

**Report to the 29th General Assembly
FIG Congress in Munich, October 2006**

Financial Report

Accounts 2005 and Budgets 2006 and 2007

1. Financial situation at the end of 2005

As already reported before the General Assembly in Paris in April 2003 decided that the official currency of FIG has been Euro from 1 January 2004. Thus all information in the report is presented in Euro (in addition to Danish Kroner (DKK) and all FIG activities are based on this currency.

At the end of 2005 FIG has a financial reserve of € 374,136 compared to € 302,720 at the end of 2004, which is further improving to the situation some years ago. 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 expenditure for 1.5 years. The budgets for 2006 and 2007 are expected to make some surplus but there are some uncertainties at the moment especially concerning income from events. The total assets at the end of 2005 were € 472,480 compared to € 372,471 in 2004. The equity has increased with € 82,491 which is an increase from 2004 by 27%.

Even though the current financial situation can be considered reasonably good there are some observations to be made. First of all we continuously have quite a lot of membership fees in arrears. This amount was at the end of 2005 € 80,675 in total, which is almost double the arrears of end of 2004, when these were € 48,475. The amount is about 24% per cent of the annual membership fees. Most of these arrears will be paid during the next years, but they 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 got new member associations, academic members and corporate members. The new member associations are for obvious reasons quite small as most big countries and large surveying associations are already members of FIG. Some of the old member associations have merged with other national associations to bigger units would increase the membership dues in the next years. This is just another good and necessary reason to follow up on arrears.

2005 was the second year when the member associations from the poorest countries got a 50 per cent discount on their membership fees. Again 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 Euro has minimized the risk of losses relating to currency fluctuations, and thus in 2005 FIG actually gained Euro 5,608 on exchange rates, mostly because of the US\$ drop

The result also includes also provisions of bad debts (€ 1,214) which is remarkably less than in 2004. In the future the amount of bad debts should decrease further after the actions prepared by the Council to get the fees paid in time.

During the year 2005 there was a complete re-engineering of the FIG office which has some financial impacts to the future. We kept the number of staff and the salary base will be similar. The structure of the staff is now more administrative and accounting oriented to be efficient at organizing FIG events which is an essential income. Therefore the structure of our accounting will change in the coming years when the project-based accounting is fully established.

Accounts 2005

The operational result from 2005 is showing a surplus of € 83,411 compared to € 39,057 in 2004. This is especially related to the very successful Cairo Conference which alone gave an income of € 84,801

Budget 2006

The revised budget for 2006 shows a surplus of € 30,400 which is on line with 2004 but far less than 2005. The main reason for this is that external projects and especially the regional conference in Accra, Ghana gives a marginal income to FIG. In the income there is slight increase in the membership subscriptions based on new members.

Budget 2007

The budget 2007 shows a surplus of € 15,622. The surplus is very much depending on the income from FIG events, which are at the moment the FIG Working Week in Hong Kong and the planned Regional Conference in Costa Rica. These two events will probably together give a small deficit, because of old agreements going back before the income strategy has changed under the running council.

Dr.-Ing. Ralf Schroth

Vice President

July 2006

FIG Accounts for 2005

	Actual 2005 Euro	Budget 2005 Euro	Actual 2004 Euro	Actual 2003 Euro
Income				
Subscriptions				
Member associations ¹⁾	230.779	245.000	218.683	212.153
Affiliates ²⁾	5.981	4.800	4.683	3.152
Corporate members ³⁾	81.156	75.000	74.799	69.357
Academic members ⁴⁾	15.086	14.400	12.979	11.346
Total	333.002	339.200	311.144	296.008
Other income				
Advertising	0	1.000	0	0
Sale of publications	50	1.000	35	1.034
Interest income	8.944	10.000	8.038	6.364
External projects ⁵⁾	83.062	47.700	47.733	65.899
Various	798	0	7.622	42.785
Other income total	92.854	59.700	63.428	116.082
Total Income	425.856	398.900	374.572	412.090
Expenditure				
Admin, Office and Council ⁶⁾	95.740	99.500	98.309	134.554
Council meetings ⁷⁾	31.262	29.500	23.270	29.414
FIG meetings ⁸⁾	43.326	54.000	56.639	46.781
Member support ⁹⁾	55.799	48.000	32.469	28.102
Commission activity ¹⁰⁾	35.535	62.000	43.238	41.403
Promotion ¹¹⁾	30.666	33.000	28.483	33.143
External projects ¹²⁾	50.117	47.500	53.107	52.275
Total Expenditure	342.445	373.500	335.515	365.672
Result for the Year	83.411	25.400	39.057	46.418

