

Financial Report

Accounts 2006 and Budgets 2007 and 2008

1. Financial situation at the end of 2006

All information in the report is presented in Euros and all FIG activities are based on this currency.

The current financial situation can be considered reasonably good. However, there are some observations to be made. First of all we continuously seem to have too many membership fees in arrears. At the end of 2006 the arrears amounted to € 65,235 in total. This is however an improvement compared to the end of 2005 when the receivables amounted to € 80,657 equivalent to about 18% of the annual membership fees. Most of these arrears will be paid during the next year, but they do have a negative impact on the cash flow and income from interest rates. A strict follow up on members that are in arrears has been implemented.

Again, there has been a very positive development in the membership of FIG. We have new member associations, academic members and corporate members. At the same time, 2006 was the fourth year when the member associations from the less developed countries received a 50 per cent discount on their membership fees. This has helped some member associations from developing countries to continue their membership.

The change of currency policy some years ago according to which the official currency of FIG is now the Euro has minimized the risk of losses relating to currency fluctuations. Thus in 2006 FIG actually gained Euro 3,596 on exchange rates, mostly because of the decline in the US dollar.

The result also includes provisions for bad debts (€ 3,000) and actual loss from expulsions € 6,992, which is remarkably higher than in 2005. In the future the amount of bad debts should decrease further as a result of the actions of Council to get the fees paid in time.

During the year 2006 a re-engineering of the FIG office was completed which will hopefully have a positive impact on the FIG finances. We have maintained the number of staff and the salary base will be similar. But the structure of the staff is now more administrative and accounting oriented to be efficient at organizing FIG events, which is an essential income.

At the end of 2006 FIG has a financial reserve of € 375,314 compared to € 374,136 at the end of 2005, which is further improving the situation compared to previous years. The total reserve is about the level of one year's expenditure. In the strategic plan of the current Council the goal is to collect a financial reserve, which covers expenditures for 1.5 years. The budgets for 2007 are expected to make a small surplus whereas 2008 looks better. The total assets at the end of 2006 were € 451,248 compared to € 472,480 in 2005. The equity has increased to € 392,875.

Accounts 2006

The operational result from 2006 is showing a surplus of € 4,855 compared to € 83,411 in 2005. The main reasons for the lower surplus are:

- Travelling was higher than budgeted in the last year of the German Council
- Printing, postage and mailing were much higher because the agenda for GA in Munich was much more voluminous than previous agendas which had a negative impact on the costs of sending hard copies
- Audit/accounting was higher due to the re-arrangement of the office
- Office supplies were higher due to establishment of the new office setup
- Loss on debtors were higher due to non payment and expulsion of members

Budget 2007

The revised budget for 2007 shows a surplus of € 6,944 that is a little better than 2006 but far less than 2005. Under income there is an increase in the membership subscriptions based on new members. Revenue from member associations and corporate members has increased.

Income from events in 2007 will be less than 2006. The 2 events FIG WW2007 in Hong Kong and the Regional Conference in Costa Rica are expected to yield only a minor surplus to FIG.

Travelling will be high in 2007 due to the 2 events in Asia and in Latin America and due to travelling duties during the first year of office.

Budget 2008

The budget 2008 shows a surplus of € 25,333. The surplus very much depends on income from FIG events, which in 2008 will rely on the WW2008 in Stockholm, Sweden. This is the first event where FIG will undertake full financial responsibilities and duties.

FIG has decided to start a move towards a higher degree of financial independence and thus we have made a provision for this in the 2008 budgets.

On the member side we expect also in 2008 to see an increase in members and hopefully less expulsions than in 2006 and 2007.

Travelling is budgeted lower in 2008, as there will only be one major event – the FIG WW2008 in Stockholm.

