

Financial Report for Year 2017

Overview:

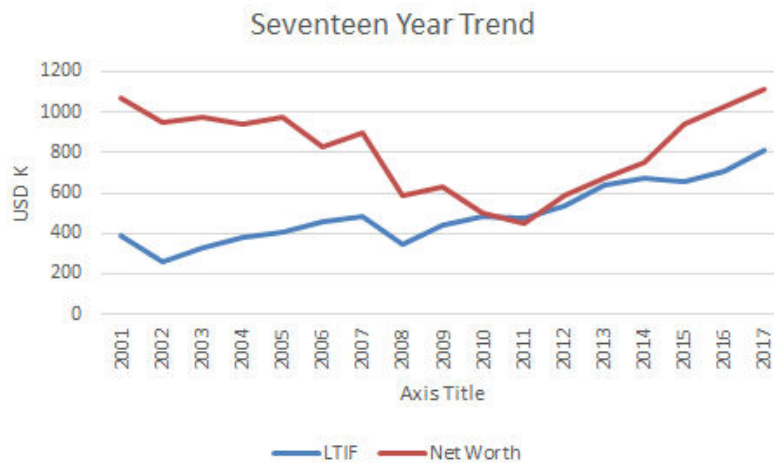
IEEE Region 8 finished the financial year of 2017 with NET ASSETS of \$1,111,903:86 of which \$1,035,570:48 are due to Reserves and \$76,333:38 are due to a surplus of Income over Expenditures for the year.

However, it should be appreciated that these results are essentially due to the high performance of our Long-Term Investment Fund (LTIF) during this period. The trend followed that of the U.S. Stock Market as has been seen during the present Presidential administration, but of course such high growth can be subject to some correction in the future.

The "Statement of Region 8 Net Worth" as at the 31st December, 2017 is shown in this report. The Treasurer draws the Committee's attention to the fact that owing to large events during the year the Cash Account was decreased by the amount of \$54,612:99. The Committee should not be misled that the stated surplus of \$76,333:38 indicates a more desirable outcome than was in fact experienced.

The Cash Flow at the end of the financial year required some supplier payments and expense reimbursements to be rescheduled into year 2018.

The Income



From the "Financial Report for 2017" it will be seen that IEEE Region 8 Income is essentially made up 64% from an "Assessment", which is in effect an algorithm derived from our total membership numbers. A further amount of 21% during this period arises from a "Rebate" from MGA. Investment Gain and Dividends contribute a further 12% to the Net Assets, but these are used to purchase further Investment and are not taken as a contribution towards the cash account.

This indicates that the future income and consequential health of Region 8 is dependent largely on the number of active members within Region 8.

The Region 8 Treasurer has reported in past years that additional income such as that derived from Conference activity would assist in reducing this sensitivity to falling membership numbers and further ensure the future wellbeing of the Region.