NOTES

- 1 The income from member associations in 2005 is less than budgeted mostly because ASCM from the USA is no longer in the maximum category. They have re-counted their members and arrived to 3,430 members (= a reduction of €5,800). We had budgeted with 1,000 new members (= €3,790), in addition to new member Kosovo. Iran joined, but only paid 50% of already reduced rate: 947.50 €, and the rest is minor changes in the number of members in the member associations.
- 2 We got no new Affiliate members in 2005, but the difference compared to the budget is that the budget did not reflect the categories of the World Bank Categories, so five members were invoiced 600€ instead of 300€. Mexico should have paid €600 as well, but very early claimed they had no money in the budget in 2005.
- 3 TOPCON CORPORATION platinum level member, Grontjmij silver level member and Remote Sensing Center of Environment Consulting, regional level member, have joined in 2005, (= €11,750), while the budget included 3 new members for a total of (= €4,300). Unfortunately Thales was included in the budget with €3,000, but they did not apply. By mistake two invoiced corporate members, SECO and Microsurvey, were never taken out, so they have been credited in 2005.
- 4 Instead of 10 new academic members, only 9 new members joined in 2005. By the end of 2005 Michigan Technical University from USA and Annamalai University of India have cancelled their membership. We have now 83 academic members.
- 5 The WW2005 was very successful and generated an income of 83,062 €, split into sections of FIG project coordination 20,000€, delegate service 13,850€ and 40% of surplus: 50,406.57€. The 4th Regional conference was cancelled and brought a small deficit of expenses already paid for, 1,111€. The amounts of the projects are net amounts as they are only taken into account when the projects are completed and the accounts have been made.
- 6 Administration includes part of wages, most of the office expenses such as accounting, telephone, insurance, supplies, banking costs, etc.
- 7 Council meetings include 2 meetings during the year, viz. one in Munich and one in Cairo the WW2005.
- 8 FIG meetings include costs of the General Assembly and administrative costs directly linked to the General Assembly.
- 9 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.
- 10 Commission activities were budgeted to € 62,000 but reached only € 35,535 and include commission grants, ACCO meetings, and support to commission projects. Commission costs are considerably lower than budgeted for two reasons. The ACCO dinner in Cairo was included in the conference accounts and all council and commission meetings in Cuba were cancelled. Besides this commission activities have been lower than budgeted.
- 11 Promotion and member support include member visits, thus two visits to Italy, a conference in Ukraine, a visit to Algeria and a visit to Brunei. Many of these trips have been almost fully or partly covered by the member associations visited. A visit to International Geodetic Week, Obergürgl, Austria covers both a member visit and promotion of FIG. Other promotion visits have been paid to United Nations Regional Cartographic Conference for the Americas (UNRCCA) in New York, UIA Congress and Habitat Professionals Forum: Session and Steering Committee Meeting in Istanbul, ESRI

User Conference in San Diego and Intergeo 2005, Düsseldorf Germany. Commission travel includes Commission 7 Annual Meeting and Symposium on Innovative Technologies for Land Administration - Madison, Wisconsin, USA and Commission 9 event with CIREA in Beijing. In addition there have been some travelling in connection with the reorganization of FIG Office in Copenhagen.

- 12 Expenditure for external projects includes FIG Office assistance to WW2005 in Cairo. It also includes external expenditure directly related to projects, e.g. production of CD-ROMS and flyers, etc.

FIG Budget for 2006

	Budget 2006 Euro	Budget 2006 Euro	Actual 2005 Euro	Actual 2004 Euro	Actual 2003 Euro
	GA 2006	GA 2005			
Income					
Subscriptions					
Member associations ¹⁾	245.000	252.000	230.779	218.683	212.153
Affiliates ²⁾	7.300	5.400	5.981	4.683	3.152
Corporate members ³⁾	89.000	78.500	81.156	74.799	69.357
Academic members ⁴⁾	16.000	15.700	15.086	12.979	11.346
Total	357.300	351.600	333.002	311.144	296.008
Other income					
Advertising	0	1.000	0	0	0
Sale of publications	100	1.000	50	35	1.034
Interest income	10.000	10.000	8.944	8.038	6.364
External projects ⁵⁾	45.000	47.700	83.062	47.733	65.899
Various	0	0	798	7.622	42.785
Other income total	55.100	59.700	92.854	63.428	116.082
Total Income	412.400	411.300	425.856	374.572	412.090
Expenditure					
Admin, Office and Council ⁶⁾	100.000	103.900	95.740	98.309	134.554
Council meetings ⁷⁾	40.000	29.600	31.262	23.270	29.414
FIG meetings ⁸⁾	55.000	62.400	43.326	56.639	46.781
Member support ⁹⁾	60.000	51.700	55.799	32.469	28.102
Commission activity ¹⁰⁾	42.000	62.500	35.535	43.238	41.403
Promotion ¹¹⁾	35.000	30.400	30.666	28.483	33.143
External projects ¹²⁾	50.000	42.500	50.117	53.107	52.275
Total Expenditure	382.000	383.000	342.445	335.515	365.672
Result for the Year	30.400	28.300	83.411	39.057	46.418