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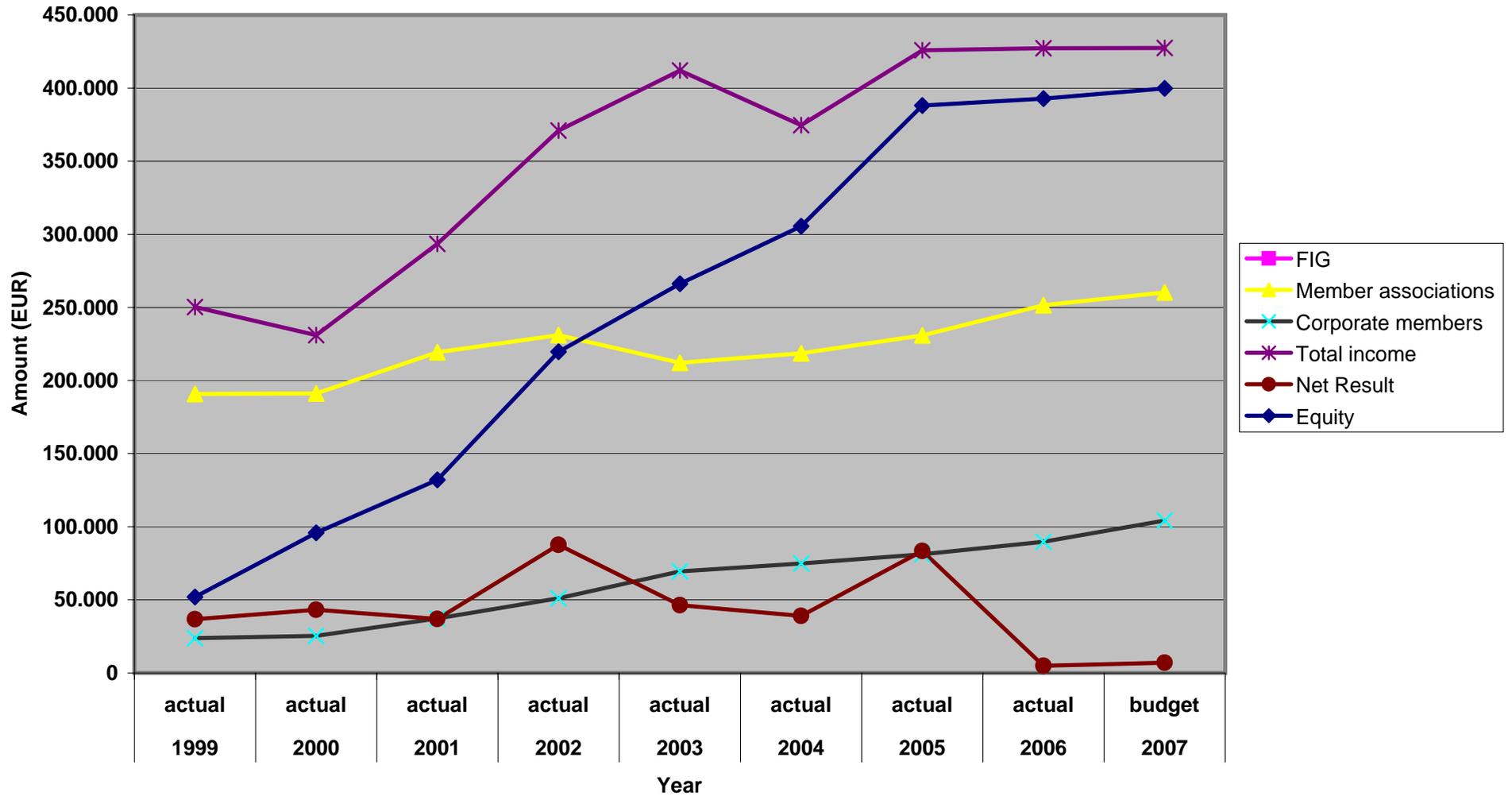


FIG Budget for 2007

	Budget 2007 Euro	Actual 2006 Euro	Actual 2005 Euro	Actual 2004 Euro
	GA 2007			
Income				
Subscriptions				
Member associations	260.315	251.432	230.779	218.683
Affiliates	8.910	8.646	5.981	4.683
Corporate members	104.320	89.713	81.156	74.799
Academic members	16.799	16.152	15.086	12.979
Total ¹⁾	390.344	365.943	333.002	311.144
Other income				
Sale of publications	100	143	50	35
Interest income	12.000	8.911	8.944	8.038
External projects ²⁾	25.000	52.181	83.062	47.733
Various	0	14	798	7.622
Other income total	37.100	61.249	92.854	63.428
Total Income	427.444	427.192	425.856	374.572
Expenditure				
Admin, Office and Council ³⁾	113.500	112.719	95.740	98.309
Council meetings ⁴⁾	46.000	59.998	31.262	23.270
FIG meetings ⁵⁾	58.000	53.609	43.326	56.639
Member support ⁶⁾	56.000	51.585	55.799	32.469
Commission activity ⁷⁾	68.000	64.306	35.535	43.238
Promotion ⁸⁾	33.000	36.315	30.666	28.483
Projects ⁹⁾	46.000	44.345	50.117	53.107
Total Expenditure	420.500	422.337	342.445	335.515
Result for the Year	6.944	4.855	83.411	39.057