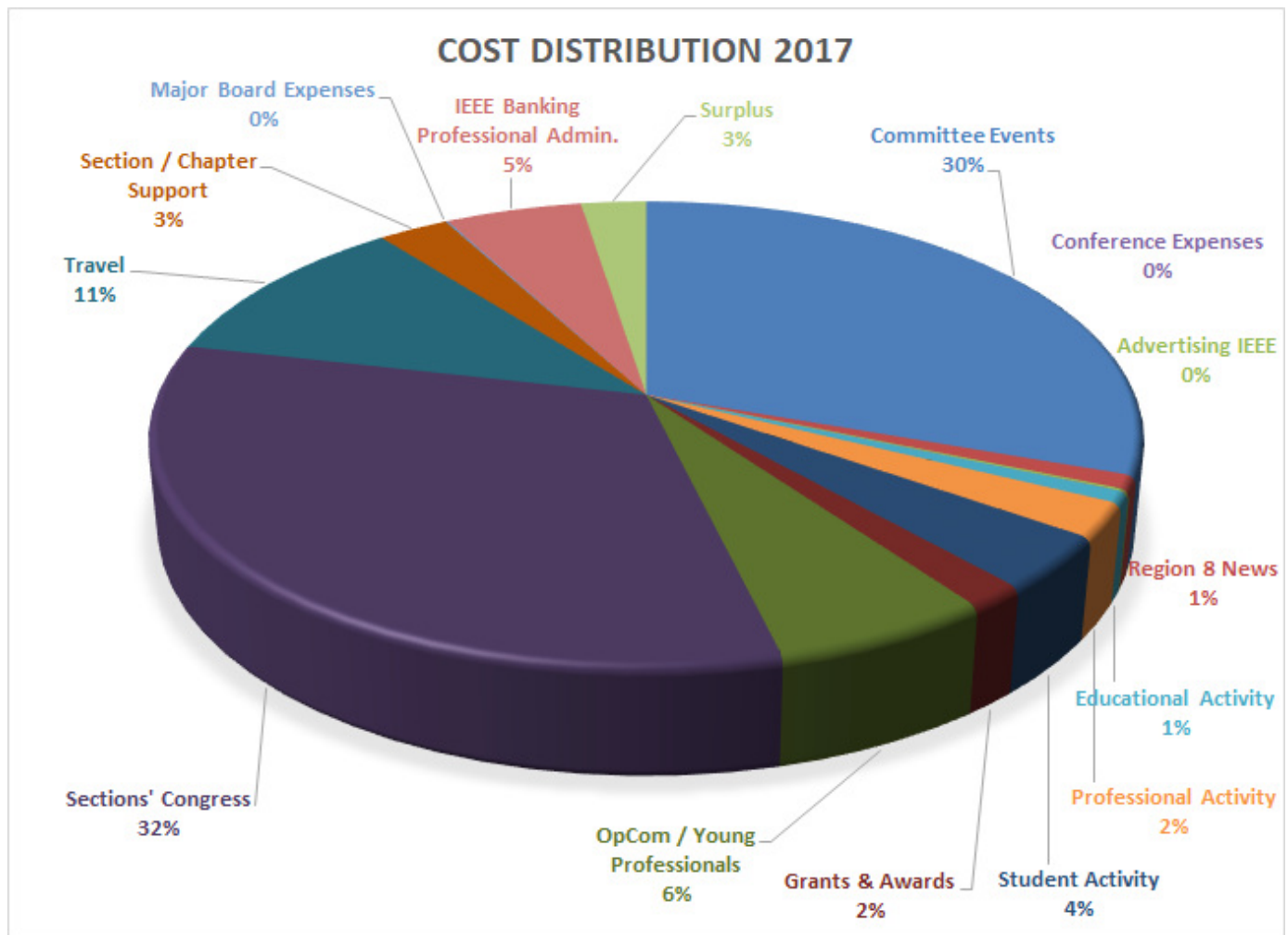
Region 8 values the assistance that it is able to give to those students of a low income, or are resident in areas of Region 8 having a relatively low GDP Per Capita. The VCF (Voluntary Contribution Fund) provides travel assistance to those IEEE Region 8 students who qualify to enable them to attend conferences of International standing so that they may present their papers on their research activity. The students are asked to acknowledge their support from IEEE during their presentation.

Region 8 thanks all those members who make such Donations or Voluntary Contributions whilst renewing their annual membership subscription to the Institute. Our desire is to further increase this support where possible.

The Expenditures:

It is apparent from the pie chart of "Cost Distribution" that the areas of "Committee Events" and "Sections' Congress" dominate the expense costs during 2017. Other activity was essentially squeezed between these two major events.

At a cost as at year end, and before any recoveries have been made, at \$266,641:56 the Region 8 Committee meeting in Stockholm, Sweden is the most expensive Region 8 meeting Region 8 has supported. When full recoveries of costs have been completed for Sections' Congress in Sydney, Australia the cost of this meeting is expected to be below the figure of \$246,686:25



as is seen at financial year end.