NOTES

1. The income from member associations in 2006 is based on the membership changes as known at this point and the fees as they were adopted in 2004. We are budgeting with 8 new associate memberships.
2. 3 new affiliate members are budgeted to enter as members in 2006.
3. As for corporate members we are adding 2 category D, 1 category C, 2 category F, and 3 category E members.
4. Net 5 academic members are expected to become members in 2006.
5. The Regional Conference in Accra, Ghana was very successful as regards the attendance. It did not yield anything directly to the bottom line of FIG, but costs were covered. We do not at this moment have the final result of the conference; however we do not foresee any major changes to the present picture which shows a minimal deficit of € 5,000 after costs are covered. Besides the Ghana Conference we have budgeted with the FIG International Congress in Munich in October but here again only costs are covered and we will get paid for editing the Technical Programme for the Conference. The amounts of the projects are net amounts as they are only taken into account when the projects are completed and the accounts have been made.
6. Administration includes part of wages, most of the office expenses such as accounting, telephone, insurance, supplies, banking costs, etc.
7. Council meetings include 4 meetings during the year, viz. one in Munich, one in Ghana and two in Copenhagen.
8. FIG meetings include costs of the General Assembly and administrative costs directly linked to the General Assembly.
9. 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. (see also note 11)
10. Commission activities are this year budgeted with € 42,000 and include commission grants, ACCO meetings, and support to commission projects.
11. Promotion and member support include member visits and conferences around the world. Thus, various visits to Ukraine, Georgia, China, Thailand, San Diego, Vienna, Krems, Vancouver, Poland, 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. (see also note 9)
12. Expenditure for external projects includes FIG Office assistance to Regional Conference and to the Congress in Munich. It also includes external expenditure directly related to projects, e.g. production of CD-ROMS and flyers, etc.

FIG Budget for 2007

	Budget 2007 Euro	Budget 2006 Euro	Budget 2006 Euro	Actual 2005 Euro
	GA 2006	GA 2006	GA 2005	
Income				
Subscriptions				
Member associations ¹⁾	250.030	245.000	252.000	230.779
Affiliates ²⁾	7.590	7.300	5.400	5.981
Corporate members ³⁾	93.850	89.000	78.500	81.156
Academic members ⁴⁾	17.052	16.000	15.700	15.086
Total	368.522	357.300	351.600	333.002
Other income				
Advertising	0	0	1.000	0
Sale of publications	100	100	1.000	50
Interest income	12.000	10.000	10.000	8.944
External projects ⁵⁾	25.000	45.000	47.700	83.062
Various	0	0	0	798
Other income total	37.100	55.100	59.700	92.854
Total Income	405.622	412.400	411.300	425.856
Expenditure				
Admin, Office and Council ⁶⁾	100.000	100.000	103.900	95.740
Council meetings	45.000	40.000	29.600	31.262
FIG meetings ⁷⁾	55.000	55.000	62.400	43.326
Member support ⁸⁾	60.000	60.000	51.700	55.799
Commission activity ⁹⁾	45.000	42.000	62.500	35.535
Promotion ¹⁰⁾	35.000	35.000	30.400	30.666
External projects ¹¹⁾	50.000	50.000	42.500	50.117
Total Expenditure	390.000	382.000	383.000	342.445
Result for the Year	15.622	30.400	28.300	83.411

NOTES

1. The income from member associations in 2007 is based on the membership fees as they were adopted in 2005. We have calculated the same members as 2006 budget but using the higher fees.
2. No new affiliate members are budgeted to enter as members in 2007.
3. As for corporate members we are adding 1 new member in each of the categories C, D and E.
4. A net addition of 2 academic members is budgeted for 2007.
5. 2007 will not be a year that will give much profit to FIG concerning external projects. Thus we have 2 major events, viz. the WW2007 in May in Hong Kong and the regional conference which will take place in the autumn of 2007 in Costa Rica. For these two events FIG is expecting a compensation of € 25,000.
6. Administration includes part of wages, most of the office expenses such as accounting, telephone, insurance, supplies, banking costs, etc.
7. FIG meetings include costs of the General Assembly and administrative costs directly linked to the General Assembly.
8. 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.
9. Commission activities are this year budgeted with € 45,000 and include commission grants, ACCO meetings, and support to commission projects.
10. Promotion and member support include member visits and conferences around the world, cost of printing the Annual Review, and costs directly related to member projects.
11. Expenditure for external projects includes FIG Office assistance to Regional Conference and to the WW in Hong Kong. It also includes external expenditure directly related to projects, e.g. production of CD-ROMS and flyers, etc.