NOTES TO BUDGET 2007

1. The income in 2007 is based on the membership changes as known at this point and the fees as they were adopted in 2005.
2. We are budgeting two events in 2007 – The FIG WW2007 in Hong Kong in May and the FIG Regional Conference in San José, Costa Rica in November. These two projects are expected to yield only a minor surplus for the Federation.
3. Administration includes part of wages, most of the office expenses such as accounting, telephone, insurance, supplies, banking costs, etc.
4. Council meetings include 3 meetings during the year, viz. one in Copenhagen, one in Hong Kong, and one in Costa Rica.
5. FIG meetings include costs of the General Assembly and administrative costs directly linked to the General Assembly.
6. Expenditures for member support include assistance to member associations, visits to member associations, and project costs directly related to members. It also includes most of the up dating on the FIG website.
7. Commission activities are this year budgeted with € 68,000 and include commission grants (now €2,500 per commission), ACCO meetings, and support to commission projects.
8. Promotion and member support include member visits and conferences around the world. Thus, various visits to India, Nairobi, Cuba, Uruguay, Monaco, Bulgaria, Canada, Finland, USA, Italy, Russia, Hungary, and others. Many of these trips have been almost fully or partly covered by the member associations visited and most of them are a mixture of member support and promotion of FIG.
9. Expenditure for external projects includes FIG Office assistance to WW2007 in Hong Kong and to the Regional Conference in Costa Rica. It also includes external expenditure directly related to projects, e.g. production of CD-ROMS and flyers, etc.

FIG Budget for 2008

	Budget 2008 Euro	Budget 2007 Euro	Actual 2006 Euro
	GA 2007	GA 2007	
Income			
Subscriptions			
Member associations	269.298	260.315	251.432
Affiliates	9.315	8.910	8.646
Corporate members	109.480	104.320	89.713
Academic members	17.640	16.799	16.152
Total ¹⁾	405.733	390.344	365.943
Other income			
Sale of publications	100	100	143
Interest income	14.000	12.000	8.911
External projects ²⁾	40.000	25.000	52.181
Various	0	0	14
Other income total	54.100	37.100	61.249
Total Income	459.833	427.444	427.192
Expenditure			
Admin, Office and Council ³⁾	117.735	113.500	112.179
Council meetings ⁴⁾	44.042	46.000	59.998
FIG meetings ⁵⁾	60.709	58.000	53.609
Member support ⁶⁾	58.584	56.000	51.585
Commission activity ⁷⁾	70.822	68.000	64.306
Promotion ⁸⁾	34.448	33.000	36.315
Projects ⁹⁾	48.159	46.000	44.345
Total Expenditure	434.500	420.500	422.337
Result for the Year	25.333	6.944	4.855

NOTES TO BUDGET 2008

1. The income in 2008 is based on the membership changes as known at this point and the fees as they were adopted in 2006.
2. We are budgeting only one event in 2008 – The FIG WW2008 in Stockholm, Sweden in June. This project will yield a nice surplus for the Federation.
3. Administration includes part of wages, most of the office expenses such as accounting, telephone, insurance, supplies, banking costs, etc.
4. Council meetings include 3 meetings during the year, viz. one in Copenhagen, one in Stockholm, and perhaps one more with Venue still to be decided.
5. FIG meetings include costs of the General Assembly and administrative costs directly linked to the General Assembly.
6. Expenditures for member support include assistance to member associations, visits to member associations, and project costs directly related to members. It also includes most of the up dating on the FIG website.
7. Commission activities are 2008 budgeted with € 70,000 and include commission grants (now €2,500 per commission), ACCO meetings, and support to commission projects.
8. Promotion and member support include member visits and conferences around the world and costs directly related to member projects.
9. Expenditure for external projects includes FIG Office assistance to WW2008 in Stockholm. It also includes external expenditures directly related to projects. Production of CD ROMs and flyers, etc.