In considering the pie chart it should be appreciated that for reporting purposes we are required by MGA to include all travel costs associated with Sections' Congress within the "Sections' Congress" caption.

It will be seen that in 2017 the support to Student Activity appears to have been much reduced. The major Region 8 Student and Young Professional Congress takes place every two years and is destined to take place this year (2018) in Porto. The funding for this event is reliant upon the organising Students and Young Professionals achieving appropriate funding. IEEE Region 8 will contribute as a sponsor for this event.

The Region 8 Committee will be familiar with the volatile nature of the currency market during 2017. In order to ensure an accurate figure for the Net Assets of the Region at financial year-end, Region 8 completes a currency re-evaluation. This determined that during 2017 Region 8 lost the equivalent of \$19,422:24 in Net Assets owing to the variance in foreign currency exchanges as compared with the yearend position as at the 31st December, 2016.

The Outlook:

The exceptional high cost of particular events during the year 2017 demands that the appropriate controls are demonstrated on all such future potentially high cost events. Region 8 cannot sustain the continuing losses on the Cash Account.

IEEE Region 8 is also aware of the need to reduce the administrative effort required to support the Treasury.

It is intended that the efforts required to process reimbursements and to make payments, and the effort needed to prepare reporting to OpCom and to IEEE MGA should be distributed among more than one person.

It is intended to upgrade the present Banking and Bookkeeping processes to encompass an on-line reporting system to Region 8 Budget holders, that will be supported by an automatic bank feed from Region 8's Bankers. The present systems have been technically positioned to make this an easily achieved step.

IEEE Region 8 Financial Report for 2017

All Amounts are in &K US

Income (2017)	2017	2016	Disbursements (2017)	2017	2016
Region 8 Assessment	546.25	533.90	IEEE Region 8 Committee	236.25	215.64
Direct Support from MGA	174.34	172.99	Region 8 News	7.23	39.85
Voluntary Contributions	12.87	12.48	Conference Expenses	(0.08)	9.32
Technical Co-Sponsorship	0	1.00	Educational Activity	5.97	(10.93)
From Foundations	1.50	0	Professional Activity	18.29	17.04
Meetings and Social Events	0	0	Student Activity	29.90	98.82
Conference Revenue	7.27	19.42	Grants and Awards (VCF)	12.66	5.08
Educational Activity	0	0	Other Programmes (OpCom)	47.97	58.42
Project Revenue	0	0	Sections' Congress	250.83	0
Sections? Congress Receipts	0	0	Travel	84.32	151.18
Receipts from MGA	0.50	0	Sections and Chapter Support	21.00	42.10
IEEE HQ and Societies	0	0	MGA and Board Expenses	(0.68)	3.16
Unrealised Gain / (Loss) on Investments	92.73	37.92	Bank, IEEE HQ, Audit, and General Expenses	41.92	40.87
Dividends on Investment	13.16	11.37	Foreign Exchange Variance	19.42	(2.23)
Bank Interest	1.71	1.07			
Total	850.32	758.17	Total	773.99	668.35
Surplus	76.33	89.82			

Note: Year 2016 Income reduced by \$K 31.97 to account for Fraud occurrence

Statement of Region 8 Net Worth as at 31st December, 2017:

Region 8 Assets:	Beg. Balance 2016	Increases	Decreases	End Balance 2017
Cash Accounts	352,064.57		54,612.99	297,451.58
Investments	706,011.95	105,888.20		811,900.15
Loans and Advances (Receivables)		2,320.99	(231.14)	2,552.13
Accounts Receivable		2,000.00	2,000.00	
Total Assets:	1,058,076.52	110,209.19	56,381.85	1,111,903.86
 Liabilities and Net Worth:				
Loans and Advances (Payables)				
Net Worth at 31st December, 2017	1,058,076.52	110,209.19	56,381.85	1,111,903.86