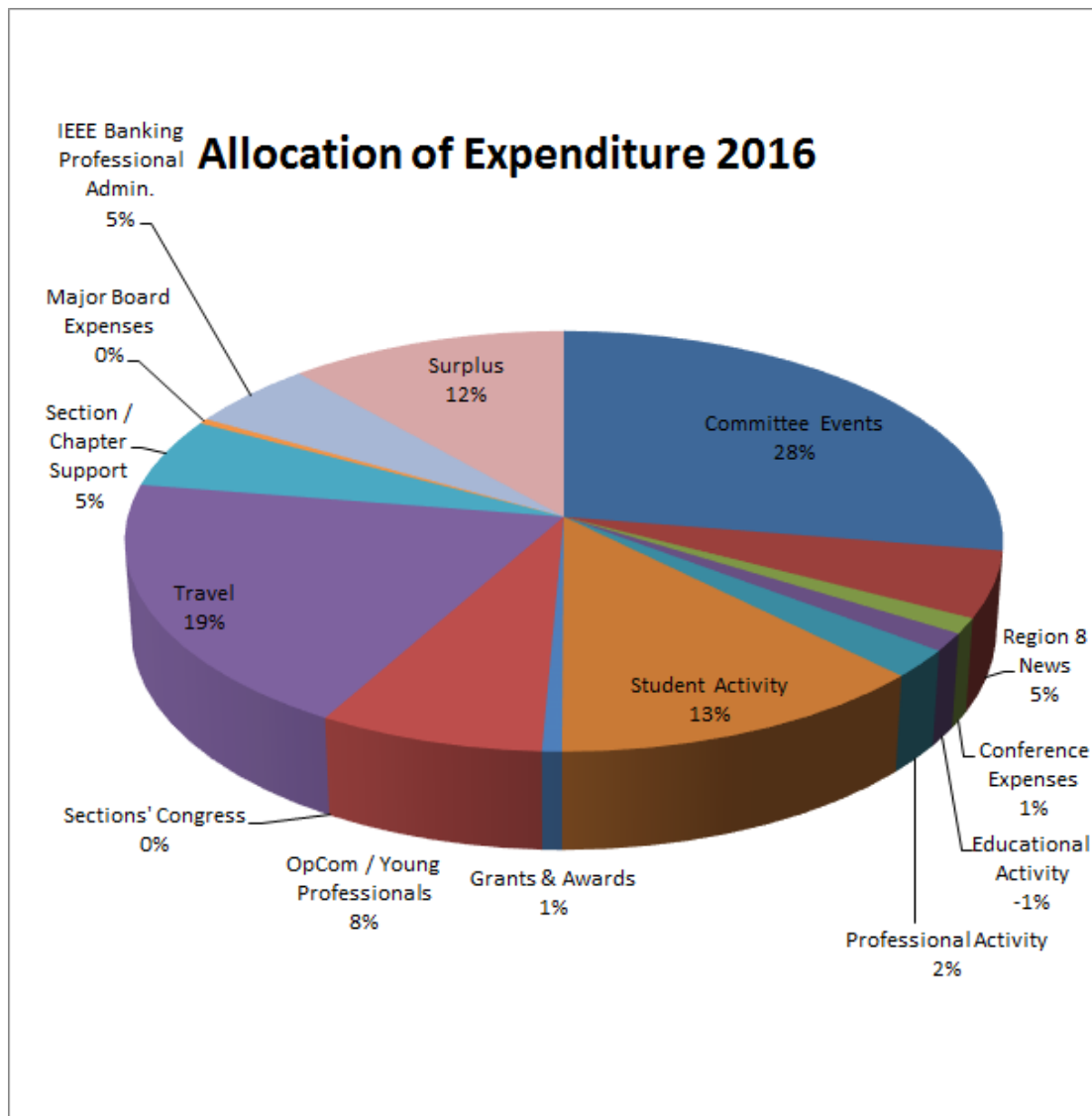
The increase in 2016 of the costs to our Students and Young Professionals is reflected by the support given by Region 8 to the Congress held in Regensburg, Bavaria.

The pie graphic shows the distribution of expenditures made during year 2016. There is a slight distortion to show a 'surplus' figure, but it is considered that a fair comparison is shown between the respective expense categories.

Independent Examination

The financial accounts of the Region are subject to an "Independent Examination" each year. This Review includes all reports made to the Committee by the Treasurer, Committee meeting Agenda Books, OpCom reports, all expense reimbursements that have been made, and a download of the software system used for accounting and banking.

The "Independent Examination" for the year 2016 financials acknowledged the transition of the accounts' administration from London to Munich. The Region 8 appointed independent accountant and examiner was asked to take account of any long outstanding loans that were present in the accounts and that these should be written off. This was accomplished without any change in the declared Net Worth of the Region.



Outlook

A significant expenditure in 2017 will be the support of Region 8 to take part in Sections' Congress in Sydney. Sections' Congress will be funded by IEEE MGA for the primary delegates (the Section Chairs). The Region 8 budget as declared for 2017 will support our invited sub-committee members and will enable a Region 8 Committee meeting to be held prior to the Congress.

A full "start of year" Region 8 Committee meeting was held in Stockholm in March, 2017. The accounts for this highly successful event are in the process of being finalised.

IEEE Region 8 Financial Report for 2016 / 2017

All Amounts are in \$K US

Income (2016):			Disbursements (2016):		
	2016	2015		2016	2015
Region 8 Assessment	533.90	541.47	IEEE Region 8 Committee	215.64	233.85
Direct Support from MGA	173.00	169.40	Region 8 News	39.85	7.01
Voluntary Contributions	12.45	11.37	Conference Expenses	9.32	14.92
Technical Co-Sponsorship	0	4.26	Educational Activity	(10.93)	11.91
From Foundations	1	1.50	Professional Activity	17.04	29.65
Meetings and Social Events	0	5.93	Student Activity	98.82	25.28
Conference Revenue	19.42	0	Grants and Awards (VCF)	5.08	9.55
Educational Activity	0	1.93	Other Programmes (OpCom)	58.43	51.88
Project Revenue	0	7.05	Sections' Congress	0	1.60
Interest	1.07	0	Travel	151.18	101.43
Receipts from MGA	0	13.96	Section and Chapter Support	42.10	15.76
IEEE HQ and Societies	0	11.38	MGA and Board Expenses	3.16	9.55
Unrealised Gain / (Loss) on Investments	37.92	(23.49)	Bank, IEEE HQ, Audit, and General Expenses	40.87	62.28
Dividends on Investment	11.37	8.44	Foreign Exchange Variance	(2.23)	(10.29)
Adjustment to Income	(31.97)	0.87			
Total	758.16	754.07	Total	668.33	564.38
Surplus	89.83	189.69			

Statement of Region 8 Net Worth as at 31st December, 2016:

	Beg. Balance 2015	Increases	Decreases	End Balance 2016
Cash Accounts	326,579.67	25,484.90		352,064.57
Investments	656,723.29	49,288.67		706,011.96
Loans and Advances (Receivables)	12,153.04	57,096.66	95,847.86	(26,598.18)
Total Assets:	995,456.00	131,870.23	95,847.88	1,031,478.35
Liabilities and Net Worth:				
Loans and Advances (Payables)	53,795.34		53,795.34	
Net Worth at 31st December, 2014	941,660.66	131,870.23	42,052.54	1,031,478.35